

FORM -B

(Clause 31(a) of the Listing Agreement)

Format of covering letter of the annual audit report to be filed with the Stock Exchange

- | | |
|---|---|
| 1. Name of the Company | Jenson & Nicholson (India) Ltd |
| 2. Annual Financial Statements for the year ended | 31 st March' 2014 |
| 3. Type of Audit Observation | Qualified |
| 4. Frequency of Observation | A) Repetitive in respect of observation
a) as stated in item 1 below from the Financial year ended on 31 st March'2006.

B) Repetitive in respect of observation
b) as stated in item 4 below from the financial year ended on 31 st March,2002. |
| 5. Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report | <p style="text-align: center;"><u>Observations:-</u></p> A) Regarding non-provision of interest penal interest etc. on the loan from banks , financial institutions and other lenders

Refer note no. 32 & 36 of Annual Report
(Page 31 of Annual Report)

B) Regarding accounts of the Company prepared on going concern basis.

Refer note no. 29 and 36 of Annual Report
(Page 31 of Annual Report)


Management Response:-
(Refer Page 14 of Directors Report) |
| 6. Additional comments from the Board/Audit Committee Chairman | A) as per disclosures made in the Annual Report

B) as per disclosures made in the Annual Report |



7. To be signed by:


. CEO/MANAGING DIRECTOR


(B C SRIVASTAVA)

. CFO


The Company does not have CFO

. Audit Committee Chairman


(N M SAHAI)

. Auditor of the Company

For M Mukherjee & Co.
Chartered Accountants
(Registration No. 303013E)


(Spandan Sengupta)
Partner
Membership No. 135833



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**91st
ANNUAL REPORT
2013-2014**



Jenson and Nicholson (India) Ltd.

GL_{OB}AL QUALITY IN EVERY CAN



JENSON AND NICHOLSON (INDIA) LIMITED

Board of Directors

B.C. Srivastava	Managing Director
N.M. Sahai	Director
B.S. Sahay	Director
Ranjit Singh	Director
Faisal Alam	Director

Audit Committee

N.M. Sahai	Chairman
B.S. Sahay	
Ranjit Singh	
Faisal Alam	

Remuneration Committee

N.M. Sahai	Chairman
Ranjit Singh	
Faisal Alam	

Investor Grievance Committee

N.M. Sahai	Chairman
Ranjit Singh	

Vice President - Finance

Joginder Batra

Auditors

M.Mukerjee & Co.

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Registrar & Share Transfer Agent

C.B. Management Services Pvt. Ltd.
P-22, Bondel Road,
Kolkata-700 019
Phone No. : 40116717/6728
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

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Annual Report 2013-14

JENSON AND NICHOLSON (INDIA) LIMITED



Notice of Annual General Meeting

Notice is hereby given that the Ninety first Annual General Meeting of the Members of the Company will be held on **18th day of September, 2014 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 receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2014 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Faisal Alam (DIN: 00356264) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED THAT M/s M. Mukerjee & Co. (Firm Registration Number 303013E), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors".

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor (Rs.20,000/-), for the year ending 31st March, 2015, be and is hereby determined as recommended by the Audit Committee and approved by the Board of Directors."
5. To appoint Mr. N. M. Sahai (DIN : 00422704) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof,) for the time being in force and Clause 49 of the Listing Agreement, Mr. N.M. Sahai (DIN: 00422704), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years to a term up to the conclusion of the 96th Annual General Meeting of the Company in the calendar year 2019".
6. To appoint Mr. B. S. Sahay (DIN : 02198055) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the

Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof,) for the time being in force and Clause 49 of the Listing Agreement, Mr B.S.Sahay (DIN: 02198055), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years to a term up to the conclusion of the 96th Annual General Meeting of the Company in the calendar year 2019".

7. To appoint Mr. Ranjit Singh (DIN: 00951032) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof,) for the time being in force and Clause 49 of the Listing Agreement, Mr. Ranjit Singh (DIN: 00951032), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years to a term up to the conclusion of the 96th Annual General Meeting of the Company in the calendar year 2019."

Place : Gurgaon

Dated : 28th May, 2014

Registered Office :
7B, Middleton Street
Kolkata - 700071

By order of the Board:
B C Srivastava
Managing Director

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. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from **12th September, 2014 to 18th September, 2014** (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.



JENSON AND NICHOLSON (INDIA) LIMITED

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 amended.
9. **Re-appointment of Directors:**
Brief particulars of the Directors of the Company proposed to be appointed or re-appointed at the ensuing Annual General Meeting are given in the annexure:
10. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Items No. 4, 5, 6 and 7 is annexed hereto.
11. In view of Circular Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th 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, members 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. Members 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
Members 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.
12. **Voting through electronic means :**
 1. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 91st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion. The instructions for e-voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Electronic Voting Sequence Number (EVSN) " 140707025" alongwith "JENSON AND NICHOLSON (INDIA) LIMITED" from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) However, if you are a first time user, please follow the steps given below and fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant can enter in the PAN field the 10 characters as First 2 Alphabets of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters will be taken from the name and folio number. **Example : Mr. V.N. Swamy and folio number is Ben/0245, the PAN to be entered will be VN00BEN0245.**
Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **(JENSON AND NICHOLSON (INDIA) LIMITED)** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvii) **The voting period begins on Tuesday, 9th September, 2014 (10.00 AM) and ends on Thursday, 11th September, 2014 (5.00 PM).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 8th August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- i) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date of 8th August' 2014**.
- ii) Mrs. Indrani Chaudhuri, Practising Company Secretary (CP No. 6667, Membership No.ACS 8739) of P24 S1 Block B, New Alipore, Kolkata - 700 053 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iii) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the AGM.
- iv) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.
- v) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jensonnicholson.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors at its meeting held on 28th May, 2014 appointed Mitra Bose & Associates, Cost Accountants (Firm Registration No. 000037), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2015, at a remuneration amounting to ₹ 20,000/- (Rupees Twenty thousand only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

According, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 4 for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out at Item No. 4 of this Notice.

Item no. 5 to 7

Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh are Independent Directors of the Company and have held such position as such for more than five years.



JENSON AND NICHOLSON (INDIA) LIMITED

SEBI has amended the Clause 49 of the Listing Agreement stipulating conditions for appointment of Independent Directors by a Listed company.

It is proposed to appoint Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh as Independent Directors under Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges to hold office for five consecutive years for a term up to the conclusion of the 96th Annual General Meeting of the Company in the calendar year 2019.

Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Independent Directors.

The Company has also received declaration from all the Independent directors confirming that they meet the criteria of independence as prescribed both Section 149 (6) of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchanges.

In the opinion of the Board, Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement.

The Brief resume of Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh, the nature of their expertise in specific functional areas and number of companies in which they hold directorship and membership/chairmanships of Board /Committees shareholding and relationships between directors interest as stipulated under clause 49 are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This statement may be regarded as disclosure under Clause 40 of the Listing Agreement.

Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh may be deemed to be interested in the resolutions as set out in item no. 5 to 7 of the Notice with regard to their respective appointments.

Save and except Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh, none of the Directors, Managers, Key Managerial personnel and relatives of managers, key managerial personnel are directly or indirectly interested or concerned in the resolution set out in item nos, 5 to 7 of the notice.

The Board recommends the adoption of the resolution set out in item nos. 4 to 7 for approval of the members.

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

Name of Director	: Mr. Faisal Alam
Age	: 46 Years
Qualification	: B.Tech, MBA, CFA
Date of Appointment	: 03.11.2011
Expertise	: Wide management experience as Senior Executive in Industrial and business houses

Details of Directorships : Jenson & Nicholson (India) Ltd.
Hind Marketing Corporation Pvt Ltd
Maurya Management Pvt Ltd
Indo Burma Agencies Pvt Ltd
Kalyanpur Building Materials Pvt. Ltd.

Member of the Committee : Jenson & Nicholson (India) Ltd
Audit Committee
Remuneration Committee

No. of Share held : NIL

Name of Director : Mr. N M Sahai

Age : 76 Years

Qualification : M.A., LLB

Date of Appointment : 26.05.2006

Expertise : Wide management experience as Senior Executive in Industrial and business houses

Details of Directorships : Jenson & Nicholson (India) Ltd.
ETA Solutions Pvt Ltd

Member of the Committee : Jenson & Nicholson (India) Ltd
Audit Committee
Remuneration Committee
Investor Grievance Committee

No. of Share held : NIL

Name of Director : Mr. Ranjit Singh

Age : 89 Years

Qualification : Graduation in Industrial Chemistry & General Engineering

Date of Appointment : 29.10.2010

Expertise : More than 46 Years experience as an Executive in Industrial and Business Houses

Details of Directorships : NIL

Member of the Committee : Jenson & Nicholson (India) Ltd
Audit Committee
Remuneration Committee
Investor Grievance Committee

No. of Share held : NIL

Name of Director : Mr. B S Sahay

Age : 77 Years

Qualification : Graduate

Date of Appointment : 23.05.2008

Expertise : Wide Corporate Experience as Senior Executive in the field of Sales & Marketing

Details of Directorships : Jenson & Nicholson (I) Ltd

Member of the Committee : NIL

No. of Share held : NIL

**REPORT OF THE BOARD OF DIRECTORS FOR THE
YEAR ENDED 31ST MARCH, 2014**

Your Directors submit their report together with Audited Accounts of the Company for the year ended 31st March, 2014.

Financial Results

(₹ in Lacs)

Particulars	2013-2014 (Current Year)	2012-2013 (Previous Year)
Total Income	9758	6145
Total Expenditure	6228	6729
Operational Profit/(Loss)	3530	(584)
Profit/(Loss) before Tax, Exceptional /Extra Ordinary Items	3530	(584)
Exceptional / Extra Ordinary Items	0	0
Profit/(Loss) before Tax	3530	(584)
Profit / (Loss) after Tax	3530	(584)

Operations

The financial year 2013-14 had started on a weak note for the Company. During the financial year 2013-14 the company faced a decline of 8.95% in the total revenue in comparison to the previous financial year. The total operating income earned by the company during the year was to the tune of Rs. 5395.89 Lacs over previous years Rs. 5924.71 Lacs. This was mainly due to shortage of working capital in the company. Accordingly the operating profit for the year also witnessed decline in comparison to the last year. The net effect was that the Company did not meet its turnover and profitability targets. However the management expects better growth prospects and operating results in the forthcoming years.

Financial constraints faced by the company over the last several years could not be resolved. Production at Naihati Factory remained suspended. Production at Sikandrabad factory remained at the lower volume.

Financial and Organisational Restructuring

During the year ended 31st March 2014, the Land & Buildings situated at Panvel has been sold by Asset Care & Reconstruction Enterprises (ACRE) under SARFAESI Act. Also Plant & Machinery situated at Panvel has been sold during the year. The Profits from sale of Land & Building and Plant & Machinery are included in other income.

Further due to non-payment of debts, ACRE has acquired the possession of the SIKANDRABAD PROPERTY situated at Sikandrabad, Plot No. 21 & 22 UPSIDC, Industrial Area, Distt. Bulandshahr, UP in exercise of powers conferred U/s 13(4) of the said Act, on 21st May 2013 and is still continuing.

The Company's second reference before the BIFR under the Sick Industrial Company's (special provisions) Act 1985 regd vide case no.47/2012 was abated by the Hon'ble BIFR on hearing held on 19.09.2013, on a application filed by ACRE after acquisition of the Sikandrabad Assets. It is further informed that the Company has filed a fresh reference application on 21st February 2014 before the BIFR under the Sick Industrial Companies (Special Provisions) Act 1985.

Dividends

The Directors regret their inability to recommend any dividend in view of present position of the Company.

Conservation of Energy & Technology Absorption

Information on Conservation of Energy and Technology absorption by your company as per Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, for the year ended 31st March, 2014 are given in the Annexure-I hereto.

Foreign Exchange Earnings and Outgo

Details of expenditure in foreign exchange are given in Note 21 of Notes to the Financial Statements and Earnings in Foreign Exchange during the year ended 31st March, 2014 was Nil against Nil during the year ended 31st March, 2013.

Particulars of Employees

None of the employees of the Company was in receipt of remuneration stipulated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Directors' Responsibility Statement

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

In the preparation of the annual accounts, the applicable accounting standards have been followed ;

- The accounting policies have been selected and applied consistently and the judgments and estimates made, are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit and loss of the company for that period ;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- The annual accounts for the year ended 31st March, 2014 have been prepared on a going concern basis.

Listing of Shares

The Company's Equity Shares are listed on the Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange. The Company has made application for delisting of shares with Ahmedabad, Bangalore, Delhi and Magadh Stock Exchanges.

Corporate Governance

In compliance with requirements of Clause 49 of the Listing Agreement, a separate Report as Annexure II on Corporate Governance along with the Auditors Certificates on its compliance forms an intergral part of this Report.

Cost Auditor

Your Company had appointed M/s. Mitra Bose & Associates, Cost Accountants as the Cost Auditor of your Company for the financial year 2013-14 to conduct the audit of the cost records of the Company.

The Cost Audit report for the financial year 2012-13 was filed within the due date. The due date for submission of the Cost Audit Report for the year 2013-14 is within 180 days from 31st March, 2014.

The Company is seeking the ratification of the Shareholders for the appointment of M/s. Mitra Bose & Associates., Cost Accountants as the Cost Auditors of the Company for the financial year 2014-15 vide resolution no. 4 of the Notice of AGM.



JENSON AND NICHOLSON (INDIA) LIMITED

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

Mr. Faisal Alam retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation. Accordingly, it is proposed to appoint Shri N M Sahai, Shri B S Sahay and Shri Ranjit Singh as Independent Directors of your Company up to 5 (five) consecutive years up to on 31st March, 2019.

Appropriate resolutions for the appointment/re-appointment of Directors are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice. Your Directors recommend their appointment/re-appointment as Directors of your Company.

The Company has received declaration from all the Independent directors confirming that they meet the criteria of independence as prescribed both Section 149 (6) of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchanges.

Auditors' Report

The remarks contain in the Auditor's Report have been appropriately explained in Annexure IV to the Director's Report.

Auditors

The Auditors M/s. M. Mukerjee & Co., Chartered Accountants, is due for retirement in accordance with the provisions of the Companies Act, 1956 at the ensuing Annual General Meeting. M/s. M. Mukerjee & Co., Chartered Accountants is being appointed as the Statutory Auditors of your Company at the ensuing Annual General Meeting. Your Directors recommend their appointment for the ensuing year.

Appreciation

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers and government authorities for their continued support.

For and on behalf of the Board

Gurgaon
Dated : 28th May, 2014

B.C. Srivastava
Managing Director

N. M. Sahai
Director

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, 2014.

FORM - A	For the year ended 31.03.2014	For the year ended 31.03.2013
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A. POWER AND FUEL CONSUMPTION:

1. Electricity

a) Purchased		
Unit (KWH)	307315	348070
Total Amount	₹ 33,60,186	₹ 29,80,759
Rate/Unit (₹/KWH)	₹ 10.93	₹ 8.56
b) Own Generation		
i) Through Diesel Generation		
Unit (KWH)	21786	38112
Units per Litre of Diesel Oil (KWH/LTR)	₹ 3.89	₹ 3.97
Cost/ Unit	₹ 14.57	₹ 11.54
ii) Through Steam Turbine/Generator		
Units		
Unit per litre of Fuel Oil/Gas (KWH/Ltr.)	N.A.	N.A.
Cost / Unit		

2. Coal

Quantity		
Total Cost	N.A.	N.A.
Average Rate		

3. Furnace Oil

Quantity	N.A.	N.A.
Total Cost	N.A.	N.A.
Average Rate (per KL)	N.A.	N.A.

4. Others/ Internal Generation

Quantity	N.A.	N.A.
Total Amount	N.A.	N.A.
Rate / Unit (Per KL)	N.A.	N.A.

B. CONSUMPTION PER UNIT OF PRODUCTION :

Product	Standard	Current Period (For the year ended) 31.03.2014	Previous Period (For the year ended) 31.03.2013
Paints, Varnishes* & Enamels (KL)		4069.46 KL	4741.44 KL
Unit/KL Electricity		86.06	85.49
Furnace Oil			
Coal (Specific Qty.)		N.A.	N.A.
Others (Specify)			

*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.

JENSON AND NICHOLSON (INDIA) LIMITED



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 ₹ Nil
 - ii) Total ₹ 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 :

Technology Imported	Year of Import	Has technology been fully Absorbed
Nil	-	-

For and on behalf of the Board

Place : Gurgaon
Dated : 28th May, 2014

B.C. Srivastava
Managing Director

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

Take care of the customer needs by providing quality goods and services and follow the transparent business policies.

2. BOARD OF DIRECTORS

As on 31st March, 2014, the Board of Directors comprised of five members of which four are Non-Executive. Except one 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. Mr.B.C.Srivastava, the MD is the Executive Director.

i) During the twelve months ended March 31, 2014, the Board met four times on 28th May, 2013, 9th August, 2013, 1st November, 2013, 12th February, 2014.

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 26.09.13	Remarks
Mr. N.M.Sahai	Non Executive Independent	4	Yes	
Mr. B. S. Sahay	Non Executive Independent	4	Yes	
Mr. Ranjit Singh	Non Executive Independent	2	No	
Mr. B.C. Srivastava	Executive	4	Yes	Managing Director
Mr. Faisal Alam	Non Executive Independent	2	No	

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 Committee of which he is a Chairman [Including J&N(I) Ltd]
Mr.N.M.Sahai	1	-	3	3
Mr. B. S. Sahay	-	-	1	-
Mr. Ranjit Singh	-	-	3	-
Mr. B. C. Srivastava	3	-	2	-
Mr. Faisal Alam	3	-	3	-

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



JENSON AND NICHOLSON (INDIA) LIMITED

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 31st March, 2014. 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 several years and comprised of the following Directors at 31st March, 2014 :

Mr. N.M.Sahai - Chairman
Mr. B. S. Sahay - Member
Mr. Ranjit Singh - Member
Mr. Faisal Alam - Member

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

ii) During the twelve months period ended March 31, 2014, 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	28.05.13	09.08.13	01.11.13	12.02.14
Mr. N.M. Sahai	Yes	Yes	Yes	Yes
Mr. B.S. Sahay	Yes	Yes	Yes	Yes
Mr. Ranji Singh	No	No	Yes	Yes
Mr. Faisal Alam	No	No	Yes	Yes

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.
- Discussion with the Internal Auditors, any significant findings and follow up thereon.
- Reviewing the findings of any internal investigation.
- Discussion with external auditors on the nature and scope of audit and post audit discussion to ascertain area of concern.
- Reviewing the company's financial and risk management policies and the reason for defaults, if any in payments to depositors, debenture holders and creditors.
- Besides, the Audit Committee has been given the following powers to exercise its functions efficiently and effectively:
 - to investigate an activity within its terms of reference,
 - to seek significant information from an employees,
 - to obtain outside legal or other professional advice,
 - to secure attendance of outsiders with relevant expertise, if it considers necessary.
- Approval of appointment of CFO before finalization of the same by the Management.
- Review Management discussion and analysis of financial condition and results of operation.
- Review statement of significant related party transactions submitted by Management.
- Review Management letters / letters of internal control / weaknesses issued by statutory auditors.
- Review Internal Audit Reports relating to internal control / weaknesses.
- 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 31st March, 2014.

Mr. N.M.Sahai - Chairman
Mr. Ranjit Singh - Member
Mr. Faisal Alam - Member

ii) **Terms of reference of the Remuneration Committee includes:**

- 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.
- 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.
- 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.
- 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.
- 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 31.03.2014**

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 Directors	Sitting Fee	Total
Mr. N.M. Sahai	40,000/-	40,000/-
Mr. B.S. Sahay	40,000/-	40,000/-
Mr. Ranji Singh	20,000/-	20,000/-
Mr. Faisal Alam	20,000/-	20,000/-
Total	1,20,000/-	1,20,000/-

*Appropriate tax deducted on sitting fees. Mr.B.C. Srivastava was appointed Managing Director without remuneration.

The Company has not provided the benefits of Bonus and Stock Option. In view of the loss incurred by the company, no performance linked incentive was paid to any director.

Service Contract

- No Service Contract has been entered into with Mr. B.C. Srivastava
- Notice period is six months or as mutually agreed.
- There is no separate provision for payment of severance fees under the resolution governing the appointment of Managing Director. The statutory provisions will however apply in this regard.

v) **Details of the Directors appointed / re-appointed during the year**

Mr. Faisal Alam retire and being eligible offer himself for re- appointment. He has long experience as senior business executive.

5. SHAREHOLDERS & INVESTORS GRIEVANCE COMMITTEE

- The Board has constituted a Shareholders' / Investors' Grievance Committee under the Chairmanship of Mr. N.M.Sahai, who is a Non-executive Independent Director. The following are the members of the Committee:

Mr. N.M.Sahai Chairman
Mr.Ranjit Singh Member

The Committee deals with the Shareholders related issues and looks into redressal of their grievances.

ii) **Name & Designation of Compliance Officer**

Mr. B C Srivastava Managing Director

- No. of Complaints received from the Shareholders - NIL
- No. of Complaints not resolved / No Action taken - NIL
- No. of pending share transfers as at 31st March, 2014 - NIL

Share transfers are generally effected in a fortnight and there are no share transfers pending for more than a fortnight

6. GENERAL BODY MEETINGS

i) **Particulars of last three Annual General Meetings:**

AGM	YEAR ENDED	VENUE	DATE	TIME
90th	31.03.2013	Kalamandir (Kalakunj) 48, Shakespeare Sarani, Kolkata – 700 017	26.09.2013	10.30 A.M.
89th	31.03.2012	Kalamandir (Kalakunj) 48, Shakespeare Sarani, Kolkata – 700 017	28.09.2012	10.30 A.M.
88th	31.03.2011	Kalamandir (Kalakunj) 48, Shakespeare Sarani, Kolkata – 700 017	23.09.2011	10.30 A.M.



JENSON AND NICHOLSON (INDIA) LIMITED

- ii) Special Resolutions were duly passed at the above General Meetings.
- iii) No Special Resolution was required to be put through postal ballot last year.
- iv) There were no Extraordinary General Meetings held during the year under review.
- v) No special resolution requiring postal ballot is being proposed at this Annual General Meeting.

7. DISCLOSURES

- a) During the period, the Company did not enter into any transaction of a material nature with any of the related parties, which were in conflict with the interest of the Company. The details of related party transactions in accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been given in Note 6 of Schedule 17 to the annual accounts of the company.
- b) The Company has complied with the requirements of regulatory authorities on capital market. No penalty or stricture have been issued by an authority.
- c) The Company does not have a formal whistle blower policy. However, no person has been denied access to the Audit Committee.
- d) The Company has complied with all the requirements of Clause 49 of the listing agreement
- e) The Non-Executive Directors do not hold any share or convertible instrument in their name.
- f) Quarterly Compliance Report duly signed by the Compliance Officer is being submitted to the Stock Exchanges regularly.
- g) Remuneration Committee has been constituted and in existence for sometime.
- h) The Company has reasonable internal controls and procedures in place which help assess the risk and minimize the same. The internal controls and procedures are periodically reviewed with a view to exercising control over risks and consequential losses.
- i) The Company has not raised any fund through Public Issue / Right Issue / Preferential Issue during the current financial year.
- 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) Dainik Lipi - Bengali
- Audited Financial Results : i) Financial Express - English
ii) Dainik Lipi - 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 31st March, 2014.
- 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	18th, September, 2014
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, 2014
First Quarter Results (30th June)	End July, 2014
Mailing of Annual Report	End August, 2014
Annual General Meeting	End September, 2014
Second Quarter Results (30th September)	End October, 2014
Third Quarter Results (31st December)	End January, 2015
Annual Audited Results for the year ending March 31, 2015	End May, 2015

- iii) Book Closure : 12.09.2014 to 18.09.2014 (both days inclusive)
- iv) Dividend Payment Date : In view of loss, no dividend was recommended for payment to the Ordinary or Preference Shareholders.

JENSON AND NICHOLSON (INDIA) LIMITED



- V) **Listing on the Stock Exchanges** :
1. The Calcutta Stock Exchange Ltd
7, Lyons Range, Kolkata – 700 001.
 2. The BSE Ltd
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400 001.
 3. National Stock Exchange of India Ltd,
"Exchange Plaza", 5th 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 30th September, 2002. The matter is in process.

- vi) **Stock Code** :
1. The Calcutta Stock Exchange Ltd. 20241 and 10020241
 2. The BSE Ltd. 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 01.04.2013 31.03.2014)

Month	National Stock Exchange (NSE) Rs.	
	High	Low
April, 2013	3.25	2.60
May, 2013	3.55	2.60
June, 2013	3.05	2.20
July, 2013	2.75	2.15
August, 2013	2.70	1.85
September, 2013	2.60	2.00
October, 2013	2.45	1.90
November, 2013	2.60	1.85
December, 2013	2.50	1.95
January, 2014	2.60	2.00
February, 2014	2.70	2.10
March, 2014	2.40	1.80

- 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

x) 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 Share	Percentage of Total Share Holdings
1 to 500	10932	56.75	2783833	7.44
501 to 1000	4978	25.85	3904358	10.43
1001 to 2000	1675	8.68	2636972	7.05
2001 to 3000	550	2.85	1446427	3.86
3001 to 4000	200	1.04	744021	1.99
4001 to 5000	326	1.69	1584190	4.23
5001 to 10000	330	1.71	2550591	6.82
10001 to Above	276	1.43	21775203	58.18
TOTAL	19267	100.00	37425595	100.00



JENSON AND NICHOLSON (INDIA) LIMITED

xi) Shareholding Pattern

S.No.	Status	No. of Holders	No. of Shares	% of Total
1	Resident Individuals	18842	21046189	56.23
2	Domestic Companies	319	2723417	7.28
3	Non Resident Indians	92	227004	0.61
4	Indian Promoters & Associates	2	12633342	33.75
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
		19267	37425595	100.00

- xii) **Dematerialisation of Shares** : As on 31st March, 2014, 91.06 % 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 .
- 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 Industrial Area, Sikandrabad – 203205
Dist.- Bulandshahr, U.P.
- xv) **Registered Office & Address for correspondence** : Jenson & Nicholson (India) Ltd.
7B, Middleton Street, Kolkata – 700 071
Phone : (91) (33) 22877042 Fax No. (91) (33) 22835500
Website : www.jensonnicholson.com
- xvi) **Corporate Office** : Jenson & Nicholson (India) Ltd.
Plot No. 107, Udyog Vihar, Phase – IV, Gurgaon – 122 016 (Haryana)
Phone : (0124) 4567777 Fax No.(0124) 4567750
- xvii) **Compliance Certificate from Auditors** : This has been obtained and annexed hereto
- xviii) **Any qualification in Auditors' Report** : 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.

For and on behalf of the Board

Gurgaon
Dated : 28th May, 2014

Whenever you see color, think of us

B.C. Srivastava
Managing Director

Annual Report 2013-14

JENSON AND NICHOLSON (INDIA) LIMITED



DECLARATION BY THE 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 31st March, 2014.

For Jenson & Nicholson (I) Ltd.

Place : Gurgaon

B.C. Srivastava

Dated : 28th May, 2014

Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of

JENSON AND NICHOLSON (INDIA) LTD.

We have examined the compliance of conditions of Corporate Governance by JENSON AND NICHOLSON (INDIA) LIMITED, for the period ended on 31st March, 2014 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 Director's 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. 303013E

ANNEXURE III TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS -2014

Company Performance and the Outlook of the market

The financial year 2013-14 had started on a weak note for the Company. During the financial year 2013-14 the company faced a decline of 8.95% in the total revenue in comparison to the previous financial year. The total operating income earned by the company during the year was to the tune of Rs. 5395.89 Lacs over previous years Rs. 5924.71 Lacs. This was mainly due to shortage of working capital in the company. Accordingly the operating profit for the year also witnessed decline in comparison to the last year. Operation at the manufacturing unit of the Company at Naihati remained suspended during the financial year. Production was carried on at reduced capacity utilisation at the unit in Sikandrabad. As a consequence supplies to the market were erratic and poor. The net effect was that the Company did not meet its turnover and profitability targets. However the management expects better growth prospects and operating results in the forthcoming years.

The Outlook for the paint industry is showing to be good. The demand for paints is likely to increase gradually since activities in the sphere of infrastructure and housing are picking up and for decorative paints as well, once the hard economic situation prevailing for the time being is won over.

Opportunities

It is expected that the economic growth will improve to 6.5% in the

next financial year, from a decade low of about 4.5% in 2012-13, on the back of reforms measures specifically in the second half of 2013-14. It would be interesting to watch out for the key policy actions from the new Central Government as this would be crucial for reviving the critical growth drivers in the economy. Your company believes that considering the size of the Indian market, the low consumption rate per capita and the expected growth in this area, there is enough opportunity for the industry to thrive in the foreseeable future.

Risks & Threats

The biggest slice of the total costs of any paint industry is composed of raw materials prices. In case of our company, these are largely dependent on global commodity prices, their demand and availability and prices of crude which impact the costs of chemicals and plastics. Any adverse fluctuation in these prices may affect the profitability of the Company. A matter of concern on the horizon is the latest set of reports on possibility of increased chances of weak 'El Nino conditions' in India leading to deficient rainfall. This could consequently pose a downward risk to the agricultural output and thereby impact the recovery.

Restructuring

During the year ended 31st March' 2014, the Land & Buildings situated at Panvel has been sold by Asset Care & Reconstruction Enterprises (ACRE) under SARFAESI Act. Also Plant & Machinery situated at Panvel has been sold during the year. The Profits from sale of Land & Building and Plant & Machinery are included in other income.

Further due to non-payment of debts, ACRE has acquired the possession of the SIKANDRABAD PROPERTY situated at Sikandrabad, Plot No. 21 & 22 UPSIDC, Industrial Area, Distt. Bulandshahr, UP in exercise of powers conferred U/s 13(4) of the said Act, on 21st May' 2013 and is still continuing.

The Company's second reference before the BIFR under the Sick Industrial company's (special provisions) Act' 1985 regd vide case no.47/2012 was abated by the Hon'ble BIFR on hearing held on 19.09.2013, on a application filed by ACRE after acquisition of the Sikandrabad Assets. It is further informed that the Company have filed a fresh reference application on 21st february' 2014 before the BIFR under the Sick Industrial Companies (Special Provisions) Act' 1985.

Efforts are being done for restructuring the financial condition of the Company with the assistance of strategic partners.

Internal Control System and their adequacy

The company has a well established internal control system, commensurate with its size and spread, within defined guidelines on compliance, to ensure transparency which are reviewed by the Management.

Several Chartered Accountant firms have been appointed to carry out internal audit at various branches. They make regular visits to the branches, prepare and present reports of the branch operations for management decisions. The system incorporates continuous monitoring, routine reporting, checks and balances, which are periodically reviewed by the Audit Committee. The observation of the Auditors alongwith company's replies are placed before the Audit Committee of the Directors on regular basis for reviewing their adequacy. This helps the company to operate its factories, offices and depots with a reasonable degree of comfort.

Material developments in Human resources/Industrial Relations

In order to achieve efficient and effective utilization of equipment and inculcate proper operation and maintenance practices, the company's personnel are exposed to latest ideas and concepts through various in house as well as external training programme of reputed institutes, as far as possible. Industrial Relations by and large remained cordial at all levels during the year under report. The company employed 196 persons during the year.

For and on behalf of the Board

Gurgaon

Dated : 28th May, 2014

B.C. Srivastava

Managing Director



JENSON AND NICHOLSON (INDIA) LIMITED

ANNEXURE IV TO THE DIRECTORS' REPORT AUDITOR'S REMARKS AND MANAGEMENT EXPLANATIONS

S.No.	Reference of Auditor Comment	Auditor Comment	Explanation
1.	Report on Other Legal and Regulatory Requirements	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 ₹ 739.67 lacs 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 31st 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 ₹ 112655.45 lacs up to the current year ended 31st March, 2014 has not been provided but the same has also been included in contingent liability.	The networth of the Company has eroded and the company has no funds to repay the loan or interest thereof. Interest has been provided upon the loans till 31st March, 2006. However provision of interest on all loans was stopped, since it was for sure that the Company was declared an NPA by all the lenders, banks and financial institutions. However, we have shown the interest till the balance sheet date as a contingent liability.
2.	Pt. 1(b) of Annexure to Auditor's Report	Due to non payment of debts, ACRE has acquired the possession of the SIKANDRABAD PROPERTY situated at Sikandrabad, Plot No.21 & 22 UPSIDC, Industrial Area, Dist. Bulandshahar, UP in exercise of powers conferred u/s 13(4) of the said Act, on 21 May, 2013 and is still continuing.	The Company/ACRE (Assets Care and Reconstruction Enterprise Ltd.) is on a lookout for buyers, for the surplus land at reasonable rates. The property shall be sold, so that the loans of banks, financial institutions and other lenders are
3.	Pt. (ix)(a) of Annexure to Auditor's Report	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 payment position of statutory dues had significantly improved. However, in view of inadequacy of cash resources, various statutory dues could not be paid in time. However, the same shall be paid into the government treasury as soon as the resources become available.
4.	Pt. (ix)(a) of Annexure to Auditor's Report	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, 2014 for a period of more than six month from the date they became payable.	These are old dues pertaining to the year before 2002 and these will be paid as per the scheme sanctioned by BIFR.
5.	Pt. (ix)(B) of Annexure to Auditor's Report	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.	On account of disputes pending with the concerned departments, the company had not paid these dues. However, the company has contested at the respective forums to nullify their demands. The company is hopeful that the dispute will be settled in its own favour.
6.	Pt. (x) of Annexure to Auditor's Report	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.	The Company's second reference before the BIFR under the sick Industrial company's (special provisions) Act' 1985 regd vide case no.47/2012 was abated by the Hon'ble BIFR on hearing held on 19.09.2013, on an application filed by ACRE after acquisition of the Sikandrabad Assets. It is further informed that the Company have filed a fresh reference application on 21st February'2014 before the BIFR under the Sick Industrial Companies (Special Provisions) Act 1985.
7.	Pt. (xi) of Annexure to Auditor's Report	The company has defaulted in repayment of dues to financial institution, banks and debenture holders.	In view of inadequacy of cash resources, the company is not able to repay its dues to the financial institutions, banks and debenture-holders. The company eroded its entire net worth and became sick as mentioned above.
8.	Pt. (xv) of Annexure to Auditor's Report	(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 ₹ 18150.30 lacs (previous year ₹15285.78 lacs) 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.	These are disputed liabilities and the company is contesting with the respective forum.

INDEPENDENT AUDITOR'S REPORT

To the Members of the Jenson & Nicholson (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **JENSON & NICHOLSON (INDIA) LIMITED**, which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956. This responsibility includes the design implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, wherever due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. 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 ₹ 739.67 lacs 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 31st 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 ₹ 112655.45 lacs up to the current year ended 31st March, 2014 has not been provided but the same has also been included in contingent liability.
3. These financial statements have been prepared on a going concern basis. The Company has incurred an operating profit 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 2 and 3 could not be readily ascertained.
4. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. 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
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;



JENSON AND NICHOLSON (INDIA) LIMITED

- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Gurgaon
May 28th, 2014

M. MUKERJEE & CO.
Chartered Accountants
FRN : 303013E
24, Netaji Subhas Road
Kolkata-700 001

SPANDAN SENGUPTA
Partner
Membership No: 135833

Annexure to the Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets are being physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to this programme, some of the fixed assets have been physically verified by the management during the year, and no material discrepancies were noticed on such verification. Further due to non-payment of debts, ACRE has acquired the possession of the **SIKANDRABAD PROPERTY situated at Sikandrabad, Plot No.21 & 22 UPSIDC, Industrial Area, Distt. Bulandshahr, UP in exercise of powers conferred u/s 13(4) of the said Act, on 21 May, 2013 and is still continuing.**
- (c) During the year ended 31st March, 2014 the Land and Building situated at Panvel has been sold by Asset Care & Reconstruction Enterprises Limited (ACRE) under Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act. Also Plant and Machinery situated at Panvel has been sold during the year. The Profits from sale of Land & Building and Plant and Machinery are included in other income. The Panvel Factory was not under operations since 2000 hence the sale of assets situated at Panvel do not affect the going concern assumption.
- (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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- 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, 2014 on these dues were as below :-

(₹ in lacs)

1	Provident Fund	69.95
2	Income Tax	28.59
3	Sales Tax	220.83
4	Customs Duty	73.67
5	Excise Duty	249.81
6	Professional Tax	3.47
7	ESI	14.95

JENSON AND NICHOLSON (INDIA) LIMITED



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, 2014 for a period of more than six month from the date they became payable. The details are given in the following statement :-

Statement of other statutory dues outstanding for more than six months.

Name of the Statute	Nature of the Dues	Amount - ₹ in lacs	Period to which the amount is due from	Due Date
Income Tax Act	TDS	24.10	2002-03	Various Dates
Sales Tax Act	Collected	31.53	Various years	Various Dates
Customs Act	Payable	73.67	1999-00	Various Dates
Excise Act	Payable	249.81	Various years	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 the Dues	Amount - ₹ in lacs	Period	Forum where the dispute is pending
Central Sales Tax Act	Sales Tax	0.62	1985-1986	High Court at Delhi
		1.14	1986-1987	High Court at Delhi
		4.12	1987-1988	High Court at Delhi
		1.61	1996-1997	Deputy Commissioner of Sales Tax
		0.79	1997-1998	Deputy Commissioner of Sales Tax
		0.8	1999-2000	Deputy Commissioner of Commercial Taxes
		1.22	2000-2001	Joint Commissioner of Commercial Tax
		6.57	2003-2004	Commercial Tax Tribunal
		25.51	2004-2005	Commercial Tax Tribunal
		15.40	2006-2007	Additional Commissioner (Appeals)
		24.46	2007-2008	Additional Commissioner (Appeals)
		101.64	2008-2009	Additional Commissioner (Appeals)
State Sales Tax Acts	Sales Tax	8.56	2009-2010	Additional Commissioner (Appeals)
		8.37	1985-1986	High Court at Delhi
		9.16	1986-1987	High Court at Delhi
		2.85	1986-1987	Commercial taxes, Tribunal
		8.47	1987-1988	High Court at Delhi
		2.19	1996-1997	Deputy Commissioner of Sales Tax
		9.14	1997-1998	Deputy Commissioner of Commercial Taxes
		3.59	1999-2000	Deputy Commissioner of Commercial Taxes
		4.93	2000-2001	Dy. Commissioner of Commercial Taxes
		7.91	2001-2002	Commercial taxes, Tribunal
		0.98	2007-2008	Additional Commissioner (Appeal)
		2.69	2007-2008	Additional Commissioner (Appeals)
Panvel Octroi	Octroi Assessed	71.91		Government of Maharashtra
Central Excise Act, 1944	Excise Duty	567.91		Excise Authority
Income Tax Act, 1961	Income Tax	38.54	1998-1999	High Court at Kolkata
		0.75	2007-2008	Commissioner of Income Tax (Appeals)
Custom Duty	Custom Duty	285.12		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 ₹ in lacs	Period from
a) Secured Debentures	4364.80	2000-07
Cash Credit from banks	7800.44	2000-07
Working Capital term loan from banks	4413.48	2000-07
Term loans and other loans	10632.10	2000-07

(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 ₹18150.30 lacs (previous year ₹15285.78 lacs) 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 taken ₹ 275 lacs of 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, 15% NCD placed with UTI and 13.5% OCD placed with UTI. However, the entire loan of UTI has been assigned to Asset Care Enterprises Ltd (ACRE).

(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.

M. MUKERJEE & CO.
Chartered Accountants
FRN : 303013E
24, Netaji Subhas Road
Kolkata-700 001

Place : Gurgaon
May 28th, 2014

SPANDAN SENGUPTA
Partner
Membership No: 135833



JENSON AND NICHOLSON (INDIA) LIMITED

Balance Sheet as at 31st March, 2014

	Note	As at 31st March, 2014	(₹ in Lacs) As at 31st March, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	1	2,448.51	2,448.51
Reserves & Surplus	2	(38,023.29) (35,574.77)	(41,511.58) (39,063.07)
NON CURRENT LIABILITIES			
Long Term Borrowings	3	1,558.74	3,843.95
Other Long Term Liabilities	4	-	1,754.00
Long Term Provisions	5	288.53 1,847.27	307.55 5,905.50
CURRENT LIABILITIES			
Short Term Borrowings	6	8,871.88	12,125.02
Trade Payables	7	4,193.70	4,327.72
Other Current Liabilities	8	24,046.12	25,440.53
Short Term Provisions	9	269.38 37,381.08	248.22 42,141.49
TOTAL		3,653.58	8,983.92
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	10		
(i) Tangible		1,234.19	3,475.87
(ii) Intangible		-	-
(iii) Capital Work-in-Progress		1,234.19	42.10
Non - Current Investments	11	0.18	3,517.97
Long Term Loans and Advances	12	9.15 1,243.52	0.18 8.86 3,527.01
CURRENT ASSETS			
Inventories	13	968.85	1,198.11
Trade Receivables	14	893.87	1,123.04
Cash and Cash Equivalent	15	464.56	3,036.26
Short Term Loans Advances	16	82.78	80.79
Other Current Assets	17	- 2,410.06	18.71 5,456.91
TOTAL		3,653.58	8,983.92
Significant Accounting Policies			
Notes to the Financial Statements	1-37		

As per our attached report of even date
M. Mukerjee & Co.
Chartered Accountants

Spandan Sengupta
Partner
Membership No. 135833
FRN No. 303013E
Place: Gurgaon
Dated: 28th May, 2014

Joginder Batra
VP - Finance

On behalf of the Board of Directors
B. C. Srivastava
Managing Director
N. M. Sahai
Director
Faisal Alam
Director

JENSON AND NICHOLSON (INDIA) LIMITED

Statement of Profit & Loss Account for the year ended 31st March, 2014

	Note	Year Ended 31st March, 2014	(₹ in Lacs) Year Ended 31st March, 2013
INCOME			
Revenue from Operation	18	5,341.22	5,912.26
Other Operating Revenues	19	54.67	12.45
		<u>5,395.89</u>	<u>5,924.71</u>
Other Income	20	4,362.53	220.22
Total Revenue		<u>9,758.42</u>	<u>6,144.93</u>
EXPENDITURE			
Cost of Materials Consumed	21	2,729.46	3,279.21
Purchases of Stock in Trade		824.58	967.58
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	22	119.58	(182.33)
Employee Benefits Expense	23	722.58	686.28
Finance Costs	24	145.20	309.64
Depreciation & Amortisation Expenses	10	224.17	218.77
Other Expenses	25	1,462.13	1,450.17
Total Expenses		<u>6,227.70</u>	<u>6,729.32</u>
PROFIT/(LOSS) BEFORE EXCEPTIONAL, EXTRA ORDINARY ITEMS AND TAX		3,530.72	(584.39)
Exceptional Items	26	-	-
PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX		3,530.72	(584.39)
Extra Ordinary Items	27	-	-
PROFIT/(LOSS) BEFORE TAX		3,530.72	(584.39)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
PROFIT/(LOSS) AFTER TAX		<u>3,530.72</u>	<u>(584.39)</u>
Earnings per Equity Share (in ₹)			
Basic / Diluted	28	8.78	(2.21)
Significant Accounting Policies Notes to the Financial Statements	1-37		

As per our attached report of even date
M. Mukerjee & Co.
 Chartered Accountants

Spandan Sengupta
 Partner
 Membership No. 135833
 FRN No. 303013E
 Place: Gurgaon
 Dated: 28th May, 2014

Joginder Batra
 VP - Finance

On behalf of the Board of Directors
B. C. Srivastava
 Managing Director
N. M. Sahai
 Director
Faisal Alam
 Director



JENSON AND NICHOLSON (INDIA) LIMITED

Cash Flow Statement for the year period 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
(₹ in Lacs)		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax, exceptional and extraordinary items	3,530.72	(584.39)
Adjustment for :		
- Depreciation	224.17	218.77
- Interest	145.20	309.64
- Interest/Dividend Received	(108.11)	(217.21)
- Profit on Sale of Fixed Assets	(4,037.59)	(3.01)
- Other Income (Forfeiture of EMD)	(200.00)	-
- Provision for Doubtful Debts and Advances	40.76	24.31
	(3,935.57)	332.50
Operating Profit before Working Capital Changes	(404.85)	(251.89)
Adjustments for :		
- Trade and Other Receivables	197.69	(256.44)
- Inventories	229.26	(214.98)
- Trade Payable	(382.97)	446.22
Cash Flow Before Extraordinary Items	43.98	(25.20)
NET CASH FROM OPERATING ACTIVITIES	(360.87)	(277.09)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
- Purchase of Fixed Assets/Capital W.I.P	(5.25)	(47.81)
- Sale of Fixed Assets	6,006.01	5.08
- Interest Received	126.82	311.34
NET CASH (USED IN) FROM INVESTING ACTIVITIES	6,127.58	268.61
C. CASH FLOW FROM FINANCING ACTIVITIES :		
- Interest Paid	(1.66)	(2.37)
- Loan Received During the Year	275.00	350.00
- Repayment of Long Term Borrowings	(5,559.36)	-
- Repayment of Unsecured Loans	(3,052.40)	-
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(8,338.42)	347.63
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	(2,571.70)	339.15
CASH AND CASH EQUIVALENT	3,036.26	2,697.11
- As at 31st March, 2013 (Opening Balance)	464.56	3,036.26
- As at 31st March, 2014 (Closing Balance)	(2,571.70)	339.15

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.
4. Figures in brackets are outflows/deductions.

As per our attached report of even date
M. Mukerjee & Co.
Chartered Accountants

Spandan Sengupta
Partner
Membership No. 135833
FRN No. 303013E
Place: Gurgaon
Dated: 28th May, 2014

Joginder Batra
VP - Finance

On behalf of the Board of Directors
B. C. Srivastava
Managing Director
N. M. Sahai
Director
Faisal Alam
Director

SIGNIFICANT ACCOUNTING POLICIES

(I) Basis of Presenting 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.

(II) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period actual results could defer from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

(III) Classification of Assets and Liabilities

The Revised Schedule VI to the Companies Act, 1956 requires assets and liabilities to be classified as either Current or Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- (ii) It is held primarily for the purpose of being traded.
- (iii) It is expected to be realized within twelve months after the reporting date, or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the company's normal operating cycle.
- (ii) It is held primarily for the purpose of being traded.
- (iii) It is due to be settled within twelve months after the reporting date, or
- (iv) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(d) All liabilities other than current liabilities shall be classified as non-current.

(IV) Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

(V) Previous Year Figures

The financial statements for the year ended 31st March, 2014 have been presented as per the Revised Schedule VI to the Companies Act, 1956. Accordingly, the previous year's figures have also been reclassified to conform to this year's classification.

(VI) 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.

(VII) Fixed Assets

(a) 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

(b) 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.

(c) 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.

(VIII) 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.



JENSON AND NICHOLSON (INDIA) LIMITED

(IX) 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.

(X) 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.

(XI) 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.

(XII) 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.

(XIII) Leased Equipment

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

(XIV) 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.

(XV) 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.

(XVI) 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.

(XVII) 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.

(XVIII) 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.

(XIX) Events Occurring after the Balance Sheet Date

Occurrences of events after the Balance Sheet date and having material effect on the revenue statements of the year under review have been considered in drawing-up the accounts.

Notes on Financial Statements

1 SHARE CAPITAL

		As at 31st March, 2014	(₹ in Lacs) As at 31st March, 2013
AUTHORISED SHARE CAPITAL			
25,00,000.00	Redeemable Preference Shares of ₹ 100/- each.	2,500.00	2,500.00
8,00,00,000.00	Ordinary Shares of ₹ 2/- each.	1,600.00	1,600.00
		<u>4,100.00</u>	<u>4,100.00</u>
ISSUED AND SUBSCRIBED AND PAID UP:			
10,00,000.00	14.5% Cumulative Redeemable Preference Shares of ₹ 100/- each, fully paid	1,000.00	1,000.00
7,00,000.00	14% Cumulative Redeemable Preference Shares of ₹ 100/- each, fully paid	700.00	700.00
3,74,25,595.00	Ordinary Shares of ₹ 2/- each, fully paid	748.51	748.51
		<u>2,448.51</u>	<u>2,448.51</u>

Of the above Ordinary Shares :

- 1.1 Till 1982, 5,25,000 Ordinary Shares were allotted as fully paid up by way of bonus shares, by capitalisation of Reserves.
- 1.2 7,50,000 Ordinary shares were allotted as fully paid bonus shares in 1991-92 by capitalisation of General Reserves and Share Premium Account.
- 1.3 1,14,17,057 Ordinary Shares of ₹ 2/- each fully paid were allotted to promoters' group and overseas corporate bodies at a premium of ₹ 7.40 per share on conversion of the Optionally Convertible Debentures amounting to ₹ 1000.42 lacs issued to them and interest thereon.
- 1.4 53,19,148 Ordinary Shares of ₹ 2/- each fully paid were allotted to Unit Trust of India on conversion of the Optionally Convertible Debentures amounting to ₹ 500.00 lacs issued to them at a premium of ₹ 7.40 per share.

Of the above Preference Shares :

- 1.5 10,00,000 14.5% Cumulative Redeemable Preference Shares of ₹ 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.
- 1.6 7,00,000 14% Cumulative Redeemable Preference Shares of ₹ 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.
- 1.7 The details of Share Holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	% held	No. of Shares	% held	No. of Shares
Maurya Management Pvt. Ltd.	32.50%	1,21,62,214.00	32.50%	1,21,62,214.00

- 1.8 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2014	As at 31st March, 2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,74,25,595.00	3,74,25,595.00
Equity Shares at the End of the year	3,74,25,595.00	3,74,25,595.00

2 RESERVES & SURPLUS

					(₹ in Lacs)
	Balance As at 31st March, 2013	Additions during the Period	Withdrawals during the Period		Balance as at 31st March, 2014
Capital Reserve	0.04	-	-		0.04
Capital Redemption Reserve	25.69	-	-		25.69
Share Premium Account	2,229.24	-	-		2,229.24
Revaluation Reserve	2,752.09	-	42.43		2,709.66
Debenture Redemption Reserve - N.C.D.	350.32	-	-		350.32
Debenture Redemption Reserve - O.C.D.	34.26	-	-		34.26
General Reserve	1,483.41	-	-		1,483.41
Debit Balance in Profit & Loss A/c	(48,386.63)	3,530.72	-		(44,855.91)
	(41,511.58)	3,530.72	42.43		(38,023.29)

* Represent previous year



JENSON AND NICHOLSON (INDIA) LIMITED

Notes on Financial Statements

3 LONG TERM BORROWINGS

TERM LOANS

From Banks

Secured

As at
31st March, 2014

As at (₹ in Lacs)
31st March, 2013

1,058.74

3,343.95

Unsecured

1,058.74

3,343.95

From other Parties

Secured

Unsecured

Loans and Advances from related Parties

Unsecured

500.00

500.00

1,558.74

3,843.95

Security Status:

S.No.	Name of Lenders	Original Lenders	Charge
1	Sirius Financial Services Pvt. Ltd	United Bank of India, Indian Overseas Bank, IDBI	United Bank of India - First charge on all immovable properties of the company at Naihati and Sikandrabad together with all building and infrastructure thereon and all Plant and Machinery attached to the earth., and second charge on all moveable assets. Personal Guarantee by the promoters of the company by Shri S P Sinha and Shri Shailendra Prakash Sinha. Indian Overseas Bank - First charge on all immovable properties of the company at Naihati and Sikandrabad together with all building and infrastructure thereon and all Plant and Machinery attached to the earth., and second charge on all moveable assets. Personal Guarantee by the promoters of the company by Shri S P Sinha. IDBI - First charge on all immovable properties of the company at Naihati and Sikandrabad together with all building and infrastructure thereon and all Plant and Machinery attached to the earth, and second charge on all moveable assets.
2	Vivid Colors Pvt. Ltd.	IIBI, Dombivili Nagari Sahakari Bank Ltd., Punjab Natinal Bank	IIBI - First charge on all immovable properties of the company at Naihati and Sikandrabad together with all building and infrastructure thereon and all Plant and Machinery attached to the earth, and second charge on all moveable assets. Personal Guarantee by the promoters of the company by Shri S P Sinha and Shri Shailendra Prakash Sinha. Dombivili Nagari Sahakari Bank Ltd - Hypothecation of Plant and Machinery. Punjab Natinal Bank - Whole immovable properties of the company including plant & machinery, spares, tools office equipments and furniture & fixtures, and Personal guarantee by the promoter of the company by Shri S P Sinha.

3.1 Term Loan from Banks and financial institutions (United Bank of India, Dombivili Nagari Sahakari Bank Ltd, PNB, Indian Overseas Bank, IIBI, and IDBI) 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 from IIBI included in the above loans is also guaranteed by two of the Promoters of the Company. Term loans from IDBI, United Bank of India and Indian Overseas Bank have been assigned in favour of Sirius Financial Services Pvt. Ltd through IFCI Ltd. The term loan from Dombivili Nagari Sahakari Bank Ltd, IIBI, Canara Bank and Punjab National Bank has been assigned in favour of Vivid Colors Pvt. Ltd. through Asset Care & Reconstruction Enterprise Ltd (ACRE)

3.2 Period and amount of Continuing default

S.No.	Name of Lenders		Amount in default as on 31st Mar'14	Interest	Period of Default	Amount in default as on 31st Mar'13	Interest	Period of Default
	Current Lenders	Original lenders						
1	Sirius Financial Services Pvt. Ltd	United Bank of India, Indian Overseas Bank, IDBI	1,792.57	333.08	Since 1999-2000	1,792.57	333.08	Since 1999-2000
2	Vivid Colors Pvt. Ltd.	IIBI, Dombivili Nagari Sahakari Bank Ltd, Punjab National Bank	1,551.38	3,232.07	Since 1999-2000	1,551.38	3,232.07	Since 1999-2000

3.3 The company has stopped providing interest on all loans from Banks and Financial Institutions whether secured and unsecured w.e.f. 01.04.2006 on the ground that these loans would have been declared NPA by them.

3.4 Loans and advances from Related Parties are:

Advance received from M/s Maurya Management Pvt Ltd. Remaining outstanding as on 31st March, 2014 ₹ 500 lacs. Refer note no. 3 of the Note on the Financial Statements

4 OTHER LONG TERM LIABILITIES

Others

-

1,754.00

-

1,754.00

5 LONG TERM PROVISIONS

Employees benefit

Gratuities

Leave Encashment

236.82

253.84

51.71

53.71

288.53

307.55

JENSON AND NICHOLSON (INDIA) LIMITED



Notes on Financial Statements

6 SHORT TERM BORROWINGS

Loans Repayable on Demand

From Banks

Secured

Unsecured

From Other Parties

Secured

Unsecured

As at
31st March, 2014

As at
31st March, 2013

(₹ in Lacs)

5,281.02	8,809.16
-	-
5,281.02	8,809.16
3,452.25	3,177.25
138.61	138.61
<u>3,590.86</u>	<u>3,315.86</u>
<u>8,871.88</u>	<u>12,125.02</u>

Security Status:

S.No.	Current Lenders	Original Lenders	Charge
1	Sirius Financial Services Pvt. Ltd	State Bank of India, Union Bank of India, Bank of Baroda, Bank of India, SBI Home Finance Ltd, SIDBI	State Bank of India, Union Bank of India, Bank of Baroda, Bank of India, SBI Home Finance Ltd - First Charge on all book debts, money receivables, stocks, lab equipments, furnitures and motor vehicles at different sites of the company, and second charge on Land and Building and Plant and Machinery attached to the earth at Sikandrabad and Naihati. SIDBI - First charge on all immovable properties of the company at Naihati and Sikandrabad together with all building and infrastructure thereon and all Plant and Machinery attached to the earth, and second charge on all moveable assets.
2	ACRE	Canara Bank	First Charge on all book debts, money receivables, stocks, lab equipments, furnitures and motor vehicles at different sites of the company, and second charge on Land and Building and Plant and Machinery attached to the earth at Sikandrabad and Naihati.
3	Vivid Colors Pvt. Ltd.	Allahabad Bank, National Co-Operative Bank, Standard Chartered Bank, Global Trust Bank (OBC)	Allahabad Bank - First Charge on all book debts, money receivables, stocks, lab equipments, furnitures and motor vehicles at different sites of the company, and second charge on Land and Building and Plant and Machinery attached to the earth at Sikandrabad and Naihati. National Co-Operative Bank - Includes ₹ 51.25 lacs 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. Standard Chartered Bank - First charge on Insta Color Machines (Tinting Machines) Global Trust Bank (OBC) - Second charge on all Fixed assets of the company and Personal Guarantee of Shri S P Sinha.

- 6.1 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 Sirius Financial Services Pvt. Ltd through IFCI Ltd. and for Allahabad Bank & Standard Chartered Bank Global Trust Bank (OBC) have been assigned in favour of Vivid Colors Pvt Ltd.
- 6.2 Bill Discounting facility from SIDBI is secured by a 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 Sirius Financial Services Pvt. Ltd through IFCI Ltd.
- 6.3 Loans include ₹ 500 lacs received from Global Trust Bank (OBC) 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 Short term as per Schedule VI requirements. The entire loan has been assigned in favour of M/s Vivid Colors Pvt Ltd.
- 6.4 Includes ₹ 500 lacs as Short Term loan from M/s SBI Home Finance Ltd, the entire loan has been assigned in favour of Sirius Financial Services Pvt. Ltd through IFCI Ltd.
- 6.5 The company has stopped providing interest on all loans from Banks and Financial Institutions whether secured and unsecured w.e.f. 01.04.2006 on the ground that these loans would have been declared NPA by them.
- 6.6 Short Term Borrowings from other parties amounting to ₹ 3452.25 lacs (previous year 3177.25 lacs) secured by mortgaged of Trademark and Goodwill.
- 6.7 Period and amount of Continuing default

S.No.	Name of Lenders	Original lenders	Amount in default as on 31st Mar'14	Interest	Period of Default	Amount in default as on 31st Mar'13	Interest	Period of Default
1	Sirius Financial Services Pvt. Ltd	State Bank of India, Union Bank, Bank of Baroda, Bank of India, SBI Home Finance Ltd, SIDBI	4,392.60	4,632.62	Since 1999-2000	4,392.60	4,632.62	Since 1999-2000
2	ACRE	Canara Bank	764.38	1,095.89	Since 1999-2000	764.38	1,095.89	Since 1999-2000
3	Vivid Colors Pvt. Ltd.	Allahabad Bank, Standard Chartered Bank, National Co-Operative Bank, Global Trust Bank (OBC)	3,652.18	4,214.88	Since 1999-2000	3,652.18	4,214.88	Since 1999-2000



JENSON AND NICHOLSON (INDIA) LIMITED

Notes on Financial Statements

	As at 31st March, 2014	As at 31st March, 2013	(₹ in Lacs)
7 TRADE PAYABLES			
Sundry Creditors			
Due to Micro Small and medium Enterprise	-	7.00	
Others	<u>4,193.70</u>	<u>4,320.72</u>	4,327.72

The amount due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. This information takes into account only those suppliers who have responded to the enquiries made by the company for this purpose

Trade payables are dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.

8 OTHER CURRENT LIABILITIES

Matured unpaid Fixed Deposit		13.57	13.57
Unpaid matured debentures and interest accrued thereon			
Non Convertible Debentures			
Sirius Financial Services Pvt. Ltd. (IDBI)	2,374.44	2,921.22	
Vivid Colors Pvt Ltd. (NIA)	233.34	301.68	
Vivid Colors Pvt. Ltd. (UTI)	833.83	1,175.47	
Optionally Convertible Debentures			
Vivid Colors Pvt. Ltd. (UTI)	<u>922.39</u>	<u>4,364.00</u>	5,662.41
Interest accrued and due on borrowings		17,936.17	17,792.63
Other Liabilities		<u>1,732.38</u>	<u>1,971.92</u>
		<u>24,046.12</u>	<u>25,440.53</u>

There is no amount due and outstanding to be credited to Investor Education & Protection Fund as at 31.03.2014

- 8.1 ₹ 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 Sirius Financial Services Pvt. Ltd through IFCL.
- 8.2 ₹ 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.
- 8.3 ₹ 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 Vivid Colors Pvt. Ltd. through ACRE.
- 8.4 ₹ 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 Vivid Colors Pvt. Ltd. through Asset Care & Reconstruction Enterprises Ltd (ACRE).
- 8.5 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 Sirius Financial Services Pvt. Ltd/Vivid Colors Pvt. Ltd. Security documentations are pending for 15% NCD placed with NIA, 15% NCD placed with UTI and 13.5% OCD placed with UTI.

Status of Security	31st March, 2014	31st March, 2013
Following amounts are secured by mortgage on Fixed Assets of the Company		
Unpaid matured debentures and interest accrued thereon	4,364.00	5,662.41
Interest accrued and due on borrowings	<u>16,506.25</u>	<u>16,506.25</u>

9 SHORT TERM PROVISIONS

Employees benefit			
Gratuities	124.92	116.34	
Leave Encashment	<u>22.50</u>	<u>21.47</u>	137.81
Provision for Premium on NCD		40.00	40.00
Provision for Tax (net of advance payment of tax)		<u>81.96</u>	<u>70.41</u>
		<u>269.38</u>	<u>248.22</u>

10. FIXED ASSETS

(₹ in Lacs)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION								NET BLOCK	
	Cost/ Revaluation as at 31.03.13	Additions	Deductions	Cost/ Revaluation as at 31.03.14	Depreciation				Impairment				As at 31.03.14	As at 31.03.13
					As at 31.03.13	Provided	On Revaluation	On Deductions	As at 31.03.14	As at 31.03.13	Provided	As at 31.03.14		
I. Tangible Assets:														
Freehold Land	2,398.69	-	1,984.84	413.85	-	-	-	-	-	-	-	-	413.85	2,398.69
Leasehold Land	326.70	1.97	-	328.67	64.49	0.27	3.27	-	68.03	-	-	-	260.64	262.21
Buildings	1,555.19	-	114.85	1,440.35	943.13	22.45	39.16	110.23	894.51	208.07	-	208.07	337.77	404.00
Plant and Equipments	15,764.73	45.38	970.20	14,839.91	6,080.32	192.05	-	937.23	5,355.14	9,314.29	-	9,314.29	190.48	370.12
Furniture & Fixtures	995.39	-	-	995.39	888.72	9.40	-	-	898.11	65.83	-	65.83	31.45	40.84
Vehicles	46.15	-	-	46.15	46.15	-	-	-	46.15	-	-	-	-	-
Total Tangible Assets	21,086.85	47.35	3,069.88	18,064.32	8,022.80	224.17	42.43	1,047.46	7,241.94	9,588.19	-	9,588.19	1,234.19	3,475.87
Previous year	21,050.00	35.85	-	21,086.85	7,791.98	218.78	12.04	-	8,022.80	9,588.19	-	9,588.19	3,517.97	-
II. Intangible Assets :														
Trade Mark	2,399.64	-	-	2,399.64	2,399.64	-	-	-	2,399.64	-	-	-	-	-
Previous year	2,399.64	-	-	2,399.64	2,399.64	-	-	-	2,399.64	-	-	-	-	-
III. Capital Work-in Progress														42.10
Total Fixed Assets (H+III)	23,486.49	47.35	3,069.88	20,463.96	10,422.44	224.17	42.43	1,047.46	9,641.58	9,588.19	-	9,588.19	1,234.19	3,517.97
Previous year	23,449.64	35.85	-	23,486.49	10,191.62	218.78	12.04	-	10,422.44	9,588.19	-	9,588.19	3,517.97	-

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 ₹ 334063 as at 30th September, 1995 which was credited to Revaluation Reserve.
2. Freehold Land :
ACRE under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has sold out the Parvel property in exercise of powers conferred under section 13(4) of the said act.
Description of Immoveable Property taken by ACRE :
Land admeasuring 24,195 sq yds situated at Panvel (Khanda), Taluka- Panvel, Dist. Raigad (Maharashtra) and comprised in Survey No. 102 (P), 107 (P) and 780 (Part).
3. That the Asset care and Reconstruction Ltd. (ACRE) has acquired the debt and financial assets from the Dombivili Nagari Sahkari Bank Ltd., Specified Undertaking of the Unit Trust of India, Industrial Investment Bank of India, Punjab National Bank and Canara Bank under the deed of assignment dated 28/02/2010, 29/03/2011, 21/06/2011, 22/06/2011 and 03/12/2012 respectively. The aforesaid debts/ financial assets are secured by equitable mortgage of immovable properties of the company and by way of charge on movable assets including current assets. The ACRE under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of powers conferred under section 13(12) read with Rule 9 of the security interest repay the amount mentioned in the said notice being ₹ 11770.50 Lacs. The company have failed to repay the amount, so the ACRE has taken possession of the Sikandrabad property, the entire movable assets including current assets situated at plot no. 21 & 22, Sikandrabad Industrial Area, Dist. Bullandshahar (U. P.) in exercise of powers conferred under section 13(4) of the said act on the 21st May, 2013.
Description of Immoveable Property taken by ACRE :
Land admeasuring 67,144.44 sq meter bearing plot no. 21 & 22, situated at Sikandrabad Industrial area, Dist. Bullandshahar (U. P.)
4. During the quarter ended 31st December, 2013, the Land & Building situated at Panvel has been sold by Asset Care & Reconstruction Enterprises Limited (ACRE) under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act. The profit from sale of Land & Building amounting to ₹ 4034.54 lacs and included in other income for the quarter ended 31st December, 2013.
5. During the year the Company mortgaged Trade Mark and Goodwill in favour of Vivid Colors Pvt. Ltd. against their Short term Loan amounting to ₹ 3452.25 lacs.

Non Current Investments

Long Term Investments (At cost, fully paid up)

Other than Trade (Unquoted)

Investment in Mutual FUNDS

37,978 Units of Unit Trust of India, fully paid

Investments in Debentures and Bonds

30 - 1/2 % Debenture of ₹100/- each of East India

Clinic Limited, fully paid.

₹ 4,500/- 5% Registered Debenture Stock

(non-redeemable) of East India Clinic Limited.

Investment in Equity Instruments

500 'B' Class Shares of ₹ 10/- each of J&N Employees'

Consumers' Co-operative Stores Limited, fully paid

500 Equity Shares of ₹ 10/- each of The Co-operative

Stores Limited, Delhi, fully paid

**As at
31st March, 2014**

As at
31st March, 2013

2

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0.03

0.03

0.05

0.05

0.05

0.05

0.05

0.05

0.18

0.18



JENSON AND NICHOLSON (INDIA) LIMITED

Notes on Financial Statements

	(₹ in Lacs)	
	As at 31st March, 2014	As at 31st March, 2013
12 LONG TERM LOANS & ADVANCES		
Security Deposites		
Considered good	9.15	8.86
Considered doubtful	-	-
	<u>9.15</u>	<u>8.86</u>
Provision for doubtful	-	-
	<u>9.15</u>	<u>8.86</u>
13 INVENTORIES		
Raw Materials	506.08	602.52
Less: Provision for Stocks Lying in Naihati	<u>367.44</u>	<u>367.44</u>
Containers	61.98	74.15
Less: Provision for Stocks Lying in Naihati	<u>12.90</u>	<u>12.90</u>
Work-in-Progress	11.88	18.91
Less: Provision for Stocks Lying at Naihati	<u>4.33</u>	<u>4.33</u>
Finished Goods	664.25	756.89
Less: Provision for Stocks Lying at Naihati	<u>14.77</u>	<u>14.77</u>
Stock in Transit (Finished Goods)	10.07	8.45
Stock in Trade	112.55	134.07
Stores and Spare Parts	28.05	29.12
Less: Provision for Stocks Lying in Naihati	<u>26.57</u>	<u>26.57</u>
	<u>968.85</u>	<u>1,198.11</u>
14 TRADE RECEIVABLE		
Overdue for a period of exceeding six months:		
Unsecured Considered Good	96.13	79.21
Unsecured Doubtful	<u>680.17</u>	<u>639.41</u>
	<u>776.30</u>	<u>718.63</u>
Less : Provision for Doubtful Debts	<u>680.17</u>	<u>639.41</u>
Other Receivables	96.13	79.21
Unsecured Considered Good	797.74	1,043.82
	<u>893.87</u>	<u>1,123.04</u>
15 CASH AND CASH EQUIVALENTS		
Cash on hand	0.89	0.94
Balance with Scheduled Banks	449.30	527.30
Fixed Deposit with Banks	2.14	2,495.78
Other bank Balances		
On Margin Money Deposit	12.24	12.24
	<u>464.56</u>	<u>3,036.26</u>
16 SHORT TERM LOANS & ADVANCES		
Other Advances		
Considered good	82.77	88.79
Considered doubtful	<u>322.93</u>	<u>322.93</u>
	<u>405.70</u>	<u>403.72</u>
Provision for doubtful	<u>322.93</u>	<u>322.93</u>
	<u>82.77</u>	<u>80.79</u>
17 OTHER CURRENT ASSETS		
Interest Accrued on Fixed Deposits	-	18.71
	<u>-</u>	<u>18.71</u>

JENSON AND NICHOLSON (INDIA) LIMITED

Notes on Financial Statements

	(₹ in Lacs)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
18 REVENUE FROM OPERATIONS		
Sale of Products	6,649.88	7,381.21
Less: Rebates	<u>757.21</u>	<u>818.17</u>
	5,892.67	6,563.04
Less: Excise Duty	<u>551.45</u>	<u>650.78</u>
	<u>5,341.22</u>	<u>5,912.26</u>
Particulars of Sale of Products		
Paints	5,892.67	6,563.04
19 OTHER OPERATING INCOME		
Sale of Scrap	26.68	12.45
Insurance Claims Received	2.29	-
Miscellaneous Income	<u>25.70</u>	<u>-</u>
	<u>54.67</u>	<u>12.45</u>
20 OTHER INCOME		
Profit on Sale of Parvel land	4,037.59	3.01
Provision for debts no longer required written back	-	-
Interest (Gross) Tax Deducted at source	108.11	217.21
Miscellaneous Income	<u>216.83</u>	<u>-</u>
	<u>4,362.53</u>	<u>220.22</u>
21 CONSUMPTION OF MATERIALS ETC.		
Raw Materials & Components		
Opening Stock	602.52	586.47
Add : Purchases	<u>2,247.75</u>	<u>2,884.51</u>
	2,850.27	3,470.98
Less : Closing Stock	<u>506.07</u>	<u>602.52</u>
	2,344.20	2,868.46
Containers		
Opening Stock	74.15	57.62
Add : Purchases	<u>373.09</u>	<u>427.28</u>
	447.24	484.90
Less : Closing Stock	<u>61.98</u>	<u>74.15</u>
	385.26	410.75
	<u>2,729.46</u>	<u>3,279.21</u>
CIF value of Imports		
Raw Material	20.95	-
Capital Goods	-	-
Finished Goods	-	-
	<u>20.95</u>	<u>-</u>
Particulars of Material Consumed		
Acids & Chemicals	298.79	391.63
Pigments	462.37	585.15
Resins	1,270.88	1,553.01
Solvents	305.91	333.55
Others	6.25	5.12
Total	<u>2,344.20</u>	<u>2,868.46</u>
of which Imported	0.89% 20.95	0% -
of which Indigenous	99.11% 2,323.25	100% 2,868.46
	<u>2,344.20</u>	<u>2,868.46</u>



JENSON AND NICHOLSON (INDIA) LIMITED

Notes on Financial Statements

		(₹ in Lacs)
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
22 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE		
Opening Work in Progress	18.91	25.32
Closing Work in Progress	11.88	18.91
	<u>7.03</u>	<u>6.41</u>
Opening Finished Stocks/Stock in Trade	899.42	710.68
Closing Finished stocks / Stock in Trade	786.87	899.42
	<u>112.55</u>	<u>(188.74)</u>
	<u>119.58</u>	<u>(182.33)</u>
23 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	631.58	594.80
Contribution to Provident & Other Funds	45.62	41.06
Staff Welfare Expenses	45.38	50.42
	<u>722.58</u>	<u>686.28</u>
24 FINANCE COST		
Interest (other than on banks & FI's Loans)	145.20	309.64
	<u>145.20</u>	<u>309.64</u>
25 OTHER EXPENSES		
Custom Duty Expense	2.45	-
Consumption of Stores & Spare Parts	9.97	16.26
Power & Fuel	34.78	41.60
Rent	94.52	90.45
Repairs & Maintenance to Building	0.55	18.31
Repairs & Maintenance to Plant & Machinery	4.14	5.54
Insurance	9.14	8.62
Rates & Taxes	24.89	29.47
Freight	446.33	442.46
Travelling	144.93	139.55
Advertising & Sales Promotion	162.88	110.04
Cash Discounts	206.21	241.61
Consultancy & Legal Exp.	65.18	87.67
Auditors' Remuneration		
As Audit Fee	1.00	1.00
For Tax Audit Fees	0.60	0.60
For Company Law Matters	0.50	0.50
For Other Services	1.20	0.90
Reimbursement of Expenses	1.29	0.54
Directors' Sitting Fee	1.20	1.20
Provision for Doubtful Advances	-	-
Provision for Doubtful Debts	40.76	24.31
Miscellaneous	209.62	189.54
	<u>1,462.14</u>	<u>1,450.17</u>
25.1 Store and Spares Consumed		
Imported	-	-
Indigenous	100% 9.97	100% 16.26
	<u>9.97</u>	<u>16.26</u>
26 EXCEPTIONAL ITEMS		
	-	-
27 EXTRAORDINARY ITEMS		
Income from Non Competing fees	-	-
28 EARNINGS PER EQUITY SHARES		
Profit after Tax (Loss)	(₹ in Lacs) 3,530.72	(540.39)
Preference Dividend	(₹ in Lacs) 243.00	243.00
Adjusted Profit (Loss) after taxation	(₹ in Lacs) 3,287.72	(827.39)
Weighted Average Number of Equity Shares	374.26	374.26
Basic Earnings Per Equity Share (Loss)	8.78	(2.21)
(Face Value ₹ 2/- per share)		

Diluted Earnings per share have not been disclosed for both the years as potential ordinary shares, ordinary if converted into shares, will have anti dilutive effect.

JENSON AND NICHOLSON (INDIA) LIMITED



Notes on the Financial Statements

29. The company's second reference before the Board for Industrial and Financial Reconstruction (BIFR) under the sick Industrial company's (Special Provisions) Act, 1985 registered vide case no. 47/2012 was abated by the Hon'ble (BIFR) on hearing held on 19th September, 2013 on an application filed by ACRE after acquisition of the Sikandrabad Assets. It is further informed that the company have filed a fresh reference application on 21st February, 2014 before the Board for Industrial and Financial Reconstruction (BIFR) under the sick Industrial companies (Special Provisions) Act, 1985.
30. During the year ended 31st March, 2014 the Land and Building situated at Panvel has been sold by Asset Care Reconstruction Enterprises Limited (ACRE) under Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act. Also Plant & Machinery situated at Panvel has been sold during the year. The profit from sale of Land & Building and Plant & Machinery are included in other income.
31. Due to non-payment of debts, ACRE has acquired the possession of SIKANDRABAD PROPERTY situated at Sikandrabad, Plot No.21 & 22 UPSIDC, Industrial Area, Distt. Bulandshahar, UP in exercise of powers conferred u/s 13(4) of the said Act, on 21st May, 2013 and is still continuing.
32. Contingent liabilities not provided for in respect of:

S.No.	Particulars	31 st March, 2014 (₹ in lacs)	31 st March, 2013 (₹ in lacs)
1	Sales Tax Matter under Appeal	253.30	255.92
2	Income Tax Matter under Appeal	39.29	39.29
3	Panvel octroi under dispute	71.91	71.91
4	Excise Duty under Appeal	567.91	536.45
5	Interest on custom duty payable	285.12	266.40
6	Arrear Pref. Share Dividend	3645	3402.00
7	Interest payable under dispute	739.67	739.67
8	Interest on loans taken from banks, financial institutions and other lenders which has not been provided after 31st March 2006.	112655.45	88306.33
9	Claim against the company not acknowledged as debts.	12461.81	9774.18
10	Claim against the company for given corporate guarantees including interest thereon	18150.30	15285.78
11	Interest on loan from Vivid Color Pvt. Ltd.	2572.90	2075.13
12	Claim by Kolkata Port Trust on account of difference in rent.	191.97	171.52

33. **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.

34. **SEGMENT REPORTING**
As the Company's business activity falls within a single business segment viz. 'paints and the sales substantially being in the domestic market, the financial statements are reflective of the information required by Accounting Standard 17 "Segment Reporting", notified under the Companies (Accounting Standards) Rules, 2006.

35. **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) **Enterprise Under Common Control**
• Maurya Management Pvt. Ltd
• Bihar Hotels Ltd.

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

(₹ in lacs)

S. No.	Name	Relationship	Outstanding as on 31.03.2014	Outstanding as on 31.03.2013	Payable / Receivable	Name of Transaction	Transactions for the year ended 31.03.2014	Transactions for the year ended 31.03.2013
1	Maurya Management Pvt. Ltd.	Enterprise under Common Control	500	500	Payable	Advance	-	-
2	Bihar Hotels Ltd.	Enterprise under Common Control	1.71	0.10	Payable	Rent Receipt & Reimbursement of expenses	22.68	8.09

Note:

- 1.No amount has been written off/ written back during the year in respect of debts due from or to the related parties.
2.Figures in brackets denote the amount receivable.

36. 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.



JENSON AND NICHOLSON (INDIA) LIMITED

37. Disclosure as per AS 15 revised

The principal assumptions used in actuarial valuation are as below

- Discount rate	9.00%
- Expected rate of return on assets	0.00%

	Gratuity	Leave Encashment
	(₹ in Lacs)	
Change in present value of obligations		
Present value of obligations as at 01.04.2013	370.18	75.18
Interest cost	33.32	6.76
Current service cost	17.02	0.93
Benefits paid	-	-
Actuarial loss/(Gain) on obligations	(58.78)	(8.67)
Present value of obligations as at 31.03.2014	<u>361.74</u>	<u>74.21</u>
Change in fair value of plan assets	NA	NA
Liability recognized in Balance Sheet		
Present value of obligations as at 31.3.2014	361.74	74.21
Fair value of plan assets as at the end of the year-	-	-
- Funded status [Deficit]	361.74	74.21
- Unrecognised Actuarial (Gain)/Loss	-	-
- Net (Liability) recognized in Balance Sheet	<u>361.74</u>	<u>74.21</u>
As per our attached report of even date		

M. Mukerjee & Co.
Chartered Accountants
Spandan Sengupta
Membership No. 135833
FRN No. 303013E

Place: Gurgaon
Dated: 28th May, 2014

Part IV Balance Sheet Abstract and Company's General Business Profile

I Registration Details			
Registration No.	4603	State Code	21
Balance Sheet Date	31.03.2014		
II Capital Raised during the year (₹ in Lacs)			
Public Issue	NIL	Rights Issue	NIL
Bonus issue	NIL	Private Placement	NIL
III Position of Mobilisation and Deployment of Funds (₹ in Lacs)			
Total Liabilities	3653.58	Total Assets	3653.58
Equity and Liabilities			
Paid - up Capital	2448.51	Reserves & Surplus	(38023.29)
Non Current Liabilities	1847.27	Current Liabilities	37381.09
Assets			
Non Current Assets	1243.52	Current Assets	2410.06
IV Performance of the Company (₹ in Lacs)			
Turnover	9758.42	Total Expenditure	6227.70
Profit (+)/Loss(-) Before tax	3530.72	Profit(+)/Loss(-) After Tax	3530.72
Earning per Share (Loss) in ₹	8.78	Dividend Rate %	000
V Generic Name of Three Principal products/Services of Company (as per monetary terms)			
Product Description	Item Code No. (ITC Code)		
Paints & Varnishes	32089019		
Paints & Varnishes	32091090		
Thinner	38140010		

On behalf of the Board of Directors
B.C. Srivastava
Managing Director
N. M. Sahai
Director
Faisal Alam
Director

Place : Gurgaon
Dated : 28th May, 2014

Joginder Batra
VP-Finance



JENSON AND NICHOLSON (I) LIMITED

REGD.OFFICE: 7B, MIDDLETON STREET, KOLKATA-700071

(CIN NO. L51597WB1922PLC004603)

website: www.jensonnicholson.com

ATTENDANCE SLIP

91st Annual General Meeting

18th September' 2014

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 Ninety first Annual General Meeting of the Company to be held on at the Hall of Kalamandir Basement (Kalakunj), 48, Shakespeare Sarani, Kolkata 700 017 on Thursday, the 18th of September, 2014 at 10.30A.M.

Member's/Proxy's Name in Block Letters

Member's / Proxy's Signature

*** Applicable for investors holding shares in electronic form**

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



JENSON AND NICHOLSON (I) LIMITED
 REGD.OFFICE: 7B, MIDDLETON STREET, KOLKATA-700071
 (CIN NO. L51597WB1922PLC004603)
 website: www.jensonnicholson.com

PROXY FORM

Name of the member (s):

Registered address:

E-mail Id:

Folio /DP- ID- Client ID No.

I/ We being the member(s) of _____ shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him;

2) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him;

3) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 91st Annual General meeting of the company, to be held on 18th September, 2014 at 10.30 a.m. at the auditorium of Kalamandir, Basement, Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS		
	Ordinary Business	For	Against
1.	Adoption of Financial Statements for the year ended 31st March' 2014		
2.	Appointment of a Director, in place of Mr. Faisal Alam, who retires by rotation and being eligible offers himself for re-appointment.		
3.	Appointment of M/s. M Mukherjee & Co. Chartered Accountants as Auditors and to authorize the Board of Directors to fix their remuneration.		
	Special Business		
4.	Approval of remuneration to be paid to the cost auditor of the the company M/s. Mitra Bose & Associates, Cost Accountants for cost audit of cost record of the company for the year ending 31st March, 2015		
5.	Appointment of Mr. N. M. Sahai as an Independent Director		
6.	Appointment of Mr.B S Sahay as an Independent Director		
7.	Appointment of Mr. Ranjit Singh as an Independent Director		

Signed this _____ day of _____ 2014

Signature of shareholder _____

Signature of Proxy holder(s) _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 91st Annual General Meeting.

**Affix
Revenue
Stamp**



List of Branches

Ahmedabad

3, Tirupati Estate,
Nr. Suprem Hotel,
Opp. Swastik Bansidhar Mill,
Narol Aslali Highway, Narol,
Ahmedabad - 382 405.
Phone : 079 - 2573 0096
Email: jnahmedabad@jnpaints.com

Bangalore

45, 2nd Cross Road, 6th Main
Vinayaka Nagar, Mysore Road
Bangalore 560 026
Karnataka
Tel: 080 - 3271 9662, 26743535
Email: jnbangalore@jnpaints.com

Chandigarh

68 Industrial Area, Phase 2
Chandigarh 160 002
Tel: 0172 - 507 6657/2653657
Email: jnchandigarh@jnpaints.com

Coimbatore

9/36A Dr. Nanjappa Road
Coimbatore 641 108
Tamil Nadu
Tel: 0422 - 238 0376, 230 4501
Email: jncoimbatore@jnpaints.com

Cuttack

Pilgrim Road
College Square
Cuttack 753 003
Orissa
Tel: 0671 - 251 1053/2531053/6530588
Email: jnhubaneshwar@jnpaints.com

Delhi

Flat No. 301-303, 3rd Floor
B-2, Shivam House,
Karampura Commercial Complex
Opp. Milan Cinema
New Delhi 110 015
Tel: 011 - 45040948/949
Email: jndelhi@jnpaints.com

Ernakulam

42/1325, 1326 Power House Road
Ernakulam
Cochin 682 018
Kerala
Tel: 0484 - 239 4256, 2395310
Email: jnernakulam@jnpaints.com

Lucknow

3 Tilak Nagar, Aishbagh Road
Lucknow 226 004
Uttar Pradesh
Tel: 0522 4103312
Email: jnlucknow@jnpaints.com

Faridabad

14 / 4, Mathura Road,
(Behind Bank of India)
Faridabad 121007 Haryana
Mob : 93502 90970
Email: jnfaridabad@jnpaints.com

Ghaziabad

B-16, Industrial Area, Meerut Road
Site III, Behind DPS School
Ghaziabad 201 002
Uttar Pradesh
Tel: 0120 - 4226223, 4167947
Email: jnghaziabad@jnpaints.com

Guwahati

A S E B Road,
Opp-ASTC Central Workshop Ulubari
Guwahati 781 007
Assam
Tel: 0361 2462796/2462742/746
Email: jnguwahati@jnpaints.com

Haldwani

Jai Singh Farm, Opp. Old I.T.I.
Village : Gaujajali, Bareilly Road
Haldwani (Uttarakhand)
Tel : 05946-245 027
Email: jnhaldwani@jnpaints.com

Indore

"Pramukh Centre"
98/1/8 Lasudiamori,
Opp. Lasudia Police Station
Indore 452 001
Madhya Pradesh
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