

Whenever you see **COLOUR**, think of us

88<sup>th</sup>  
**ANNUAL REPORT**  
**2010-2011**



**Jenson and Nicholson (India) Ltd.**

**GLOBAL QUALITY IN EVERY CAN**

**Board of Directors**

A.S. Varma Chairman and Managing Director  
V.S. Varma  
Gopal Ji  
N.M. Sahai  
B.S. Sahay  
Ranjit Singh

**Audit Committee**

N.M. Sahai Chairman  
A.S. Varma  
Gopal Ji  
B.S. Sahay  
Ranjit Singh

**Remuneration Committee**

N.M. Sahai Chairman  
A.S. Varma  
Ranjit Singh  
Gopal Ji

**Investor Grievance Committee**

N.M. Sahai Chairman  
A.S. Varma  
Ranjit Singh

**Company Secretary**

B. Bhattacharjee

**Auditors**

M.Mukerjee & Co.

**Bankers**

Allahabad Bank  
State Bank of India  
Standard Chartered Bank  
Bank of India  
Bank of Baroda  
Canara Bank  
Union Bank of India

**C O N T E N T S**

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**Registrar & Share Transfer Agent**

C.B. Management Services Pvt. Ltd.  
P-22, Bondel Road,  
Kolkata-700 019  
Phone No. : 40116700/6728  
Fax No. : 2287-0263

**Registered Office**

7B, Middleton Street  
Kolkata-700 071  
Phone : 2287-7042  
Fax No. : 2283-5500

**Corporate Office**

Plot # 107, Udyog Vihar, Phase-IV,  
Gurgaon-122 016, Haryana  
Phone No. : 4567777 (30 lines)  
Fax No. : 4567750

### Notice of Annual General Meeting

Notice is hereby given that the 88<sup>th</sup> Annual General Meeting of the Company will be held on Friday, the 23<sup>rd</sup> day of September, 2011 at 10.30 A.M. at the Hall of Kalamandir Basement (Kalakunj), 48, Shakespeare Sarani, Kolkata – 700 017 to transact the following business :

#### ORDINARY BUSINESS

1. To consider and adopt the audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2011, the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. V.S. Varma who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr.B.S.Sahay who retires by rotation and being eligible offers himself for re-appointment
4. To appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS

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

##### As Special Resolution

5. "RESOLVED THAT in accordance with the provisions of Section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be required, consent be and is hereby accorded to the re-appointment of Mr. A. S. Varma, as Chairman and Managing Director for a further period of 3 years effective from 23<sup>rd</sup> January, 2011 without any remuneration, on the terms and conditions as set out in the explanatory statement attached to this notice."

"FURTEHR RESOLVED THAT the Board of Directors be authorized to alter or vary such terms and conditions as may be approved by such authorities and also to do all acts, deeds and things as may be considered necessary to give effect to the resolution."

Place : Patna

Dated : 19<sup>th</sup> May, 2011

Registered Office :

7B, Middleton Street

Kolkata – 700 071

By Order of the Board

**B. Bhattacharjee**

Company Secretary

#### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THIS ANNUAL GENERAL MEETING.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 16<sup>th</sup> September, 2011 to 23<sup>rd</sup> September, 2011 both days inclusive.
3. **Members are requested to notify immediately any change in their address to the Registrars and Share Transfer Agent of the Company, C. B. Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata – 700 019.**

4. Members desirous of getting any information about the accounts and operation of the Company are requested to write to the Company at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.
5. Pursuant to the relevant provisions of the Companies Act, 1956 all Unclaimed / Unpaid Dividend up to the year 1998-1999 have been transferred to the Investors' Education & Protection Fund. The Company did not declare any Dividend since then.
6. Members intending to avail of the nomination facility may furnish the particulars in the prescribed form and are advised to contact the Registrars for details in this regard.
7. In view of increase in cost of printing, you are requested to bring your copy of Annual Report with you at the meeting . Please bring the attendance slip with you duly filled in and hand over the same at the entrance of the meeting hall.
8. Members are advised to comply with the requirements of SEBI Insider Trading Regulations, 2002 as amended.
9. In view of Circular Nos. 17/2011 dated 21<sup>st</sup> April, 2011 and 18/2011 dated 29<sup>th</sup> April, 2011 issued by the Ministry of Corporate Affairs (MCA) on Green Initiative for service of notices/documents to the shareholders by electronic mode, in compliance of Section 53 of the Companies Act, 1956, shareholders are requested to register their e-mail address by sending written request to the Registrars of the Company C.B. Management Services Pvt. Ltd, P-22, Bondel Road, Kolkata- 700 019, Phone : 4011 6700/6728 and /or with the concerned depository participant where applicable and any changes therein from time to time . Shareholders holding shares in physical mode are requested to visit following web page to register their e-mail IDs and exercise their option accordingly.

[www.cbmsl.com/green.php](http://www.cbmsl.com/green.php)

Shareholders holding shares in demat mode and intend to receive the Annual Report in physical form may likewise visit the abovementioned web page to exercise their option.

#### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE BUSINESS SPECIFIED IN ITEM NO. 5 OF THE NOTICE CONVENING THE 88<sup>TH</sup> ANNUAL GENERAL MEETING

##### Item No.5

The current tenure of Mr. A. S. Varma, as the Chairman and Managing Director was to expire on 22<sup>nd</sup> January, 2011. The Board of Directors at its meeting held on 26<sup>th</sup> October, 2010 re-appointed Mr. Varma in the same capacity for a further period of 3 years effective from 23<sup>rd</sup> January, 2011 without any remuneration on the following terms and conditions and Mr. Varma accepted the assignment as such.

##### TERMS & CONDITIONS OF RE-APPOINTMENT

TENURE : 3 years with effect from 23<sup>rd</sup> January, 2011.

OTHERS: The Company shall reimburse all travelling and out of pocket expenses incurred by Mr. Varma in connection with the business of the company as per company rules.

Mr. Varma is associated with the company for more than two decades. He has wide experience in different disciplines of corporate functioning.

Except Mr. A. S. Varma and Mr. V. S. Varma who happens to be his relative none of the Directors is interested or concerned in the resolution.

Your Directors recommend the resolution for your approval.

This may be construed as an abstract of the terms and conditions of the re-appointment of Mr. Varma, pursuant to Section 302 of the Companies Act, 1956.

Place : Patna

Dated : 19<sup>th</sup> May, 2011

**Registered Office :**

7B, Middleton Street

Kolkata – 700 071

**By Order of the Board**

**B. Bhattacharjee**

Company Secretary

**Particulars of Directors seeking appointment /reappointment at the Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)**

Name of Director	Mr. A. S. Varma
Age	76 years
Qualification	B.Sc (Hons.), Graduate Member, Institute of Personnel Management, UK
Date of Appointment	04.11.1985
Expertise	Wide management experience as the top Executive in Industrial and business houses
Details of Directorships	Jenson & Nicholson (India) Ltd. Bihar State Industrial Development Corporation Ltd. Sujata Hotels Private Ltd. Stoke India Private Ltd.
Member of the Committee	Jenson & Nicholson (India) Ltd. Audit Committee, Remuneration Committee, Shareholders / Investors Grievance Committee
No. of Share held	N I L

Name of Director	Mr. V. S. Varma
Age	77 years
Qualification	B.Sc
Date of Appointment	07.02.2004
Expertise	Wide experience as a Senior Executive in Industrial and business houses
Details of Directorships	Jenson and Nicholson (India) Ltd. Medley Pharmaceuticals Ltd.
Member of the Committee	NIL
No. of Share held	N I L

Name of Director	Mr.B.S.Sahay
Age	75 years
Qualification	Graduate
Date of Appointment	23.05.2008
Expertise	Wide Corporate experience as Senior Executive in Industrial and business houses
Details of Directorships	Jenson & Nicholson (India) Ltd.
Member of the Committee	Jenson & Nicholson (India) Ltd. Audit Committee
No. of Share held	N I L

## REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011

Your Directors submit their report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

### Financial Results

₹ in lacs

Particulars	2010-2011 (Current Year)	2009-2010 (Previous Year)
Total Income	4814	4000
Total Expenditure	4886	4051
Operational Profit/(Loss)	(72)	(52)
Interest	220	172
Depreciation	210	212
Profit/(Loss) before Tax,		
Exceptional/Extra Ordinary Items	(502)	(436)
Exceptional/Extra Ordinary Items	101	110
Profit/(Loss) before Tax	(401)	(326)
Provision for Tax	-	-
Profit/(Loss) after Tax before		
Prior period items	(401)	(326)
Prior Period Items	-	62
Profit/(Loss) after Tax	(401)	(387)
Profit/(Loss) brought forward from previous year	(47470)	(47083)
Balance Carried to Balance Sheet	(47872)	(47470)

### Operations

Total income for the year ended 31<sup>st</sup> March, 2011 amounted to Rs.4814 Lacs as against Rs. 4000 Lacs for the year ended 31<sup>st</sup> March, 2010. The Company till now is facing acute Shortage of Working Capital which has its negative impact on the performance. However, introduction of good product mix and greater attention on the high value premium products, helped the Company to realize better margin, though there was constant pressure as a consequence of cost escalation.

Financial constraints faced by the company over the last several years remain unresolved. Production at Naihati Factory remained suspended. Production at Sikandrabad factory continued at the lower level.

### Financial and Organisational Restructuring

Company's efforts for restructuring has taken a positive shape. The company has been able to find some strategic investor and with the assistance extended by them, has been able to settle the dues almost of all the secured creditors. The Company has been able to settle with nearly 92% of its secured creditors. Sale of Panvel property also appears to take a final shape very soon and is expected to realize better price in the rising real estate market. Once all these are in order, final restructuring scheme will be placed before the BIFR for approval.

### Information pursuant to Section 217 of the Companies Act, 1956

#### A) Conservation of Energy & Technology Absorption

Every effort is there for optimal use of energy and minimize the cost for energy consumption through close monitoring.

Information pursuant to section 217(1) (e) of the companies Act.,1956 read with the Companies

(Disclosures of Particulars in the Report of Board of Directors), Rules, 1988, for the year ended 31st March, 2011 are given in the Annexure-I hereto.

**B) Particulars of Employees**

Particulars of Employees under Section 217(2A) of the Companies Act, 1956.

Nil.

**C) Directors' Responsibility Statement**

Pursuant to the provisions of Section 217(2AA) of the Act, the Directors state that :

- In the preparation of the accounts for the year ended 31<sup>st</sup> March, 2011, applicable accounting standards have been followed with no material departure;
- Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the loss for the year ended on that date;
- Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The accounts for the year ended 31<sup>st</sup> March, 2011 have been prepared on a going concern basis.

**Foreign Exchange Earnings and Outgo**

- Earnings of Foreign Exchange during the year ended 31st March, 2011 was Rs. NIL Lacs against Rs. NIL Lacs during the year ended 31st March, 2010.
- The outflow of foreign Exchange during the year ended 31st March, 2011 was Rs. NIL lacs against Rs. Nil Lacs during the year ended 31st March, 2010.

**Listing of Shares**

Ordinary Shares of the Company continued to be listed with the Calcutta, Mumbai and National Stock Exchange.

The Company has made application for delisting of shares with Ahmedabad, Bangalore, Delhi and Magadh Stock Exchanges.

**Corporate Governance**

The report of the Corporate Governance certified by M. Mukerjee & Co., Statutory Auditors confirming compliance as stipulated in Clause 49 of the Listing Agreement has been set out in Annexure II.

**Management Discussion and Analysis**

Management discussion and Analysis has been appended to this report in terms of the Listing Agreement is given in Annexure III.

**Directors**

The tenure of appointment of Mr.A.S.Varma as the Chairman and Managing Director was to expire on 22nd January, 2011. The Board of Directors at its meeting held on 26<sup>th</sup> October, 2010 re-appointed Mr.Varma in the same capacity for a further period of 3 years without remuneration and Mr. Varma accepted the assignment. UTI withdrawn nomination of Ms. Vasantha Govindan from the Board with effect from 13<sup>th</sup> January, 2011. The Board placed on record their appreciation of the services rendered by Ms. Govindan during her association with the company. BIFR withdrawn nomination of Mr. Arun Ramanathan from the Board effective from May 18, 2011. The Board placed on record their appreciation of the services rendered by Mr. Ramanathan during his association with the company

Mr. V. S. Varma and Mr.B. S. Sahay retire by rotation and being eligible offers themselves for re-appointment

**Auditors' Report**

Observations made in paras 4(i) and 4(iii) of the Auditor's Report are self explanatory and for further details reference is made to schedules 16 & 17 of the accounts. Necessary remedial measures have been initiated in respect of item nos.4(ii) and 4(iii) of the Auditors' Report.

**Auditors**

M/s. M. Mukerjee & Co., Chartered Accountants, retiring Auditors have been proposed for reappointment at the Annual General Meeting.

**Appreciation**

Industrial relations remained cordial during the period under review. Your Directors place on record their appreciation for the support and contribution made by the employees at all levels. Your Directors also wish to place on record their appreciation for the help and support extended by the Banks and Financial Institutions during the year under review.

**For and on behalf of the Board**

Place : Patna  
Date : 19<sup>th</sup> May, 2011

**A. S. Varma**  
Chairman

**Annexure I to the Directors' Report**

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 and forming part of the Directors' Report for the year ended 31st March, 2011.

**FORM – A**

	For the year ended 31.03.2011	For the year ended 31.03.2010
--	-------------------------------------	-------------------------------------

**A. Power and Fuel Consumption**

**1. Electricity**

**a) Purchased**

Units (KWH)	322,152	328,328
Total Amount (Rs.)	25,24,297	26,55,520
Rate / Unit (Rs./KWH)	7.84	8.09

**b) Own Generation**

**i) Through Diesel Generation**

Units (KWH)	37,756	24,684
Unit per ltr. of Diesel (KWH/ltr.)	3.50	3.09
Cost/Unit (Rs./KWH)	11.22	11.45

**ii) Through Steam Turbine/Generator**

Units		
Unit per litre of Fuel		
Oil/Gas (KWH/ltr.)	NA	NA
Cost/Unit (Rs./KWH)		

**2. Coal**

Quantity		
Total Cost	NA	NA
Average Rate		



**3. Furnace Oil**

Quantity		
Total Amount	NA	NA
Average Rate (per KL)		

**4. Others/Internal Generation**

Quantity		
Total Cost	NA	NA
Rate/Unit (Per KL)		

**B. Consumption per unit of production**

Paints, Varnishes & Enamels (KL)*	4542.00	3845.00
Unit/KL		
Electricity	70.24	90.19
Coal	NA	NA
Furnace Oil	NA	NA
Others	NA	NA

\*No specific standard as the consumption per unit depends on the product mix

The variation in consumption in power and fuel was due to different product mix and higher quantity of production between current period and previous period.

**FORM - B**
**RESEARCH AND DEVELOPMENT (R&D)**

- 1) Specific areas in which R&D carried out by the Company : Nil
- 2) Benefits derived as a result of the above : Does not arise
- 3) Future Plan of Action : Not yet decided
- 4) Expenditure on R&D
  - i) Revenue Rs. Nil
  - ii) Total Rs. Nil
  - iii) Total as % of total turnover Nil

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

- 1) Efforts in brief made towards technology absorption, adaptation & innovation – Nil
- 2) For imported technology (imported during last 5 years reckoned from the beginning of the Financial Year).

**The following is being furnished :**

- a) Technology Imported Nil
- b) Year of Import -
- c) Has technology been fully Absorbed -

**For and on behalf of the Board**

Place : Patna  
Date : 19<sup>th</sup> May, 2011

**A. S. Varma**  
Chairman

**ANNEXURE II TO THE DIRECTORS' REPORT**
**CORPORATE GOVERNANCE :**

(As required by clause 49 of the Listing Agreement of the Stock Exchanges)

**1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Transparent business practices, customer care and service to the stakeholders

**2. BOARD OF DIRECTORS**

As on 31<sup>st</sup> March, 2011, the Board of Directors comprised of seven members of which six are Non-Executive. Except two all are independent Directors in terms of the definition of independent director contained in the Clause 1 (A)(iii) of Clause 49 of the Listing Agreement. The Chairman & MD is the Executive Director.

Out of the five Independent Directors there is one special director appointed by BIFR.

- i) During the twelve months ended March 31, 2011, the Board met four times on 28<sup>th</sup> May, 2010, 28<sup>th</sup> July, 2010, 26<sup>th</sup> October, 2010, 2nd February, 2011.
- ii) Details of individual status of Directors and the attendance of Directors at Board Meetings and at the last Annual General Meeting is given in the following table:

Name of Directors	Category	No. of Board Meetings attended	Attendance at last A.G.M. held on 29.09.10	Remarks
Mr. A. S. Varma Chairman and Managing Director	Executive	4	Yes	
Mr. V. S. Varma	Non-Executive	1	No	
Mr. Gopal Ji	Non Executive Independent	2	No	
Mr. N.M. Sahai	Non Executive Independent	4	Yes	
Mr. B. S. Sahay	Non Executive Independent	4	No	
Mr. Ranjit Singh	Non Executive Independent	3	Yes	
*Mr. Arun Ramanathan	Non Executive Independent	2	No	BIFR appointed him as Special Director w.e.f. 22nd February, 2010

Mr. A.S. Varma and Mr. V. S. Varma happens to be relative.

UTI withdrawn nomination of their nominee from the Board w.e.f. January 13,2011.

\*BIFR withdrawn nomination of Mr. Arun Ramanathan as Special Director w.e.f. 18.05.2011.

iii) Details of other Directorships, etc.

The details of the Directorships in other Companies (excluding Private Limited Companies and Companies under Section 25 of the Companies Act, 1956) Chairmanships and the Committee memberships held by the Directors are given below:

Name of Directors	No. of other Directorships [Excluding J&N(I) Ltd]	Chairman of the Board [Excluding J&N(I) Ltd.]	Board Committees of which he is a member [Including J&N(I)Ltd]	Board Committees of which he is a Chairman [Including J&N(I)Ltd]
Mr. A.S. Varma	3	-	3	-
Mr. V. S. Varma	1	-	3	-
Mr. Gopal Ji	-	-	2	-
Mr. N. M. Sahai	1	-	3	3
Mr. B. S. Sahay	-	-	1	-
Mr. Ranjit Singh	-	-	1	-
*Mr. Arun Ramanathan	5	-	1	-

\*BIFR withdrawn nomination of Mr.Arun Ramanathan, Special Director w.e.f. 18<sup>th</sup> May,2011.

Chairmanship / Membership of Board Committees include membership of Audit, Remuneration, and Investors' / Shareholders' Grievance Committee only.

iv) Code of Conduct

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company. The code of conduct has been posted on company's website. All Board Members and Senior Management personnel have affirmed compliance of said code of conduct for the year ended 31<sup>st</sup> March,2011. Necessary declaration to this effect signed by the Chairman & Managing Director is annexed hereto.

### 3. **AUDIT COMMITTEE**

i) The Audit Committee of the Board is in existence for the last three years and comprised of the following Directors at 31<sup>st</sup> March, 2011 :

Mr.N.M.Sahai	-	Chairman
*Mr. V. S. Varma	-	Member
Mr. Gopal Ji	-	Member
Mr. B. S. Sahay	-	Member
Mr. A. S. Varma	-	Member
Mr. Ranjit Singh	-	Member
* Mr.Arun Ramanathan	-	Member

Majority of members of Audit Committee have sound knowledge of Accounts, Audit and Financial matters.

\*Mr.V.S.Varma resigned w.e.f. 19<sup>th</sup> May,2011

\*BIFR withdrawn nomination of Mr.Arun Ramanathan ,as Special Director w.e.f. 18<sup>th</sup> May,2011.

ii) During the twelve months period ended March 31, 2011, the Audit Committee met four times. The Company Secretary acts as the Secretary of the Audit Committee. The details of attendance of the Committee Members are given below:

Name of Directors	28.05.10	28.07.10	26.10.10	02.02.11
Mr. A. S. Varma	Yes	Yes	Yes	Yes
Mr. V. S. Varma	No	Yes	No	No
Mr. N. M. Sahai	Yes	Yes	Yes	Yes
Mr. Gopal Ji	Yes	Yes	No	Yes
Mr. B. S. Sahay	Yes	Yes	Yes	Yes
Mr. Ranjit Singh	Yes	No	Yes	Yes
Mr. Arun Ramanathan	No	Yes	Yes	No

iii) **The Audit Committee has been assigned the following terms of reference:**

- Oversight of the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending appointment and removal of auditors, fixation of audit fee, approval of payment of statutory auditors for any other services rendered by them.
- Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval with a focus on matters required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956 accounting policies and any changes therein, major accounting entries qualifications in draft audit report, significant adjustments arising out of audit, going concern

assumptions, compliance with accounting standards, legal compliance and compliance with listing agreement, related party transactions, adequacy of internal audit function including staff structure and seniority of Officers, reporting structure, coverage and frequency of internal audit.

- d) Discussion with the Internal Auditors, any significant findings and follow up thereon.
- e) Reviewing the findings of any internal investigation.
- f) Discussion with external auditors on the nature and scope of audit and post audit discussion to ascertain area of concern.
- g) Reviewing the company's financial and risk management policies and the reason for defaults, if any in payments to depositors, debenture holders and creditors.
- h) Besides, the Audit Committee has been given the following powers to exercise its functions efficiently and effectively:
  - i) to investigate an activity within its terms of reference,
  - ii) to seek significant information from an employees,
  - iii) to obtain outside legal or other professional advice,
  - iv) to secure attendance of outsiders with relevant expertise, if it considers necessary.
- i) Approval of appointment of CFO before finalization of the same by the Management.
- j) Review Management discussion and analysis of financial condition and results of operation.
- k) Review statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.
- l) Review Management letters / letters of internal control / weaknesses issued by statutory auditors.
- m) Review Internal Audit Reports relating to internal control / weaknesses.
- n) Review the appointment, removal and terms of remuneration of the Chief Internal Auditor.

#### **4. REMUNERATION COMMITTEE**

- i) **A Remuneration Committee has been constituted comprising of the following members as at 31<sup>st</sup> March, 2011.**

Mr. N. M. Sahai	- Chairman
*Mr. V. S. Varma	- Member
Mr. Gopal Ji	- Member
Mr. A. S. Varma	- Member

**\*Mr. V. S. Varma resigned w.e.f. 19<sup>th</sup> May, 2011 and Mr. Ranjit Singh appointed therein.**

- ii) Terms of reference of the Remuneration Committee includes:
  - (a) To fix up the remuneration packages of the Managing Director / Whole time Director / Executive Directors / Manager (Chief Executive) in whole time capacity and to change or vary the terms and conditions of their appointment subject to statutory regulations.
  - (b) To decide upon the re-appointment of the Managing Director / Whole time Director and other Executive Directors / Manager (Chief Executive) in whole time capacity along with their remuneration and recommend to the Board.
  - (c) In order to retain the best talents and to motivate them, to review the remuneration packages in line with the trend in the industry and other organizations of similar magnitude.
  - (d) To frame an overall remuneration policy for the Managing Director / Whole time Director and other Executive Directors / Manager (Chief Executive) in whole time capacity including the Superannuation and other compensation payments within the overall statutory limits.
  - (e) To keep in view while deciding upon remuneration payable to the Managing Director / Whole time Director / Executive Director / Manager, the complexities of the business of the Company, problems faced by it and efforts made to review the same.

#### **iii) Remuneration Policy**

The Company's remuneration policy has been outlined in the "Terms of Reference" of the Remuneration Committee as stated above. However, the remuneration of the Whole time Directors / Chief Executive, if any, is fixed in accordance with the statutory provisions and with the approval of the Members.

#### **iv) Sitting Fees Paid to the Directors for the 12 months period ended 31.03.2011**

Non Executive Directors are eligible for sitting fees for meetings attended. Details of sitting fees and commission paid / payable to Non-executive Directors are as follows:

Name of Director	Sitting Fees in ₹	Total in ₹
V. S. Varma	15,000/-	15,000/-
Gopal Ji	20,000/-	20,000/-
Vasantha Govindan	10,000/-	10,000/-
N. M. Sahai	45,000/-	45,000/-
B. S. Sahay	40,000/-	40,000/-
Ranjit Singh	30,000/-	30,000/-
Arun Ramanathan	20,000/-	20,000/-
	1,80,000/-	1,80,000/-



*Whenever you see color, think of us*

- j) Disclosure of Accounting Treatment- In the preparation of financial statements, the company has followed the norms prescribed in the accounting standards.

**8. MEANS OF COMMUNICATION**

- i) Half Yearly report sent to Shareholders : Half yearly results have not been sent to the shareholders. However, the half yearly report, as applicable, is being sent to the Stock Exchanges and is also published in the newspapers.
- ii) Quarterly results published in the newspaper : i) Financial Express- English  
ii) Kalantar- Bengali
- Audited Financial Results : i) Financial Express - English  
ii) Kalantar- Bengali
- iii) Any website where results or official news are displayed. : Yes, through company's website
- iv) The presentation made to Institutional Investors or to Analysts : None made during the period ended 31<sup>st</sup> March, 2011.
- v) Whether management discussion and analysis is a part of Annual Report or not : Has been annexed to Directors' Report

**9. GENERAL SHAREHOLDERS' INFORMATION**
**i) Annual General Meeting**

Date	23rd September, 2011
Time	10.30 A.M.
Venue	Hall of Kalamandir Basement (Kalakunj), 48, Shakespeare Sarani, Kolkata - 700 017

**ii) Financial Calendar**

(Tentative)

Results of 12 months period (audited)	End May, 2011
First Quarter Results (30th June)	End July, 2011
Mailing of Annual Report	End August, 2011
Annual General Meeting	End September, 2011
Second Quarter Results (30th September)	End October, 2011
Third Quarter Results (31st December)	End January, 2012
Annual Audited Results for the year ending March 31, 2012	End May, 2012

- iii) **Book Closure** : 16.09.2011 to 23.09.2011  
(both days inclusive)
- iv) **Dividend Payment Date** : In view of loss, no dividend was recommended for payment to the Ordinary or Preference Shareholders.
- v) **Listing on the Stock Exchanges** : 1. The Calcutta Stock Exchange Association Ltd.  
7, Lyons Range, Kolkata – 700 001.  
2. Bombay Stock Exchange Ltd  
Phiroze Jeejeebhoy Towers, 25<sup>th</sup> Floor,  
Dalal Street, Mumbai – 400 001.  
3. National Stock Exchange of India Ltd,  
"Exchange Plaza", 5<sup>th</sup> Floor, Plot no.C/1  
G Block, Bandra-Kurla Complex, Mumbai – 400 051.

The Board has decided for voluntary delisting of its shares from the stock exchanges at Ahmedabad, Bangalore, Delhi and Magadh. Necessary approval of the Shareholders has also been obtained at the last Annual General Meeting held on 30<sup>th</sup> September, 2002. The matter is in process.

- vi) **Stock Code** : 1. The Calcutta Stock Exchange Association Ltd. 20241 and 10020241  
2. The Bombay Stock Exchange, Mumbai 523592  
3. The National Stock Exchange of India Ltd. JENSONICOL
- vii) **Market Price Data** : Month wise high and low Quotations on National Stock Exchange (NSE) during the 12 months period are as under :

**Share Price Data (For the period 01.04.2010 – 31.03.2011)**

Month	National Stock Exchange (NSE) Rs.	
	High	Low
April, 2010	7.00	5.80
May, 2010	6.20	5.05
June, 2010	6.20	5.05
July, 2010	8.40	5.60
August, 2010	7.15	5.60
September, 2010	7.10	5.50
October, 2010	6.30	5.70
November, 2010	7.10	4.80
December, 2010	5.75	4.20
January, 2011	5.50	4.20
February, 2011	4.90	3.35
March, 2011	4.75	3.55

viii) **Registrar and Share Transfer Agent** : C. B. Management Services Pvt. Ltd  
P-22, Bondel Road, Calcutta – 700 019  
Phone No. 4011 6728  
Fax No. 2287 0263

**ix) Share Transfer System**

Share transfer in physical form are registered by the Registrars and placed before the Share Transfer Committee for approval and returned to respective transferees within a period ranging from fifteen Days to one month usually, provided the documents lodged with the Registrars/Company are clear in all respects.

**x) Distribution of Shareholding**

No. of Shares	No. of Share Holders	Percentage of Total Share Holders	No. of Shares	Percentage of Total Share Holdings
1 to 500	11339	56.79	2987009	7.98
501 to 1000	5253	26.31	4131373	11.04
1001 to 2000	1707	8.55	2694540	7.20
2001 to 3000	539	2.70	1430813	3.82
3001 to 4000	209	1.05	774815	2.07
4001 to 5000	329	1.65	1607785	4.30
5001 to 10000	353	1.77	2736630	7.31
10001 to Above	237	1.18	21062630	56.28
<b>TOTAL</b>	<b>19966</b>	<b>100.00</b>	<b>37425595</b>	<b>100.00</b>

**xi) Shareholding Pattern**

Sl. No.	Status	No. of Holders	No. of Shares	% to Total
1	Resident Individuals	19444	20015244	53.47
2	Domestic Companies	416	3793118	10.14
3	Non Resident Indians	92	188248	0.50
4	Indian Promoters & Associates	2	12633342	33.76
5	Financial Institutions, Insurance Companies	4	792393	2.12
6	Mutual Fund & UTI	1	375	0.00
7	Banks	7	2875	0.01
8	Overseas Corporate Bodies	Nil	Nil	Nil
		<b>19966</b>	<b>37425595</b>	<b>100.00</b>

**xii) Dematerialisation of Shares :**

As on 31st March, 2011, 90.74 % of the total number of shares of the Company were held in Demat mode. The Code number allotted by NSDL / CDSL is (ISIN) INE 819 B 01021

**xiii) Outstanding GDR / ADR / : Warrants or any convertible instruments**

The Company did not issue any GDR/ADR/Warrants or any convertible instruments during the year under review.

**xiv) Plant Locations :**

**Naihati-West Bengal** : P.O. Naihati 24, Parganas (North), West Bengal

**Sikandrabad -U.P.** : Plot Nos 21 & 22., U.P.S.I.D.C Ind. Area, Sikandrabad – 203205 Dist.- Bulandshahr, U.P.

**xv) Registered Office & Address for correspondence** : Jenson & Nicholson (I) Ltd.  
7B, Middleton Street,  
Kolkata – 700 071

Ph.: 91-33-22877042

Fax: 91-33-22835500

www.jennicholson.com

**xvi) Corporate Office** : Jenson & Nicholson (I) Ltd.  
Plot No. 107, Udyog Vihar,  
Ph-IV, Gurgaon-122016 (HR)  
Phone : (0124) 4567777  
Fax No. (0124) 4567750

**xvii) Compliance Certificate from Auditors** : This has been obtained and annexed hereto

**xviii) Any qualification in Auditors** : The Auditors have made some qualifications which have been dealt with in the Directors' Report at appropriate places.

**xix) CEO/CFO Certification** : As required by Clause 49 of the Listing Agreement, the CEO / CFO Certification has been provided to the Board.

**xx) Report on Corporate Governance : Mandatory requirements**

i) All the mandatory requirements of Clause 49 have been complied with by the company

**ii) Non Mandatory Requirements**

The extent of compliance of non mandatory Requirements are given below:

a) The company has constituted a Remuneration Committee for deciding upon remuneration packages for Executive Directors and for Compliance with the requirements laid down on the subject

b) The company however is yet to comply with other non mandatory requirements i.e.

(i) half yearly communication with shareholders

(ii) regime of unqualified financial statements

(iii) training of board members

(iv) mechanism for evaluating non executive board members and

(v) whistle blower policy.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**
**To the Members of**

JENSON AND NICHOLSON (INDIA) LTD.

We have examined the compliance of conditions of Corporate Governance by JENSON AND NICHOLSON (INDIA) LTD. for the year ended on 31 March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, read with Clause 2 (i) of Annexure to Directors' Report on Corporate Governance regarding stipulated gap between Board Meetings, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 and on behalf of**

**M. Mukerjee & Co.**

Chartered Accountants

**(Spandan Sengupta)**

Partner

Membership No. 135833

FRN. No. 303013 E

Place : Patna

Date : 19<sup>th</sup> May, 2011

**DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT CONTAINING CORPORATE GOVERNANCE**

In accordance with Clause 49 of the Listing Agreement with the Stock exchanges, I hereby confirm that all the Board Members and the Senior Management Personnel of the Company have affirmed compliance of the Code of Conduct for its Directors and Senior Management, for the year ended 31<sup>st</sup> March 2011.

**For Jenson & Nicholson (I) Ltd**

**For and on behalf of the Board**

**A. S. Varma**

Chairman

Place : Patna

Dated: 19<sup>th</sup> May, 2011

Place : Patna

Date : 19<sup>th</sup> May, 2011

**A.S. Varma**

Chairman & Managing Director

**ANNEXURE III TO THE DIRECTORS' REPORT -2011  
MANAGEMENT DISCUSSION AND ANALYSIS**

**Company Performance and the Outlook of the market**

During the financial year, Indian economy witnessed some recovery after the slow down which had its severe impact. There was slow increase in industrial activities. Paints market for industrial and decorative segments appear to be encouraging. Performance of the company during the year has been somewhat better, but because of severe working capital shortage and rise in cost of other inputs, it could not take the full advantage of expanding market and there was constant pressure on margins. However, efforts are on to utilize the resources to the optimum.

**Risks & Threats**

Most of the Raw Materials used for manufacture of Paints are oil based and the price of oil in international market increased very sharply again and the company is exposed to such international price fluctuations of these products. Prices of electricity and other inputs have also gone up. Rate of inflation is still high with double digit rise. All these have a very negative impact on the margins. Apart from this, unorganized small producers also tend to be a real challenge.

**Restructuring**

Company's restructuring plan has taken a positive step. The company has been able to find a strategic partner and with the assistance extended by them, the company has been able to make settlement of debts with all most all the secured creditors. Sale of Panvel properties which could not materialize because of inability on the part of the bidder to keep his commitment as a result of depressed real estate market, has been in progress. The matter has been referred to Asset sale committee for early resolution.

**Internal Control System**

The Company has adequate Internal Control System into various areas to ensure transparency. All the efforts are there to further develop the system and to extend it to new areas. Several Chartered Accountant firms have been appointed to carry out Internal Audit at various branches. They keep regular visits to the branches, make reports of the branch operations for management decisions.

**Industrial Relations**

Industrial Relations by and large cordial at all levels. As on today total number of employees at all levels are 449

**For and on behalf of the Board**

Place : Patna

Date : 19<sup>th</sup> May, 2011

**A.S. Varma**

Chairman

**AUDITORS' REPORT TO THE MEMBERS OF JENSON & NICHOLSON (INDIA) LIMITED**

1. We have audited the attached Balance Sheet of Jenson & Nicholson (India) Limited, as at 31<sup>st</sup> March, 2011 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require 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 a test basis, evidence supporting the amounts and disclosures 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of 'The Companies Act, 1956' we enclose in the Annexure a statement on the matters stated in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to above, we report that :
  - i) **The banks, financial institutions and other lenders have filed legal cases against the company for recovery of outstanding loans and interest thereon. No provision has been made in these accounts for additional interest, penal interest, liquidated damages etc. amounting to Rs. 73967 thousand as claimed by the above lenders at various legal forums. The same has been shown as contingent liability in notes to accounts attached to the said accounts. Company however had been providing interest on the above loans on a basis as considered appropriate by the management but up to 31<sup>st</sup> March, 2006. However, the company has stopped providing interest on all loans from banks and financial institutions whether secured or unsecured w.e.f. 01.04.2006 on the ground that these loans would have been declared NPA by them. Interest amounting to Rs. 5141612 thousand up to the current year ended 31<sup>st</sup> March, 2011 has not been provided but the same has also been included in contingent liability.**
  - ii) **In the absence of documentary evidences and confirmations, amount of Interest payable to the suppliers in the form of Micro, Small and Medium Enterprises and others under the provision of the Micro, Small and Medium Enterprises Development Act, 2006 could not be ascertained.**
  - iii) **These financial statements have been prepared on a going concern basis. The Company has incurred a loss during the year. The Company is passing through a severe liquidity crisis and is unable to honour its commitment to lenders, preference shareholders, suppliers and employees. The bankers, financial institutions and other lenders have taken legal action for recovery of their dues. Several petitions for winding up of the company**



have been filed by the creditors and lenders. The company is contesting these petitions or is settling such petitions out of courts. The company is in the process of restructuring its business and also trying to identify alternative source of finance. In the absence of adequate financial support this basis would be invalid. Provision would then have to be made for any loss that might arise when the company's assets are realised.

**We further report that, the effect of our remarks in paragraph 4 (i) to 4(iii) could not be readily ascertained.**

Subject to our remarks in Para 4 (i) to 4 (iii) above we further report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
- (v) As the company had made defaults in redemption of debentures, we report that except the nominee directors of the financial institutions/BIFR, all the directors of the Company are disqualified as on 31<sup>st</sup> March, 2011 from being appointed/reappointed as a director in any other company, u/s 274(1)(g) of the Companies Act, 1956 read with Companies (Disqualification of Directors of the Companies Act, 1956) Rules 2003.**
- (vi) In our opinion and to the best of our information and according to the explanations given to us and subject to our remarks in paragraph 4(i) to 4(iii) above, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011;
  - (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For M. Mukerjee & Co**  
Chartered Accountants

**Spandan Sengupta**  
Partner

Place: Patna  
Date : 19<sup>th</sup> May, 2011

Membership No. 135833  
FRN. No. 303013 E

#### **Annexure to the Auditors' Report**

**(Referred to in paragraph 3 of our Report of even date)**

- (i) (a) **Although the company has maintained records showing particulars including quantitative details and situation of fixed assets, the same however are not updated.**

- (b) **The assets have not been physically verified by the management during the year. Material discrepancies, if any, are not ascertainable.**
- (c) No substantial part of the fixed assets has been disposed off during the year.
- (ii) (a) The inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noted on verification between the physical stock and the books were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms and other parties, covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business with regard to purchase of inventory, fixed assets and with regard to sale of goods. Though there is scope for further strengthening internal control, during the course of our audit, we have not come across any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, all transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act 1956 and including those transactions exceeding the value of Rupees Five lakhs in respect of any party during the year have been made at prices, which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, no deposits within the meaning of Sections 58A and 58AA or any other relevant provision of the act and rules framed there under have been accepted by the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us maintenance of Cost Records pursuant to rules made by the Central Government under section 209 (1) (d) of the Companies Act, 1956 was applicable to the Company for manufacturing of resins at its Naihati Factory. However in view of the suspension of operation at Naihati Factory, Cost audit was not carried out for the year.

- ix) (a) The company is not regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, ESI, income tax, sales tax, customs duty, excise duty and other material statutory dues applicable to it. The arrear as on 31st March, 2011 on these dues were as below :-

(₹ in 000)

1	Provident Fund	11,914
2	Income Tax	2,685
3	Sales Tax	16,980
4	Customs Duty	7,367
5	Excise Duty	24,864
6	Professional Tax	345
7	ESI	1,425

According to the information and explanations given to us undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty, Wealth Tax, Service Tax and Cess were in arrear as at 31st March, 2011 for a period of more than six month from the date they became payable. The details are given in the following statement :-

Name of statute	Nature of the Dues	Amount (₹.000)	Period to which the amount is due from	Due Date
Income Tax Act	TDS	2,396	2002-03	Various Dates
Sales Tax Act	Collected	4,890	Various Year	Various Date
Customs Act	Payable	7,367	1999-00	Various Dates
Excise Act	Payable	24,864	Various Year	Various Dates

- (b) According to the information and explanation given to us, there are dues of sales tax, income tax, wealth tax, service tax, custom duty and excise duty and cess which have not been deposited on account of any dispute

We give below details of such disputed amount:-

**Statement of disputed dues**

Name of the Statute	Nature of dues	Amount ₹000	Period	Forum where the dispute is pending
Central Sales Tax Act	Sales Tax	62	1985-1986	High Court at Delhi
		114	1986-1987	High Court at Delhi
		412	1987-1988	High Court at Delhi
		935	1986-1997	Joint Commissioner of Sales Tax
		79	1997-1998	Assistant Commissioner of Sales Tax
		88	1999-2000	Deputy Commissioner of Sales Tax
		712	2000-2001	
		351	2001-2002	
		650	2002-2003	Deputy Commissioner of Commercial Taxes
		657	2003-2004	Addl. Commissioner of Commercial Taxes
		2,551	2004-2005	Commissioner of Commercial Taxes
		539	2005-2006	Addl. Commissioner of Commercial Taxes
		6,065	2006-2007	
		2,159	2007-2008	Addl. Commissioner of commercial Taxes
		837	1985-1986	High Court at Delhi
State Sales Tax Acts	Sales Tax	916	1986-1987	
		847	1987-1988	High Court at Delhi
		300	1995-1996	Joint Commissioner of Sales Tax
		650	1996-1997	Joint Commissioner of Sales Tax
		914	1997-1998	Assistant Commissioner of Commercial Taxes
		74	1998-1999	Assistant Commissioner (Assessment)
		1,383	1999-2000	Deputy Commissioner of Sales Tax
		564	2000-2001	Joint Commissioner of Sales Tax
		689	2001-2002	Deputy Commissioner of Commercial Taxes
		1,161	2003-2004	Joint Commissioner (Appeal)
		211	2005-2006	Deputy Commissioner (Appeal)
		98	2007-2008	Addl. Commissioner of Commercial Taxes
		177	2008-2009	Asst. Commissioner of Flying Squad
		31	2010-2011	Asst. Commissioner of Commercial Taxes
Parvel Octroi	Octroi Assessed	7191		Maharashtra Government
Central Excise Act, 1944	Excise Duty	41,625		Excise Authority
Income Tax Act 1961	Income Tax	3854	1998-1999	High Court
		645	2002-2003	Commissioner of Income Tax (Appeals)
Custom Duty	Custom Duty	22,896		Custom Authority

- (x) In our opinion, the accumulated losses of the Company exceeded more than fifty percent of its net worth. The Company has incurred cash losses during the year covered by our audit and in the immediately preceding financial year.

- (xi) The company has defaulted in repayment of dues to financial institution, banks and debenture holders. We give below a statement showing period and amount involved.

	Parties	Amount (₹000)	Period from
a)	Secured Debentures	566,240	2000-07
	Cash Credit from banks	974,976	2000-07
	Working Capital term loan from banks	545,706	2000-07
	Term and other loans	1,269,645	2000-07
b)	Unsecured Loan	2,33,471	2000-11

- (xii) In our opinion the company has not granted loans and advances on the basis of securities by way of pledge of stocks, debentures and other securities.

- (xiii) In our opinion, the company is not a chit fund or a Nidhi/Mutual benefit fund/Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.

- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order 2003 are not applicable to the company.

- (xv) In our opinion, the company has given irrevocable guarantees for loans taken by others from the banks or financial institutions and a liability including interest of Rs. 1084296 thousand (previous year Rs. 913281 thousand) has been claimed which the company has not acknowledged as debt on the ground that the company was taken over by a buyer but the liability on this account has also been shown in Contingent Liability.

- (xvi) During the year, the company has not taken any Term Loan.

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company we report that no funds on short term basis have been used for long term investment.

- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act. Accordingly, the provisions of clause 4 (xviii) of the order are not applicable to the company.

- (xix) According to the information and explanations given to us, security documents are pending for 15% NCD placed with NIA (₹ 30,168 thousand), 15% NCD placed with UTI (₹ 1,17,547 thousand) and 13.5% OCD placed with UTI. However, the entire loan of UTI (₹ 1,26,403 thousand).

- (xx) The company did not raise money by public issues during the year.

- (xxi) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For M. Mukerjee & Co**  
Chartered Accountants

**Spandan Sengupta**  
Partner

Place: Patna  
Date: 19<sup>th</sup> May, 2011

Membership No. 135833  
FRN. No. 303013 E

**BALANCE SHEET AS AT 31ST MARCH,2011**

(₹ in '000)

	Schedule No.	As at 31st March 2011	As at 31st March 2010
<b>I. SOURCES OF FUNDS</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
Share Capital	1	244,851	244,851
Reserves & Surplus	2	689,914	934,765
			691,130
			935,981
<b>(2) LOAN FUNDS</b>	3		
Secured Loan		3,584,492	3,564,842
Unsecured Loan		233,471	3,817,963
<b>Total</b>		<b>4,752,728</b>	<b>4,724,253</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>(1) FIXED ASSETS</b>	4		
Gross Block		2,340,469	2,335,633
Less : Depreciation		996,253	974,044
Less : Impairment Loss		958,819	958,819
Net Block		385,397	402,770
Capital Work-in-Progress		2,851	388,248
			2,022
			404,792
<b>(2) INVESTMENTS</b>	5	225	225
<b>(3) CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	6	70,353	78,720
Sundry Debtors	7	77,226	62,339
Interest accrued on Fixed Deposits		8,038	8,944
Cash and Bank Balances	8	249,756	236,506
Loans and Advances	9	10,982	13,712
		416,355	400,221
Less : <b>CURRENT LIABILITIES &amp; PROVISIONS</b>	10		
Liabilities		786,489	775,348
Provisions		52,766	52,650
		839,255	827,997
<b>NET CURRENT ASSETS</b>		<b>(422,900)</b>	<b>(427,776)</b>
<b>(6) PROFIT &amp; LOSS ACCOUNT - DEBIT BALANCE</b>		<b>4,787,155</b>	<b>4,747,012</b>
<b>Total</b>		<b>4,752,728</b>	<b>4,724,253</b>
<b>Significant Accounting Policies</b>	16		
<b>Notes to the Financial Statements</b>	17		

The Schedules Referred to above form an integral part of Financial Statements.  
As per our attached report of even date

On behalf of the Board of Directors

**M. Mukerjee & Co**  
Chartered Accountants  
**Spandan Sengupta**  
Partner  
Membership No.135833  
FRN. No. 303013 E  
Place : Patna  
Dated : 19<sup>th</sup> May, 2011

**B.Bhattacharjee**  
Company Secretary

**A.S.Varma**  
Chairman & Managing Director  
**N.M. Sahai**  
Director  
**B.S.Sahay**  
Director  
**Ranjit Singh**  
Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

(₹ in '000)

	Schedule No.	For the year ended 31st March, 2011	For the year ended 31st March, 2010
<b>INCOME</b>			
Gross Sales		485,747	393,798
Less: Excise Duty		41,204	28,478
Net Sales		444,543	365,320
Other Income	11	36,846	34,651
		<b>481,388</b>	<b>399,971</b>
<b>EXPENDITURE</b>			
Consumption of Materials etc.	13	308,269	254,770
Employee Cost	14	60,500	51,828
Manufacturing, administrative, selling & distribution exp.	15	119,811	98,550
		<b>488,580</b>	<b>405,148</b>
<b>PROFIT/(LOSS) BEFORE INTEREST, DEPRECIATION AND TAX</b>		<b>(7,192)</b>	<b>(5,177)</b>
Less: Interest (other than on banks & FI's Loans)		22,042	17,209
Less: Depreciation	4	20,993	21,168
<b>PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS</b>		<b>(50,226)</b>	<b>(43,554)</b>
<b>Less: Extraordinary Items (Expenses)</b>	12	<b>10,083</b>	<b>11,000</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(40,143)</b>	<b>(32,554)</b>
<b>PROVISION FOR TAXATION</b>			
Less: Fringe Benefit Tax		-	-
<b>PROFIT/(LOSS) AFTER TAX AND BEFORE PRIOR PERIOD ITEMS</b>		<b>(40,143)</b>	<b>(32,554)</b>
Less: Prior period items		-	6,178
<b>PROFIT/(LOSS) AFTER TAX</b>		<b>(40,143)</b>	<b>(38,731)</b>
Profit/(Loss) Balance brought forward from previous year		(4,747,012)	(4,708,281)
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>(4,787,155)</b>	<b>(4,747,012)</b>
Basic Earnings per Share - Loss (Rs.)		<b>(1.72)</b>	<b>(1.68)</b>
<b>Significant Accounting Policies</b>	16		
<b>Notes to the Financial Statements</b>	17		

The Schedules Referred to above form an integral part of Financial Statements.  
As per our attached report of even date

**M. Mukerjee & Co**  
Chartered Accountants  
**Spandan Sengupta**  
Partner  
Membership No. 135833  
FRN. No. 303013 E  
Place : Patna  
Dated : 19<sup>th</sup> May, 2011

**B. Bhattacharjee**  
Company Secretary

**On behalf of the Board of Directors**

**A.S. Varma**  
Chairman & Managing Director  
**N.M. Sahai**  
Director  
**B.S. Sahay**  
Director  
**Ranjit Singh**  
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

(₹ in ' 000)

	As at 31st March,2011	As at 31st March,2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax ,exceptional and extraordinary items	(50,226)	(43,554)
Adjustment for:		
Depreciation	20,993	21,168
Interest	22,042	17,209
Interest/Dividend Received	(14,540)	(15,508)
Prior Period Items (Net)	-	(6,178)
Provision for doubtful debts and advances	(13,391)	(11,927)
Operating Profit before Working Capital Changes	15,104	4,764
Adjustments for :		
Trade and Other Receivables	(722)	23,604
Direct Taxes Paid	-	(361)
Inventories	8,366	(4,351)
Trade Payable	18,385	5,667
Cash Flow before Extraordinary items	26,029	24,558
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(9,093)</b>	<b>(14,231)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets/Capital W.I.P	(5,664)	(3,591)
Advance Against Sale of Property	-	-
Interest Received	15,445	18,583
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>9,781</b>	<b>14,992</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Advance Against Shares	-	35,000
Share Application trfd to Investor's protection Fund	-	(30)
Interest Paid	(673)	(544)
Loan Received during the year	19,650	-
Loan Payment during the year	-	(2,900)
Payment of Unsecured Loans	(6,415)	(4,320)
<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>12,562</b>	<b>27,206</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>13,250</b>	<b>27,966</b>
<b>CASH AND CASH EQUIVALENT</b>		
As at 31st March,2010 (Opening Balance)	236,506	208,540
As at 31st March,2011 (Closing Balance)	249,756	236,506
	13,250	27,966

**Note :**

1. Previous year's figures have been re-arranged wherever necessary.
2. The above Cash Flow Statement has been prepared by using the Indirect method as per Accounting Standard 3- Cash Flow Statement issued by the Institute of Chartered Accountants of India.
3. The above is also in agreement with the SEBI guidelines for Cash Flow Statement.

As per our attached report of even date

**On behalf of the Board of Directors**

**M. Mukerjee & Co**  
Chartered Accountants  
**Spandan Sengupta**  
Partner  
Membership No.135833  
FRN. No. 303013 E  
Place : Patna  
Dated : 19<sup>th</sup> May, 2011

**B.Bhattacharjee**  
Company Secretary

**A.S.Varma**  
Chairman & Managing Director  
**N.M. Sahai**  
Director  
**B.S.Sahay**  
Director  
**Ranjit Singh**  
Director



## SCHEDULES TO THE ACCOUNTS

(₹ in '000)

		As at 31st March, 2011	As at 31st March, 2010
<b>1 SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
2,500,000 Redeemable Preference Shares of Rs. 100/- each.		<b>250,000</b>	250,000
80,000,000 Ordinary Shares of Rs. 2/- each.		<b>160,000</b>	160,000
		<b>410,000</b>	410,000
<b>ISSUED AND SUBSCRIBED</b>			
1,000,000 14.5% Cumulative Redeemable Preference Shares of Rs. 100/- each, fully paid		<b>100,000</b>	100,000
700,000 14% Cumulative Redeemable Preference Shares of Rs. 100/- each, fully paid		<b>70,000</b>	70,000
37,425,595 Ordinary Shares of Rs. 2/- each, fully paid		<b>74,851</b>	74,851
		<b>244,851</b>	244,851

**Notes:**

- 1 Of the above Ordinary Shares :
  - a) Till 1982, 5,25,000 Ordinary Shares were allotted as fully paid up by way of bonus shares, by capitalisation of Reserves.
  - b) 7,50,000 Ordinary shares were allotted as fully paid bonus shares in 1991-92 by capitalisation of General Reserves and Share Premium Account.
  - c) 1,14,17,057 Ordinary Shares of Rs. 2/- each fully paid were allotted to promoters' group and overseas corporate bodies at a premium of Rs.7.40 per share on conversion of the Optionally Convertible Debentures amounting to Rs. 1000.42 lacs issued to them and interest thereon.
  - d) 53,19,148 Ordinary Shares of Rs. 2/- each fully paid were allotted to Unit Trust of India on conversion of the Optionally Convertible Debentures amounting to Rs. 500.00 lacs issued to them at a premium of Rs.7.40 per share.
- 2 Of the above Preference Shares :
  - a) 10,00,000 14.5% Cumulative Redeemable Preference Shares of Rs.100/- each issued in three tranches in 1997-98 redeemable at par at the end of the fifth year from the dates of allotment, i.e., 25.09.2002, 27.10.2002 and 08.12.2002 with option for early redemption not exceeding 25% of the aggregate of the Preference Shares outstanding at the end of the fourth year from the date of the allotment, i.e., 25.09.2001, 27.10.2001 and 08.12.2001. These Preference Shares have not been redeemed as yet.
  - b) 7,00,000 14% Cumulative Redeemable Preference Shares of Rs. 100/- each issued in two tranches in 1998-99 are redeemable at par at the end of the fifth year, sixth year and seventh year from the respective dates of allotment i.e., 01.02.2004 and 09.02.2004, 01.02.2005 and 09.02.2005 and 01.02.2006 and 09.02.2006 in the proportion of 30%, 30% and 40% respectively. The Preference Shareholders had filed a notice for redemption of the aforesaid preference shares.

₹ in 000

<b>2 RESERVES &amp; SURPLUS</b>	<b>Balance as at 31st March, 2010</b>	<b>Additions during the year</b>	<b>Withdrawals during the Year</b>	<b>Balance as at 31st March, 2011</b>
Capital Reserve	4	-	-	4
Capital Redemption Reserve	2,569	-	-	2,569
Share Premium Account	222,924	-	-	222,924
Revaluation Reserve	278,833	-	1,216	277,617
Debenture Redemption Reserve - N.C.D.	35,032	-	-	35,032
Debenture Redemption Reserve - O.C.D.	3,426	-	-	3,426
General Reserve	148,341	-	-	148,341
	<b>691,130</b>	<b>-</b>	<b>1,216</b>	<b>689,914</b>

**SCHEDULES TO THE ACCOUNTS**

(₹ in '000)

	As at 31st March, 2011		As at 31st March, 2010	
<b>3. LOAN FUNDS</b>				
<b>SECURED LOANS</b>				
20.5% Non Convertible Debenture IDBI (i)	80,000		80,000	
Interest accrued & due on above	212,122	292,122	212,122	292,122
15% Non Convertible Debenture N. I.A.(ii)	10,000		10,000	
Interest accrued & due on above	20,168	30,168	20,168	30,168
15% Non Convertible Debenture U. T. I.(iii)	50,000		50,000	
Interest accrued & due on above	67,547	117,547	67,547	117,547
13.5% Optionally Convertible Debenture U. T. I.(iv)	50,000		50,000	
Interest accrued & due on above	76,403	126,403	76,403	126,403
Cash Credit from Banks (vi)	488,330		488,330	
Interest accrued and due on above	486,646	974,976	486,646	974,976
Working Capital Loan from Banks (vi)	260,000		260,000	
Interest accrued and due on above	285,706	545,706	285,706	545,706
For securities refer to (v)				
<b>Term Loan from :</b>				
Banks (vii)	142,441		142,441	
Interest accrued and due on above	243,678	386,120	243,678	386,120
Short Term Loan from a Bank (x)	50,000		50,000	
Interest accrued and due on above	84,857	134,857	84,857	134,857
Financial Institutions (vii)	191,954		191,954	
Interest accrued & due on above	412,608	604,562	412,608	604,562
Other Loans from Banks (viii)	34,125		34,125	
Interest accrued & due on above	33,507	67,633	33,507	67,633
From Banks - Bill Discounting facility (ix)	27,461		27,461	
Interest accrued & due on above	49,012	76,473	49,012	76,473
Other Loans (xi)	227,925		208,275	
Interest accrued & due on above	-	227,925	-	208,275
		<b>3,584,492</b>		<b>3,564,842</b>
<b>UNSECURED LOAN</b>				
<b>Long Term :</b>				
From Banks - Bill Discounting facility	-		3	
Interest accrued & due on above	-	-	-	3
<b>From Others (xii)</b>	57,072		63,484	
Interest accrued & due on above	176,398	233,471	159,942	223,427
		<b>233,471</b>		<b>223,429</b>
		<b>3,817,963</b>		<b>3,788,272</b>

- i) ₹ 8,00,00,000/-, 20.5% Non-Convertible Debentures of ₹ 100/- each redeemable at 5% premium privately placed with IDBI are redeemable in three tranches amounting to ₹ 200 lacs, ₹ 400 lacs and ₹ 200 lacs on 1st January, 2004, 2005 and 2006. However the said debenture has not been redeemed. Subsequently the entire loan has been assigned in favour of IFCI Ltd. through ARCIL.
- (ii) ₹ 1,00,00,000, 15% Non-Convertible Debentures of ₹ 100/- each privately placed with NIA were redeemable at the end of the third year from the date of allotment i.e., 25th February, 2003 at par. However the said debenture has not been redeemed yet.
- (iii) ₹ 5,00,00,000, 15% Non-Convertible Debentures of ₹ 100/- each privately placed with UTI are redeemable in three tranches of equal amount at the end of the 4th, 5th and 6th year from the date of allotment i.e., on 18th October, 2003, 2004, 2005 respectively at par. The entire loan has been assigned in favour of Asset Care & Reconstruction Enterprises Ltd. (ACRE)
- (iv) ₹ 10,00,00,000, 13.5% Optionally Convertible Debentures issued to UTI consisting of Part A (10,00,000 Debentures) of ₹ 50/- each converted into Equity Shares of ₹ 2/- each at a premium of ₹ 7.40 on 30th November, 2001. Optional Part B (10,00,000 Debentures) of ₹ 50/- each convertible into Equity Shares of ₹ 2/- each at a premium of ₹ 7.40 on notice being served. If option is not exercised, it shall be redeemed at par in 3 equal instalments on 31st May, 2004, 2005, 2006 respectively. However nothing has happened on this front as yet. The entire loan has been assigned in favour of Asset Care & Reconstruction Enterprises Ltd. (ACRE)
- (v) All the Non-Convertible Debentures and Optionally Convertible Debentures are to be secured by an equitable mortgage of the Company's all immovable properties both present and future and hypothecation of other movable assets save and except stock and book debts (by way of second charge) ranking pari-passu with mortgage / charge created in favour of IDBI/IFCI/IIBI. Security documentations are pending for 15% NCD placed with NIA, 15% NCD placed with UTI and 13.5% OCD placed with UTI.
- (vi) Cash credit and working capital loan from banks are secured by way of charge on Company's stocks (not relating to plant and machinery), bills receivable, book debts and other movables both present and future except for certain Jensonomatic Automatic Machines hypothecated by way of a first charge in favour of a banker. Temporary overlimit taken from a bank is also guaranteed by one of the Directors of the Company. Cash Credit and working capital loans from State bank of India, Bank of Baroda, Bank of India and Union Bank of India have been assigned in favour of IFCI Ltd through ARCIL and for Allahabad Bank and Standard Chartered Bank have been assigned in favour of Vivid Colours Pvt. Ltd.
- (vii) Term Loan from Banks and financial institutions are secured by equitable mortgage of immovable properties of the Company and by way of charge on movable plant and machinery, machinery spares, tools and accessories and other movables both present and future. The Term Loan of ₹ 60000 thousands from IIBI included in the above loans is also guaranteed by some of the Directors of the Company. Term loans from IDBI, United Bank of India and Indian Overseas Bank have been assigned in favour of IFCI Ltd through ARCIL. The term loan from Dombivli Nagarik Sahakari Bank Ltd. has been assigned in favour of Asset Care & Reconstruction Enterprise Ltd (ACRE)
- (viii) Includes ₹ 5125 thousands secured by pledge of various raw materials & components (imported or indigenous) and guaranteed by one of the Directors of the Company. Security documentation is pending. Includes ₹ 29000 thousands from another banker secured by hypothecation of stocks and book debts.
- (ix) Bill Discounting facility from SIDBI is secured by a second charge on whole of the immovable properties of the Company together with building, Plant and Machinery and other items attached to the earth or permanently fastened to earth. Subsequently the entire loan has been assigned in favour of IFCI Ltd. through ARCIL.
- (x) Long term loans include ₹ 50000 thousands received originally as Short term in 1997-98 for a period of six months as advance for issue of secured Redeemable Non-Convertible debentures of ₹100/- each which was subsequently renewed for a further period of six months. No repayment has been made nor any debenture has been issued as yet. Now it has been categorised as Long term as per Schedule VI requirements. The entire loan has been assigned in favour of M/s Vivid Colors Pvt Ltd.
- (xi) Secured Loan received from M/s Vivid Colors Pvt Ltd. Remaining outstanding as on 31st March, 2011 ₹ 227,925 thousand. This was taken by executing deed of assignment of Trade Marks of the company for a total period of 3 Years or such other period as may be agreed between the parties subject to finalisation of restructuring package.
- (xii) Includes ₹ 50000 thousand as Short Term loan from M/s SBI Home Finance Ltd, the entire loan has been assigned in favour of IFCI Ltd. through ARCIL.

## SCHEDULES TO THE ACCOUNTS

### 4. FIXED ASSETS.

(₹ in '000)

	GROSS BLOCK					DEPRECIATION			IMPAIRMENT			NET BLOCK		
	Cost/ Revaluation as at 31.03.10	Additions	Less: Sales/ Adjustment	Cost/ Revaluation as at 31.03.11	As at 31.03.10	Provided	On Revaluation	On Sales/ Adjustment	Total As at 31.03.11	As at 31.03.10	Provided	As at 31.03.11	As at 31.03.11	As at 31.03.10
Freehold Land	239,869	-	-	239,869	-	-	-	-	-	-	-	239,869	239,869	
Leasehold Land	32,670	-	-	32,670	5,387	27	327	-	5,741	-	-	26,929	27,283	
Buildings	155,519	-	-	155,519	84,868	2,225	889	-	87,982	20,807	-	20,807	46,731	49,844
Plant and Machinery	1,548,739	4,813	-	1,553,551	541,553	17,009	-	-	558,563	931,429	-	931,429	63,560	75,756
Trade Mark	239,964	-	-	239,964	239,964	-	-	-	239,964	-	-	-	-	-
Laboratory Equipments	14,818	-	-	14,818	11,801	704	-	-	12,505	-	-	-	2,314	3,017
Furniture & Fittings	99,439	23	-	99,462	85,856	1,028	-	-	86,884	6,583	-	6,583	5,995	7,000
Motor Vehicles	4,615	-	-	4,615	4,615	-	-	-	4,615	-	-	-	-	-
	<u>2,335,633</u>	<u>4,836</u>	<u>-</u>	<u>2,340,469</u>	<u>974,044</u>	<u>20,993</u>	<u>1,216</u>	<u>-</u>	<u>996,253</u>	<u>958,819</u>	<u>-</u>	<u>958,819</u>	<u>385,397</u>	<u>402,770</u>
Capital Work-in-Progress													<u>2,851</u>	<u>2,022</u>
													<u>388,248</u>	<u>404,792</u>
Previous Year	<u>2,332,308</u>	<u>3,325</u>	<u>-</u>	<u>2,335,633</u>	<u>951,647</u>	<u>21,168</u>	<u>1,229</u>	<u>-</u>	<u>974,044</u>	<u>958,819</u>	<u>-</u>	<u>958,819</u>	<u>402,770</u>	<u>421,842</u>

#### Notes :

- 1 The Company revalued its freehold land, buildings and plant & machinery as at 30.06.85 and thereafter on 30.09.95 further revalued its land and building. These revaluations resulted in net increase in value of assets by Rs. 334063 thousand as at 30th September, 1995 which was credited to Revaluation Reserve.

**SCHEDULES TO THE ACCOUNTS**

(₹ in '000)

	As at 31st March, 2011	As at 31st March, 2010
<b>5 INVESTMENTS</b>		
Long Term Investments		
Other Than Trade		
Unquoted		
30 - 1/2 % Debenture of ₹100/- each of East India Clinic Ltd. fully paid.	3	3
₹4,500/- 5% Registered Debenture Stock (non-redeemable) of East India Clinic Ltd. fully paid	5	5
500 'B' Class Shares of ₹10/- each of J&N Employees' Consumers' Co-operative Stores Limited, fully paid	5	5
500 Equity Shares of ₹10/- each of The Co-operative Stores Limited, Delhi, fully paid	5	5
37,978 Units of Unit Trust of India, fully paid		
[Repurchase price ₹207 thousands, (31.03.09 - ₹ 207 thousands)]	207	207
	<u>225</u>	<u>225</u>
There is no market value available for unquoted investments.		
<b>6 INVENTORIES</b>		
Stores and Spare Parts	2,939	2,881
Less: Provision for Stocks Lying at Naihati	<u>2,657</u>	<u>2,657</u>
Raw Materials	47,281	51,949
Less: Provision for Stocks Lying at Naihati	<u>36,744</u>	<u>36,744</u>
Containers	5,125	5,897
Less: Provision for Stocks Lying at Naihati	<u>1,290</u>	<u>1,290</u>
Work-in-Progress	1,740	1,466
Less: Provision for Stocks Lying at Naihati	<u>433</u>	<u>433</u>
Finished Goods	55,870	59,128
Less: Provision for Stocks Lying at Naihati	<u>1,477</u>	<u>1,477</u>
	<u>70,353</u>	<u>78,720</u>
<b>7 SUNDRY DEBTORS (Unsecured)</b>		
Debts outstanding for a period exceeding six months		
Considered Good	3,965	445
Considered Doubtful	77,605	95,075
Other Debts		
Considered Good	73,262	61,894
	<u>154,831</u>	<u>157,414</u>
Less : Provision for Doubtful Debts	<u>77,605</u>	<u>95,075</u>
	<u>77,226</u>	<u>62,339</u>
<b>8 CASH AND BANK BALANCE</b>		
Cash in hand	696	720
Cheques in hand and in transit	-	-
Balance with Scheduled Banks		
On Current Accounts	41,015	25,525
On Term Deposits	206,821	209,032
On Fixed Deposit and Dividend Account	-	5
On Margin Money Deposit	1,224	1,224
	<u>249,756</u>	<u>236,506</u>

## SCHEDULES TO THE ACCOUNTS

(₹ in '000)

	As at		As at	
	31st March, 2011		31st March, 2010	
<b>9 LOANS AND ADVANCES (Unsecured)</b>				
CONSIDERED GOOD				
Advances recoverable in cash or in kind or for value to be received	9,033		9,930	
Balances with Customs, Port Trust & Excise Authorities	1,010		2,247	
Sundry Deposits	<u>939</u>	10,982	<u>1,536</u>	13,712
CONSIDERED DOUBTFUL				
Advances recoverable in cash or in kind or for value to be received	22,485		20,641	
Sundry Deposits	8,935		6,699	
Jenson & Nicholson of Pakistan Limited	<u>349</u>	31,769	<u>349</u>	27,690
		42,751		41,402
Less: Provision for Doubtful Advances		31,769		27,690
		<u>10,982</u>		<u>13,712</u>
<b>10 CURRENT LIABILITIES AND PROVISIONS</b>				
<b>CURRENT LIABILITIES</b>				
Sundry Creditors	332,811		326,698	
Other Liabilities	452,321		447,292	
Matured Unclaimed Fixed Deposit	<u>1,357</u>	786,489	<u>1,357</u>	775,348
<b>PROVISIONS.</b>				
Provision for Tax (net of advance payment of tax)	9,508		11,465	
Provision for Gratuity	34,820		33,452	
Provision for Leave Encashment	<u>8,438</u>	52,766	<u>7,733</u>	52,650
		<u>839,255</u>		<u>827,997</u>
There is no amount due and outstanding to be credited to Investor Education & Protection Fund as at 31.03.2011				
<b>11 OTHER INCOME</b>				
Miscellaneous Income	4,835		7,216	
Interest (Gross)	14,540		15,508	
Provision for Doubtful Debts W/off no longer required	<u>17,470</u>		<u>11,927</u>	
	<u>36,846</u>		<u>34,651</u>	
<b>12 EXTRAORDINARY ITEMS</b>				
Impairment Loss	-		-	
Provision for Reduction in Value of Stocks lying at Naihati	-		-	
	-		-	
Less :Non Competing Fees	<u>10,083</u>		<u>11,000</u>	
	<u>(10,083)</u>		<u>(11,000)</u>	



**SCHEDULES TO THE ACCOUNTS**

(₹ in '000)

	As at 31st March, 2011		As at 31st March, 2010	
<b>13 CONSUMPTION OF MATERIALS ETC.</b>				
<b>Raw Materials &amp; Components</b>				
Opening Stock	51,949		50,500	
Add : Purchases	209,492		176,997	
	<u>261,441</u>		<u>227,497</u>	
Less : Closing Stock	47,281	214,160	51,949	175,548
<b>Containers</b>				
Opening Stock	5,897		5,872	
Add : Purchases	37,225		31,455	
	<u>43,123</u>		<u>37,327</u>	
Less : Closing Stock	5,125	37,998	5,897	31,430
<b>Work-in-Progress</b>				
Opening Stock	1,466		554	
Less : Closing Stock	1,740	(274)	1,466	(912)
<b>Finished Goods</b>				
Opening Stock	59,128		57,010	
Add : Purchases	53,127		50,822	
	<u>112,255</u>		<u>107,832</u>	
Less : Closing Stock	55,870	56,385	59,128	48,704
		<u>308,269</u>		<u>254,770</u>
<b>14 EMPLOYEE COST</b>				
<b>Employees' Remuneration &amp; Benefits :</b>				
Salaries, Wages & Bonus	49,941		43,976	
Gratuity, Leave Encashment & Pension	2,473		946	
Contribution to Provident & Other Funds	3,938		3,248	
Staff Welfare	4,149	60,500	3,657	51,828
<b>15 EXPENSES</b>				
Power & Fuel		3,830		3,454
Consumption of Stores & Spare Parts		1,289		1,083
Repairs & Maintenance		2,562		1,789
Freight		32,148		24,422
Travelling		11,851		11,597
Advertising & Sales Promotion		8,172		5,250
Cash Discounts		18,352		15,258
Rent		9,453		8,801
Communication Exp.		3,525		3,423
Consultancy & Legal Charges		4,778		4,373
Insurance		526		474
Rates & Taxes		5,156		2,422
<b>Auditors' Remuneration</b>				
As Audit Fee	150		150	
For Tax Audit Fees	60		60	
For Other Services	98		121	
Reimbursement of Expenses	45	353	40	371
Internal Audit Fees and Exp.		367		428
Directors Sitting Fee		180		195
Provision for Doubtful Advances		4,079		-
Provision for Doubtful Debts		-		-
Miscellaneous		13,191		15,209
		<u>119,811</u>		<u>98,550</u>

**Schedule-16**

**SIGNIFICANT ACCOUNTING POLICIES**

**1) Basis for preparation of Financial Statements**

The financial statements are prepared on going concern basis under historical cost convention modified by the revaluation of certain fixed assets and are in accordance with the requirements of the Companies Act, 1956, and comply with the Mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the said Act Accounting Policies, unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

**2) Revenue Recognition**

- a) All revenues, costs, assets and liabilities are accounted for on accrual basis
- b) Dividend income is accounted when the right to receive payment is established and known.
- c) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty sales returns and sales tax.
- d) Revenue from interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- e) Non compete fees received in a financial year are apportioned annually over the period of the Contract.

**3) i) Fixed Assets**

**Tangible:**

Fixed Assets are stated at cost or revaluation, net of CENVAT and VAT. Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use. Assets under installation or under construction / modernization including respective pre-operative expenses at the Balance Sheet date are shown under capital work-in-progress. Interest on borrowing for acquisition of qualifying assets is capitalised. Profit or loss on disposal of fixed assets is recognized in Profit and Loss Account

**Intangible: Trade Mark**

A product under the brand name of "Instacolour" was launched in earlier years for which a significant amount in terms of advertisement etc. was incurred for promotion of the above brand. The company had applied for registration of such brand as Trade mark, expenses incurred on such brand from the date of launching till 31st March, 1999 was capitalized but registration department has still not issued the necessary registration certificate.

**ii) Depreciation**

Depreciation is provided on straight line/written down value method on prorata basis at the rates specified in the Schedule XIV of the companies Act, 1956

Types of Assets	Depreciation Policy
Assets acquired up to 30.06.1986	Written down method
Assets acquired on and from 1.07.1986	Straight line method
Leasehold land	Period of lease
Freehold land	Not depreciated
Trade Mark	At Straight line method over a period of 10 years
Impaired Assets	Straight line method on revised carrying cost over its remaining useful life.
Revalued Assets	Depreciation on the amount added on revaluation is set off against revaluation reserve.

**4) Impairment Loss**

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets either belonging to cash generating unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of asset's net selling price or its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate. Impairment loss in excess of Revaluation Surplus is recognised as expense in Profit & Loss Account. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exist or has decreased. Impairment loss/ reversal thereof is adjusted to the carrying value of the respective assets which in case of CGU, are allocated to its assets on pro-rata basis. Impairment loss on revalued assets/CGU previously charged as expenses in recognised as income in the Profit and Loss Account.

**5) Investments**

- a) Investments are capitalized at actual cost including cost incidental to acquisition.
- b) Investments are classified as long term and current on the basis decision taken by the Board of Directors at the time of making Investments.
- c) Long term Investments are individually valued at cost less provision for diminution other than temporary.
- d) Current Investments, if any, are valued at lower of cost or market value determined on category of investment basis.
- e) Reclassification of Investments from current to long term categories is made at the lower of cost or market value at the date of transfer and resultant profit/loss, if any, are accounted for in the Profit & Loss Account.

**6) Valuation of Inventories**

- a) Stores and spare parts are valued at cost less provisions as required on account of damages and obsolescence.
- b) Stock in trade comprising of raw materials (including in transit), packing materials, stock in process and finished goods are valued at the lower of cost and net realizable value less provisions as required on account of damages and obsolescence.
- c) Cost in respect of raw materials, packing materials and stores and spares include expenses incidental to procurement thereof.
- d) Cost in respect of finished goods represents prime cost and includes appropriate portion of overhead cost and excise duty.
- e) Cost in respect of work in progress represents costs up to the stage of completion.
- f) Net realizable 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.
- g) Cost where applicable has been arrived at on weighted average method.

**7) Foreign Currencies**

Transactions in foreign currency are recorded in rupees by applying rate of exchange ruling at the time of transaction and exchange differences arising on settlements except for acquisition of fixed assets are dealt with in the Profit & Loss Account. Unsettled transactions are converted at the year-end rate and gain or loss arising on such transaction is recognised in the Profit & Loss Account except in respect of exchange differences arising on repayment of foreign currency liabilities incurred for acquiring fixed assets which are adjusted in the carrying cost of the respective fixed assets.

**8) Research & Development**

Revenue expenditure on research & Development is charged to Profit & Loss Account in the year in which it is incurred. Capital expenditure on Research and Development is treated in the same way as additions to fixed assets.

**9) Leased Equipment**

Rental in respect of leased equipment acquired under financial lease is charged to the Profit & Loss Account.

**10) Amortization of expenses**

- a) Expenses incurred in connection with issue of debentures are written off over the period of such debentures or ten years whichever is earlier.
- b) Preference Share issue expenses are charged off to revenue over the period of such Preference Shares.

**11) Retirement Benefits**
**Provident Fund**

Contributions to Provident Fund are defined contribution plans and are paid to appropriate

authorities and charged to Profit and Loss Account on accrual basis. There are no other obligations other than the contribution payable to respective authorities.

**Gratuity**

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date. Actuarial gains and losses are adjusted to the profit and loss account in the period in which it arises.

**Leave Encashment Plan**

The Company provides for leave encashment on actuarial basis as of balance sheet date.

**12) Taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid, if any, to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably or virtually certain that future taxable income will be available against which such deferred tax assets can be realized.

**13) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

**14) CENVAT**

Excise duty payments included in purchase of Raw Materials are considered as inputs for conversion and debited to CENVAT ACCOUNT, which is utilized against despatch of finished goods after conversion of those raw materials into finished goods. Accordingly, purchase account is debited with the value of goods and other expenses but not the excise duty on purchase.

**Schedule-17**

**Notes to the Financial Statements**

1. There is no estimated amount of contracts remaining to be executed on Capital Account.
2. On April 20, 2006 the company was declared sick by BIFR .The Company had made a reference to the Board for Industrial & Financial Reconstruction (BIFR) under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 on October 10, 2003 in view of the accumulated losses exceeding its net worth. The reference has been registered by BIFR as Case No.395/2003, The Board appointed IDBI as operating Agency(OA)for Draft Rehabilitation Schemes (DRS). Pending consent from the BIFR, the future viability of the operation depends on the acceptability of the "Rehabilitation Package." The matter is still pending before BIFR.

**3. Contingent liabilities not provided for in respect of:**

Sl. No.	Particulars	31st March, 2011 (₹ in 000)	31st March, 2010 (₹ in 000)
1	Sales Tax Matter under Appeal	24,227	24,749
2	Income Tax Matter under Appeal	4,499	2,06,044
3	Panvell octroi under dispute	7,191	7,191
4	Outstanding Bank Guarantee	705	705
5	Excise Duty under Appeal	41,625	39, 539
6	Interest on custom duty payable	22,896	21,024
7	Arrear Pref. Share Dividend	2,91,600	2,67,300
8	Interest payable under dispute	73,967	73,967
9	Interest on loans taken from banks, financial institutions and other lenders which has not been provided after 31st March'2006.	51,41,612	36,68,462
10	Claim against the company not acknowledged as debts.	6,04,187	4,71,909
11	Claim against the company for given corporate guarantees including interest thereon	10,84,296	9,13,281
12	Interest on loan from Vivid Color Pvt Ltd	1,21,790	85,936
13	Claim by Kolkata Port Trust on account of difference in rent.	14,190	12,811

**4. DEFERRED TAX**

In view of carry forward losses, in drawing up the Accounts, the company has not considered the impact of Net Deferred tax assets after setting off deferred tax liability arising out of timing difference. Deferred Tax Assets have not been recognized in accounts since it cannot be stated with reasonable certainty that there will be sufficient future income to recover such deferred tax assets.

**5. SEGMENT REPORTING**

Based on the guiding principles given in accounting standard on segment reporting (AS 17) issued by The Institute of Chartered Accountants of India, The company's primary business segment is Manufacturing and selling of Paints

**6 RELATED PARTIES**

Related party disclosures in accordance with the Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India. The related parties are as follows

**A) Affiliates**

Maurya Management Pvt. Ltd  
Kalyanpur Cements Ltd  
Bihar Hotels Ltd.

**B) The nature and volume of Transactions**

(₹ in 000)

S.No	Name	Relationship	Name of Transaction	Amount of Transaction during the year	Balance as on 31.03.11
1.	Maurya Management Pvt. Ltd.	Affiliates	Advance	-	50000 (Credit)
2.	Kalyanpur Cements Ltd.	Affiliates	Rent Receipt and Reimbursement of Exp.	1968	215 (Credit)
3.	Bihar Hotels Ltd.	Affiliates	Rent Receipt and Reimbursement of Exp.	794	420 (Credit)

7. Regarding disclosure of Sundry Creditors under Current Liabilities under the 'Micro and Medium Enterprises Development Act', we are unable to find out the exact amount of overdue principal and specified interest thereon, in absence of complete information, documentary evidences and confirmations about the suppliers' status. Whatever communications we have received so far in this regard from the various suppliers, none of them are registered with MSME Act, 2006.
8. By virtue of Memorandum of understanding between the lender, investors and the company on various dated all rights, power of the lenders consisting of banks, financial institutions & debenture holders, a major portion of secured loan shall be settled by an investor and during this intervening period all the power of the lenders shall remain suspended after execution of MOU till assignment of debts to the investor. The investor shall assume all the risks and litigation claimed by lenders and provide suitable indemnity to the secured lenders in this regard and accordingly modification of charge in favour of the investors are required to be made.  
In view of above interest on loans taken from Banks and Financial Institutions has not been provided for in the accounts since 2006.

9 Disclosure as per AS 15 revised

The principal assumptions used in actuarial valuation are as below

-Discount rate	8.25%
-Expected rate of return on assets	0.00%

(₹ in 000)

	<b>Gratuity</b>	<b>Leave Encashment</b>
Change in present value of obligations		
- Present value of obligations as at 01.04.2010	33,452	7,732
- Interest cost	2,760	638
- Current service cost	1,676	586
- Benefits paid	-	-
- Actuarial loss/(Gain) on obligations	(3,149)	(518)
- Present value of obligations as at 31.03.2011	<u>34,739</u>	<u>8,438</u>
Change in fair value of plan assets	N A	N A
Liability recognized in Balance Sheet		
-Present value of obligations as at 31.3.2011	34,739	8,438
-Fair value of plan assets as at the end of the year	-	-
-Funded status [Deficit]	34,739	8,438
-Unrecognised Actuarial (Gain)/Loss	-	-
-Net (Liability) recognized in Balance Sheet	<u>34,739</u>	<u>8,438</u>

10. Particulars of Stocks, Production and Sales for the year ended 31st March, 2011

(₹ in 000)

Class of Goods	Unit	Opening Stock		Production	Purchases		Closing Stock		Sales	
		Quantity	Value		Quantity	Value	Quantity	Value	Quantity	Value
Synthetic Resin	thousand Ltrs.	8 (8)	- -	- (-)	- (-)	- (-)	8 (8)	- (-)	- (-)	- (-)
Paints, Varnish, Enamel, Distempers & Cellulose	thousand Ltrs.	880 (847)	57,651 (55,533)	4,542 (3,847)	1,463 (1,315)	53,127 (50,822)	896 (880)	54,393 (57,651)	5,936 (5,084)	485,747 (393,798)
			57,651 (55,533)			53,127 (50,822)		54,393 (57,651)		485,747 (393,798)

Note: 1) Previous Year's figures are given in brackets.

**For the Year ended  
31st March, 2011**

**For the Year ended  
31st March, 2010**

11. Remuneration to Directors & Chief Executive officer  
Other Benefits  
Directors' Fee

-	-
180	195
<u>180</u>	<u>195</u>



		<b>As at 31st March, 2011</b>		<b>As at 31st March, 2010</b> (Quantity - Kgs. In '000) (Value - ₹. in '000)	
		<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>
12. Raw Materials & Components consumed					
Acids & Chemicals		212	23,610	148	13,633
Resins		1,858	103,728	1,600	87,796
Pigments		318	35,770	377	38,974
Solvents		409	21,985	418	19,578
Miscellaneous		-	29,066	-	15,566
		<u>2,797</u>	<u>214,159</u>	<u>2,543</u>	<u>175,547</u>
13. Consumption of Raw Materials , Components and Spare parts					
	% of the total consumption		Value	% of the total consumption	Value
(I) Raw Materials & Components					
Imported at landed cost		-	-	-	-
Indigenous		100	214,159	100	175,547
		<u>100</u>	<u>214,159</u>	<u>100</u>	<u>175,547</u>
(II) Stores & Spare Parts					
Indigenous		100	1,289	100	1,083
14. CIF Value of imports					
(I) Raw Materials			-		-
(II) Capital Goods			-		-
(III) Finished Goods			-		-
			<u>-</u>		<u>-</u>
15. Particulars of Licensed and Installed capacities	<b>Unit</b>				
(a) Licensed/Registered Capacity					
Synthetic Resin	MT		6821		6821
Paste Paint and Dry Distemper	MT		510		510
Paints, Varnishes, Enamels, Distempers, Cellulose etc.	MT		35247		35247
(b) Installed Capacity					
Synthetic Resin	MT		8415		8415
Paste Paints and Dry Distemper	MT		6203		6203
Paints, Varnishes, Enamels, Distempers, Cellulose etc.	MT		33805		33805
<b>Note:</b> Installed Capacity converted into Litres are as under:					
Synthetic Resin	thousand Ltr.		8415		8415
Paste Paint & Dry Distemper	thousand Ltr.		2297		2297
Paints, Varnishes, Enamels, Distempers, Cellulose etc.	thousand Ltr.		30390		30390

16. The balances of assets in Pakistan as on 31st March , 2011, have been taken into account at par

18. Earnings per shares has been computed as under:

		<b>31.3.2011</b>	<b>31.3.2010</b>
(a) Net Loss after taxation	(₹ In '000)	<b>40,143</b>	38,731
(b) Preference Dividend	(₹ In '000)	<b>24,300</b>	24,300
(c) Adjusted loss after taxation (a)+(b)	(₹ In '000)	<b>64,443</b>	63,031
(d) Number of Ordinary Shares outstanding (On weighted average basis)		<b>37,425,595</b>	37,425,595
(e) Earnings per share (Basic) - Loss	(₹)	(1.72)	(1.68 )
[Face value ₹ 2/- per share]			
Diluted Earnings per share have not been disclosed for both the years as potential ordinary shares, if converted into ordinary shares, will have anti dilutive effect.			

19. Previous year's figures have been re-arranged / re-grouped wherever necessary.

**Signatures to Schedules 1 to 17**

As per our attached report of even date

**M. Mukerjee & Co**

Chartered Accountants

**Spandan Sengupta**

Partner

Membership No.135833

FRN. No. 303013 E

Place : Patna

Dated : 19<sup>th</sup> May, 2011

**Part IV**

**Balance Sheet Abstract and Company's General Business Profile**

**I. Registration Details**

Registration No.	4603	State Code	21
Balance Sheet Date	31.03.2011		

**II. Capital Raised during the year (₹ in Thousands)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**III. Position of Mobilisation and Deployment of Funds (₹ in Thousands)**

Total Liabilities	4,752,728	Total Assets	4,752,728
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**Sources of Funds**

Paid - up Capital	244,851	Reserves & Surplus	689,914
Secured Loans	3,584,492	Unsecured Loans	233,471

**Application of Funds**

Net Fixed Assets	388,248	Investments	225
Net Current Assets	(422,900)	Misc. Expenditure	0
Accumulated Losses	4,787,155		

**IV. Performance of the Company (₹ in Thousands)**

Turnover	481,388	Total Expenditure	531,615
+/- Profit/Loss Before Tax	(40,143)	+/- Profit/Loss After Tax	(40,143)

Earning per Share (Loss) in ₹	(1.72)	Dividend Rate %	0
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**V. Generic Name of Three Principal Products/Services of Company (as per monetary terms)**

Product Description	Items Code No.(ITC Code)
Paints & Varnishes	32089019
Paints & Varnishes	32091090
Thinner	38140010

**On behalf of the Board of Directors**

**A.S.Varma**

Chairman & Managing Director

**N.M. Sahai**

Director

**B.S.Sahay**

Director

**Ranjit Singh**

Director

Place : Patna

Dated : 19<sup>th</sup> May 2011

**B.Bhattacharjee**

Company Secretary



# JENSON AND NICHOLSON (INDIA) LIMITED

Registered Office: 7B, Middleton Street, Kolkata-700 071

**ATTENDANCE SLIP**  
**88<sup>th</sup> Annual General Meeting**  
**23<sup>rd</sup> September, 2011**

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

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

DP Id	
Client Id	

I/we Certify that I am a registered Shareholder/Proxy for the Registered Shareholder of the Company

I/We hereby record my/our presence at the Eighty-Eighth Annual General Meeting of the Company to be held at the Hall of Kalamandir Basement (Kalakunj), 48, Shakespeare Sarani, Kolkata-700 017 on Friday, the 23<sup>rd</sup> September, 2011 at 10.30 A.M.

**Member's/Proxy's Name in Block Letters**

**Member's/Proxy's Signature**

*Note: Please fill the attendance slip and hand it over at the Entrance of the Meeting hall.*

**Please note that no gifts/company products will be given at the meeting.**



# JENSON AND NICHOLSON (INDIA) LIMITED

Registered Office: 7B, Middleton Street, Kolkata-700 071

## PROXY FORM

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

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

DP Id	
Client Id	

I / We ..... of .....

[Name in Blocks]

[Address]

.....being a Member/Members of Jenson and Nicholson (India) Ltd., hereby appoint.....

..... of .....or failing

[Name in Blocks]

[Address]

him/her.....of.....

[Name in Blocks]

[Address]

..... as my/our proxy to attend and vote for me/us, on my/our behalf, at the Eighty-Eighth Annual General Meeting of the Company to be held at the Hall of Kalamandir Basement(Kalakunj), 48, Shakespeare Sarani, Kolkata-700 017 on Friday, the 23<sup>rd</sup> September, 2011 at 10.30 A.M. and at any adjournment thereof.

AS WITNESS my/our hand/hands is/are affixed this..... day of ..... 2010.

[Date]

[Month]

Affix  
Revenue  
Stamp

Signature .....

Note : This Proxy must be deposited at the Registered Office of the Company at, 7B, Middleton Street, Kolkata-700 071 not less than 48 hours before the time for holding the said Annual General Meeting.

Whenever you see **COLOUR**, think of us

---



**BOOK -POST**

*If Undelivered, please return to :*

**Jenson and Nicholson (India) Limited**  
7B, Middleton Street,  
Kolkata-700 071