

# JASCH INDUSTRIES LTD

(An ISO 9001:2008 Company)

27<sup>th</sup> ANNUAL REPORT (2012-2013)

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## BOARD OF DIRECTORS

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J.K. GARG CHAIRMAN & MANAGING DIRECTOR  
MANISH GARG WHOLE TIME DIRECTOR  
RAMNIK GARG WHOLE TIME DIRECTOR  
NAVNEET GARG WHOLE TIME DIRECTOR  
KAMLESH GARG (MS) DIRECTOR  
O.P. GARG EXECUTIVE DIRECTOR  
S.K. KHANDELWAL (DR.) DIRECTOR  
K.C. VARSHNEY (DR.) DIRECTOR  
ASHOK MITTAL (DR.) DIRECTOR  
KULDEEP SINGAL DIRECTOR  
K.L. KHETARPAUL DIRECTOR

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## COMPANY SECRETARY

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**S.K. VERMA**

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## AUDITORS

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Arora & Choudhary Associates  
Chartered Accountants  
(Registration No. 003870N)  
8/28, W.E.A Abdul Aziz Road,  
Karol Bagh, New Delhi 110 005.

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## BANKERS

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STATE BANK OF INDIA  
OVERSEAS BRANCH, JANPATH, NEW DELHI-110 001

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## REGISTRARS

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Alankit Assignments Ltd.  
(Unit : Jasch Industries Ltd)  
2E/21, Jhandewalan Extn.,  
New Delhi – 110 055

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## REGISTERED OFFICE AND WORKS

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43/5, BAHALGARH ROAD,  
P. O. BAHALGARH,  
DISTT. SONEPAT 131 021 (HARYANA)

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## CORPORATE OFFICE

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502, BLOCK C, NDM-2,  
NETAJI SUBHASH PLACE,  
PITAMPURA, DELHI – 110 034

**NOTICE OF 27<sup>th</sup> ANNUAL GENERAL MEETING**

To

The Members,

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of Members of JASCH INDUSTRIES LIMITED will be held on Friday, the 27<sup>th</sup> September, 2013 at 10:00 AM at Registered Office of the Company at 43/5, Bahalgarh Road, PO, Bahalgarh, Distt. Sonapat-131021, Haryana, to transact the following business :

**ORDINARY BUSINESS :**

**AGENDA ITEM NO. 1 :** To receive, consider and adopt the audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2013, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.

**AGENDA ITEM NO. 2 :** To appoint a Director in place of Mrs. Kamlesh Garg who retires by rotation, and being eligible, offers herself for re-appointment.

**AGENDA ITEM NO. 3 :** To appoint a Director in place of Shri K.L. Khetarpaul who retires by rotation, and being eligible, offers himself for re-appointment.

**AGENDA ITEM NO. 4 :** To re-appoint Auditors and in this connection, to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the retiring auditors M/s Arora & Choudhary Associates , Chartered Accountants, being eligible for reappointment, be and are hereby re-appointed to as statutory auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, on a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors, plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties."

**SPECIAL BUSINESS**

**AGENDA ITEM NO. 5 :** TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION :

**"RESOLVED THAT** pursuant to provisions of Section 269, Schedule XIII and all other applicable provisions of Companies Act, 1956, re-appointment of Shri Ramnik Garg as whole time Director, made by the Board for a period of three years w.e.f. 01-07-2013, on the initial remuneration, time scale, perks, terms and conditions as have been approved by the Remuneration Committee, details of which are set out in the Explanatory Statement attached with the notice convening the Annual General Meeting, or as may be varied by the Annual General Meeting, be and is hereby approved."

**AGENDA ITEM NO. 6 :** TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLOWING RESOLUTION AS SPECIAL RESOLUTION :

**"RESOLVED THAT** pursuant to provisions of Section 269, Schedule XIII and all other applicable provisions of Companies Act, 1956, re-appointment of Shri Om Prakash Garg as whole time Director, made by the Board for a period of three years w.e.f. 01-07-2013, on the initial remuneration, time scale, perks, terms and conditions as have been approved by the Remuneration Committee, details of which are set out in the Explanatory Statement attached with the notice convening the Annual General Meeting, or as may be varied by the Annual General Meeting, be and is hereby approved."

By Order of the Board of Directors  
For JASCH INDUSTRIES LTD

Place : Sonapat  
25<sup>th</sup> May, 2013

S.K. VERMA  
COMPANY SECRETARY

## NOTES

1. Explanatory Statement relating to Agenda Item Nos. 5 & 6 is annexed and forms part of this Notice.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy and vote in his stead. The proxy need not be a member of the Company. Proxy in the order to be valid, must be lodged at the Registered office of the Company not less than 48 hours before the commencement of Meeting.
3. A Member or his Proxy is requested to produce at the entrance of the Registered Office, Attendance Slip forwarded to them along with this Annual Report, to facilitate their attendance at the AGM.
4. Members desirous of getting any information related to the accounts of the Company for the period under reference are requested to write to the Company at least ten days before the meeting, to enable it to make the requisite details available at the Meeting.
5. Members are requested to address all correspondence, including intimation of change in their addresses, if any, to M/s Alankit Assignments Ltd, Registrars & Share Transfer Agents of the Company.
6. The Register of Members and Share Transfer Registers of the company will remain closed from 16<sup>th</sup> September, 2013 to 27<sup>th</sup> September, 2013 both days inclusive.
7. As the equity shares of the company are compulsorily traded in demat form, members holding equity shares physical form are requested to get the shares converted in demat form.
8. Members holding equity shares in physical form are hereby requested to promptly notify the change of address/ dividend mandate, if any, to the company's Registrar and Share Transfer Agents, Alankit Assignments Ltd (Unit : Jasch), 2E/21, Jhandewalan Extension, New Delhi quoting their folio number and Members holding equity shares in demat form shall have to intimate to their respective Depository Participants quoting their Client ID.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register their e-mail addresses with Alankit Assignments Ltd (Unit : Jasch, 2E/21, Jhandewalan Extension, New Delhi), Registrar and Share Transfer Agent of the company.
10. Members are requested to make use of Nomination facility by filing Form 2B. In case of shares held in demat mode Form 2B has to be lodged with the respective DP and in case of the shares held in physical mode the same has to be lodged with the company or its Share Transfer Agents.
11. Members are requested to bring a copy of the Annual Report along with them to the Annual General Meeting since as a measure of economy as extra copies may not be supplied at the meeting.
12. Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
13. Members who have not received/claimed dividend for the year 2010-11, may do so now by writing to the Company
14. **FOR SPECIAL ATTENTION OF MEMBERS : NO GIFTS/COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.**

#### Important Communication to Members

**The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail id with Alankit Assignments Ltd (Registrar and Share Transfer Agents of the Company) by sending a request letter duly signed by the first / sole shareholder.**

## ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956  
IN RESPECT OF AGENDA ITEM NOS. 5 & 6**AGENDA ITEM NO. 5 : SHRI RAMNIK GARG**

Shri Ramnik Garg, 42, a Graduate Polymer Engineer, started his career as Production Manager of Jasch Plastics India Ltd and later he was elevated to the post of Whole Time Director. He served in that organization for over 10 years. He was appointed Whole Time Director of Jasch Industries Ltd for a period of five years w.e.f. 1<sup>st</sup> July, 2003 and on expiry of this he was re-appointed for a further period of five years, w.e.f. 1<sup>st</sup> July, 2008. The remuneration drawn by him was Rs. 70000 per month, plus perks. This period was to come to an end on 30th June, 2013. The Board of Directors of the Company, in their Meeting held on 25<sup>th</sup> May, 2013 has re-appointed him on the same position, for a further period of three years w.e.f. 1<sup>st</sup> July, 2013 for a remuneration to be decided by the Remuneration Committee in accordance with law. The appointment and remuneration are subject to approval by the ensuing Annual General Meeting.

The Remuneration Committee, in its Meeting held on 25<sup>th</sup> May, 2013, has approved the following remuneration, perks and terms of his appointment :

Monthly Salary : Rs. 95,000 per month in the time scale of Rs. 95,000 – 10,000 – 1,15,000.

Perks : In addition to salary, he will be entitled to following perks :

1. Chauffeur-driven car for official use only.
2. Telephone at residence and mobile phone for official use only.
3. Special Allowance not exceeding six months' salary in a year, to cover housing, conveyance, telephone, medical, electricity, gas, water and other personal expenses.
4. Gratuity as per law

Terms & Conditions :

He will be entitled to the above remuneration and perks even in case there are no profits or if the profits are inadequate. The remuneration and perks shall be payable if the appointee and the Company fulfill the conditions of eligibility and quantum as laid down under Schedule XIII of the Companies Act, 1956. This appointment will be terminable by either side by giving three months' notice in writing."

Shri Ramnik Garg, Shri Navneet Garg, Shri J. K. Garg, Shri Manish Garg and Smt Kamlesh Garg being the proposed appointee/his relatives, may be deemed to be interested in the above appointment and remuneration.

**Item No. 6 : SHRI O.P. GARG**

Shri O.P. Garg, 65, is a Mechanical Engineer with Post-Graduate Diploma in Computer Management. He has been associated with the Company as Executive Director (Whole Time Director) since 1993. Prior to that he has held management positions in Industrial Development Bank of India. He has vast experience in Project Finance and Industrial Management/Commerce. He is a member of Shareholder's Grievance Committee. He is also Director of Modern Electro-Power Ltd.

Shri O.P. Garg was last re-appointed as Executive Director of the Company for a period of five years w.e.f. 1<sup>st</sup> July, 2008. The remuneration drawn by him was Rs. 29000 per month, plus perks. This period was to come to an end on 30th June, 2013. The Board of Directors of the Company, in their Meeting held on 25<sup>th</sup> May, 2013 has re-appointed him on the same position, for a further period of three years w.e.f. 1<sup>st</sup> July, 2013 for a remuneration to be decided by the Remuneration Committee in accordance with law. The appointment and remuneration are subject to approval by the ensuing Annual General Meeting.

The Remuneration Committee, in its Meeting held on 25<sup>th</sup> May, 2013, has approved the following remuneration, perks and terms of his appointment :

Monthly Salary : Rs. 60,000 per month in the time scale of Rs. 60,000 – 6,000 - 78,000, provided that the first annual increment will be drawn w.e.f. 1<sup>st</sup> November, 2013.

Perks : In addition to salary, he will be entitled to following perks :

1. House Rent Allowance on actual basis, not exceeding 15% of salary
2. Chauffeur-driven car
3. Telephone at residence
4. Gratuity as per law
5. Medical Insurance and leave/leave encashment as per policy of the Company.

Terms & Conditions :

He will be entitled to the above remuneration and perks even in case there are no profits or if the profits are inadequate. The remuneration and perks shall be payable if the appointee and the Company fulfills the condition of eligibility and quantum as laid down under Schedule XIII of the Companies Act, 1956. This appointment will be terminable by either side by giving three months' notice in writing.

None of the Directors is interested in the aforesaid Resolution except Shri Om Prakash Garg (the proposed re-appointee).

25<sup>th</sup> May, 2013

Registered Office :

Jasch Industries Ltd.

43/5, Bahalgarh Road,

P.O. Bahalgarh, Distt Sonapat

Haryana

By Order of the Board

For Jasch Industries Ltd.

S. K. Verma

COMPANY SECRETARY

## CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE DISCLOSURE PURSUANT TO CLAUSE 49  
OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

Corporate Governance Report of the Company for the financial year ended on 31<sup>st</sup> March, 2013 is as follows:

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy on corporate governance is "Governance through use of collective wisdom of Directors and transparency in business dealings so as to be fair and also serve the best interests of all stakeholders e.g. shareholders, employees, customers, suppliers and society at large."

**2. BOARD OF DIRECTORS**

a) Details of directors, their attendance at Board Meetings during the financial year 2012-2013, their attendance at previous Annual General meeting and number of memberships held by them in the Board/Committees of various companies.

Name (Shri)	Category	Attendance at Board Meetings	Number of directorships/ committee member / chairmanships other than in Jasch Committee~			Whether attended last AGM
			Directorships#	Member	Chairman	
J.K. Garg	E&P	5	4	0	0	Yes
Kamlesh Garg (Ms)	P	5	0	0	0	No
S.K. Khandelwal (Dr)	NE&I	5	1	0	0	Yes
Ramnik Garg	E&P	5	1	0	0	Yes
Manish Garg	E&P	5	4	0	0	Yes
Navneet Garg	E&P	5	1	0	0	Yes
K.C. Varshney (Dr)	NE&I	5	3	1	1	Yes
Ashok Mittal (Dr)	NE&I	5	6	0	0	Yes
Kuldeep Singal	NE&I	5	1	0	0	Yes
O.P. Garg	E	5	1	0	0	Yes
K.L. Khetarpaul	N&I	4	1	0	0	Yes

E = Executive, P=Promoter, NE=Non-Executive I = Independent

# = Directorships in Indian public limited companies only.

~ = Committee means only the Audit Committee, Shareholders' Grievance Committee and Remuneration Committee.

During the year under the report, the Board met five times i.e. on 15-05-2012, 29-06-2012, 29-08-2012, 03-11-2012 and 09-02-2013. The maximum time gap between any two meetings was not more than three calendar months. As per information available with the Company, none of the Directors is a member of more than ten committees and none acts as chairman in more than five committees across all companies in which he is a director.

Disclosure in terms of Clause 49(IV)(G)(ia) of Listing Agreement : Smt. Kamlesh Garg is the spouse of Shri J.K. Garg and Shri Ramnik Garg, Shri Manish Garg and Shri Navneet Garg are their sons.

(b) Information about persons who are being appointed / re-appointed as Directors.

Shri Ramnik Garg, 42, a Graduate Polymer Engineer started his career as Production Manager of Jasch Plastics India Ltd., and later he was elevated to the post of Whole Time Director in that Company, where is served for over 10 years. He specializes in the field of production of coated fabrics. He has been associated with the Company as Whole Time Director since 1st July, 2003.

Shri O.P. Garg, 65, a Mechanical Engineer with Post-Graduate Diploma in Computer Management, has held management positions in Industrial Development Bank of India. He has been associated with the Company as Executive Director since 1993. He has vast experience in Project Finance and Industrial Management/Commerce. He is a member of Shareholder's Grievance Committee. He is also Director of Modern Electro-Power Ltd.

Smt. Kamlesh Garg, 65, is a Graduate. She has been associated with the Company as promoter-shareholder since 1993 and has administrative experience as partner in a firm manufacturing coated fabrics.

Shri K.L. Khetarpaul, 70, is a retired Executive Director of Reserve Bank of India. He specializes in economics, finance and banking operations. He is also a Director of Almonds Global Securities Ltd.

**3. AUDIT COMMITTEE**

The Audit Committee constituted by the Board of Directors consists of three independent directors namely Dr. K.C. Varshney (Chairman), Shri

Kuldeep Singal and Dr. S.K. Khandelwal which constitution is in accordance with Section 292A of the Companies Act, 1956 and the Listing Agreement. Dr. K.C. Varshney has vast experience in Corporate Finance. The Audit Committee has powers similar to those stated in Section 292A and Listing Agreement. Statutory Auditors and executives responsible for finance and accounts are permanent invitees to the Audit Committee Meetings. Shri S.K. Verma, Company Secretary is Secretary of the Audit Committee.

During the Financial Year under Report, the Audit Committee held its meetings on 15-05-2012, 29-08-2012, 03-11-2012 and 09-02-2013.

#### 4. REMUNERATION COMMITTEE

The Remuneration Committee constituted by the Board of Directors comprises of three independent directors namely Dr. K.C. Varshney (Chairman), Shri Kuldeep Singal and Dr. S.K. Khandelwal which constitution is in accordance with law/listing agreement. Shri S.K. Verma, Company Secretary is the Secretary of the this Committee. During the year under report, one Remuneration Committee meeting was held on 29-06-2012.

The remuneration paid to Directors during the year under review is as under :

Name	Designation	Salary (₹)	Perks (₹)
Shri J.K. Garg	Chairman & Mg. Director	12,00,000	34,274
Shri O.P. Garg	Executive Director	3,48,000	99,891
Shri Manish Garg	Whole Time Director	8,40,000	1,28,938
Shri Ramnik Garg	Whole Time Director	6,88,788	1,63,665
Shri Navneet Garg	Whole Time Director	8,40,000	1,28,390

The entire remuneration is fixed. There are no performance linked incentives payable to any of the Directors. No Stock Option Scheme is operational in the Company.

As regards remuneration to non-executive Directors, besides payment of sitting fees for Board/Committee Meeting attended by them, no other remuneration is being paid to them. Accordingly, Sitting Fees paid to non-executive Directors for attending Board Meetings and Committee Meetings are as follows :

Dr S.K. Khandelwal	₹ 40,000	Dr K.C. Varshney	₹ 40,000
Dr. Ashok Mittal	₹ 25,000	Shri Kuldeep Singal	₹ 40,000
Shri K.L. Khetarpaul	₹ 20,000		

#### 5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Dr. S.K. Khandelwal is the Chairman of this Committee. Other members of the Committee are Shri O.P. Garg, Executive Director and Shri S.K. Verma, Company Secretary. The functions of the Committee are overseeing redressal of complaints received from shareholders. Shri S.K. Verma, Company Secretary is the Compliance Officer under the Listing Agreement with Stock Exchanges. During the year under report, the company received only four complaints, three of which were satisfactorily resolved. One complaint was pending as on 31st March, 2013, which was also resolved subsequently.

No requests for transfer / transmission / dematerialization of shares were pending as on 31st March, 2013, except those, if any, which were required to be disposed by the Company within thirty days of receipt and this period of thirty days had not expired by 31st March, 2013 or which have been received late. These requests, were subsequently approved/dealt with by the Company.

#### 6. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as follows :

Year	Date	Time	No. of Special Resolutions passed
2009-10	12-08-2010	10 AM	0
2010-11	30-09-2011	10 AM	3
2011-12	29-08-2012	10 AM	2

All the above Meetings were held at the Registered Office & Works of the Company at 43/5, Bahalgarh Road, Sonipat. No postal ballots were involved.

#### 7. DISCLOSURES

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc that may have potential conflict with the interests of the company at large :  
None of the transactions with any of the related parties were in conflict with the interests of the Company.

- (b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matters related to capital markets, during the last three years.

There were no such instances.

### 8. MEANS OF COMMUNICATION

- (a) The company has published its quarterly results in the Business Standard/Financial Express and also uploaded the same at its website www.jaschindustries.com.
- (b) Management Discussion and Analysis forms part of the annual report.

### 9. GENERAL SHAREHOLDER INFORMATION

#### 9.1 Annual General Meeting :

- Date and Time 27<sup>th</sup> September, 2013 at 10:00 AM - Venue Registered Office of the Company at : 43/5, Bahalgarh Road, Sonipat, Haryana

#### 9.2 Financial Calendar 2012-13

Annual General Meeting : 27<sup>th</sup> September, 2013 at 10:00 AM

Results for Quarter ending Published during

- 30th June, 2012 (unaudited) Aug, 2012 - 30th Sept, 2012 (unaudited) Nov, 2012  
 - 31st Dec, 2012 (unaudited) Feb, 2013 - 31st March, 2013 (unaudited) May, 2013

#### 9.3 Book Closure Date: 16<sup>th</sup> September, 2013 to 27<sup>th</sup> September, 2013 (both days inclusive)

#### 9.4 Dividend Payment date : Not applicable

#### 9.5 Listing of Equity Shares : Mumbai Stock Exchange and Kolkata Stock Exchange

#### 9.6 Stock Code :

(a) Trading Symbol at : Mumbai Stock Exchange : 500220; Calcutta Stock Exchange : 20053

(b) Demat ISIN Nos in NSDL and CDSL : INE711C01010

Note : There has been no or insignificant trading in company's shares at CSE during the year under report. Annual Listing fees has been paid to both the Stock Exchanges.

#### 9.7 Stock Market Data and Share Price Performance in comparison to Broad based indices

Stock Market data in respect of equity shares (of ₹10 each fully paid up, as traded at Mumbai Stock Exchange) of the Company.

All Prices in ₹

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr 12	13.25	14.20	12.01	13.00	59,110	242	7,65,614	53,713	90.87	2.19	-0.25
May 12	13.00	14.34	12.50	13.25	71,119	175	9,25,487	71,063	99.92	1.84	0.25
Jun 12	13.60	13.80	11.15	13.25	41,735	288	5,19,098	39,796	95.35	2.65	-0.35
Jul 12	13.50	15.45	12.50	13.00	46,604	303	6,48,568	43,861	94.11	2.95	-0.50
Aug 12	13.01	13.50	11.39	11.98	23,490	193	2,95,303	20,678	88.03	2.11	-1.03
Sep 12	12.50	13.20	11.20	12.00	15,476	187	1,82,613	13,411	86.66	2.00	-0.50
Oct 12	12.85	14.40	11.35	12.51	31,384	195	3,94,222	30,953	98.63	3.05	-0.34
Nov 12	12.95	13.05	11.26	12.00	18,127	253	2,16,285	17,313	95.51	1.79	-0.95
Dec 12	12.05	12.69	10.80	11.19	8,540	219	97,835	7,535	88.23	1.89	-0.86
Jan 13	11.64	11.96	9.91	10.33	32,682	513	3,55,294	29,441	90.08	2.05	-1.31
Feb 13	10.30	11.98	9.50	11.04	9,946	165	1,03,977	8,863	89.11	2.48	0.74
Mar 13	10.55	11.00	7.10	7.75	18,965	321	1,71,465	15,869	83.68	3.90	-2.80
Apr 13	7.97	10.25	7.97	9.98	1,606	21	14,146	1,602	99.75	2.28	2.01
May 13	10.95	10.95	8.99	9.74	669	7	6,111	663	99.10	1.96	-1.21

\* Spread

H-L : High-Low

C-O : Close-Open

Note : The above figures have been obtained from "Archives" Section of the official website of the Mumbai Stock Exchange. The shares of the company have shown no or very little sensitivity to share price index.

9.8 Registrar and Share Transfer Agents and Share Transfer System

Pursuant to SEBI directions regarding handling of Share Transfer/demat work at one point, the Company has appointed M/s Alankit Assignments Ltd as the Registrars, whose complete address is given elsewhere in this Report.

9.9 Distribution of Shareholding as on 31st March, 2013

(Equity shares of face value of ₹10 each, fully paid up)

Category of Share Holders	Number of Share Holders	Total Number of Shares	Number of Shares Held in Dematerialized form	Total Shareholding as a Percentage of total number of shares	Shares Pledged or otherwise encumbered	
					No.	%
Indian Promoters (Individuals / HUF)	11	6198655	6198655	54.71	2000000	32.27
Mutual Funds/UTI	1	1100	0	0.01		0.00
Bodies Corporate	112	357291	319291	3.15		0.00
i. Individual shareholders holding nominal share capital up to ₹1 Lac	9038	2839529	1541989	25.06	-	0.00
ii. Individual shareholders holding nominal share capital in excess of ₹1 Lac	46	1788244	1670544	15.78		0.00
NRIs	311	145181	26481	1.29		0.00
<b>TOTAL</b>	<b>9519</b>	<b>11330000</b>	<b>9756960</b>	<b>100.00</b>	<b>2000000</b>	<b>17.65</b>

Note : None of the non-executive Directors has reported that he is holding any shares in the Company.

9.10 Dematerialisation of Shares and Liquidity

86.12% of the paid up share capital of the Company is represented in dematerialized form as on 31st March, 2013.

9.11 Outstanding GDRS/ADRS/WARRANTS or any Convertible Instruments, Conversion Date and Likely Impact on Equity: The Company does not have any such outstanding instruments.

9.12 Plant Location

The only plant of the Company is located at 43/5, Bahalgarh Road, (Village Jat Joshi), Distt. Sonapat, Haryana.

9.13 Address for Shareholder Correspondence

Consequent upon appointment of M/s Alankit Assignments Ltd as Registrars and Share Transfer Agents with effect from 31st January, 2003, all requests for transfer/transmission/transposition of names/issue of duplicate share certificates/Demat/ remat/Change of address and other work related to shareholder service/correspondence should be addressed to :

Alankit Assignments Ltd  
(Unit : Jasch Industries Ltd)  
2E/21, Jhandewalan Extension, New Delhi 110055

In the unlikely event of a long pending unattended request, shareholders may write to :

The Company Secretary,  
Jasch Industries Ltd,  
43/5, Bahalgarh Road, Sonapat 131021, Haryana.

His contact phone numbers are : 0130-3053600, E-mail address is skverma@jasch.biz Website : www.jaschindustries.com

9.14 Declaration by CEO of the Company on Code of Conduct

In terms of Clause 49(D), of the Listing Agreement the Managing Director declares and certifies that all the Board Members and senior management personnel have affirmed compliance with the Code of Conduct laid down by the Board of Directors of the Company.

9.15 CEO/CFO Certification

In terms of Clause 49(V), the Managing Director and the Executive Director have given the required certificate to the Board of Directors.

Sonapat  
25<sup>th</sup> May, 2013

For Jasch Industries Ltd.

J. K. Garg  
Chairman & Managing Director

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual report and audited accounts of the company for the year ended 31<sup>st</sup> March 2013.

**FINANCIAL RESULTS**

₹ lakh

Particulars	Current year 2012-13	Previous Year 2011-12
Gross Sales	8950.75	8601.49
Less Excise Duty/VAT/Service Tax	912.61	764.81
Net Sales Turnover	8038.14	7836.68
Other Income	25.90	49.45
Net sales and & other income	8064.04	7886.13
Operating Profit before Interest, Depreciation, Income Tax, Exceptional Items & Prior Periods Adjustments	798.90	907.25
Interest & Financial Charges	277.60	274.28
Gross Profit Before Depreciation	521.30	632.97
Depreciation	247.80	242.60
Less : Provision for income tax	103.66	78.28
Net profit before deferred tax	169.84	312.09
Add / (Deduct) : Provisions for deferred Tax (Assets) / Liability	11.46	23.14
Net profit available for appropriation	181.30	288.95
Surplus brought forward from previous year	1282.59	993.64
Transfer to general reserve	—	—
Provision for dividend including dividend distribution tax surplus carried forward	1463.89	1282.59

**Dividend**

In view of marginal profit, tough economic situation and need for augmenting working capital resources the Management has not proposed any dividend for the year ended on 31st March, 2013.

**Performance during the year**

Your Company has achieved gross sales of 8950.75 lakh during 2012-2013 which were 4% higher as compared with the sales of previous year. The sales of Synthetic Leather Division at ₹ 6809.74 lakh during 2012-13 were 8.9 % higher as compared with the sales of previous year. However the sales of Electronic gauge Division at ₹ 2141.02 lakh during the year were 8.8% lower as compared with the previous year. The Electronic gauge Division has achieved export of ₹ 860 lakh during the year as compared with export of ₹ 777 lakh during the previous year despite recessionary conditions in user industries such as Steel in international market.

The Company operating profit before interest, depreciation, income tax and deferred tax has declined by 11.9% to ₹ 798.90 lakh during 2012-13 as compared with ₹907.25 lakh during the previous year. The decline in the operating profit was due to higher cost of power & fuel, salary and wages and loss due to exchange fluctuation, which could not be offset fully due to almost stagnant sales and selling price. The interest and finance charges at ₹ 277.60 lakh were almost at the previous year level.

The gross profit before interest and depreciation has also decreased to ₹ 521.30 lakh which is 17.64% lower as compared to the previous year. After providing depreciation of ₹ 247.80 lakh and provision of income tax of ₹ 103.66 lakh and writing back of deferred tax of ₹11.46 lakh the company has earned net profit of ₹181.30 lakh, which is 37.4% lower as compared with the net profit of ₹ 288.95 lakh in the previous year. Keeping in the view weak scenario in the economy resulting in stagnant sale and all around increase in the cost of inputs due to inflationary

condition, the management considers overall performance to be satisfactory in a difficult year.

**CREDIT RATING AND ISO 9001 CERTIFICATION**

The Company's performance and financial position was rated by CRISIL Ltd, the Premier credit rating agency in the country. CRISIL has assigned BBB Stable (outlook negative) rating to fund based long term bank loans and P-3 to non-fund based facilities from State Bank of India. Our rating reflects moderate safety to timely payment of financial obligations and comes under Investment Grade rating. The Company has obtained ISO 9001:2008 and ISO 9001:2000 Quality Certificates for its Synthetic Leather and Electronic Gauge Division respectively.

**INSURANCE CLAIM**

The Company's insurance claim of ₹ 48.96 lakhs regarding fire accident in November, 2001 continues to be pending in Delhi High Court. Necessary provisions would be made after the case is settled by the court. The Company has taken adequate insurance cover for the building, Plant & Machinery and inventory.

**FUTURE PROSPECTS**

Market conditions for both PU/PVC Synthetic Leather and Electronic Gauge Division are tough due to difficult economic condition in both domestic and international market. Despite this the management has been able to maintain sales due to continuous modernization and development of innovative products. The Company has further widened its product range and geographical market reach and hence is hopeful of better sales and profit in the current year.

**PERFORMANCE OF JASCH NORTH AMERICA COMPANY / INDEV GAUGING SYSTEM INC, USA**

As reported last year, your Company has acquired a Company manufacturing and marketing Nucleonic Gauges in USA in 2011-12. This Company commenced operation under new management from January, 2012. It has achieved gross sales and other income of USD 1.6279 million with net profit of USD 13562 during the first year of takeover ended on 31st December, 2012.

**CONSOLIDATED ACCOUNTS**

In accordance with the requirements of Accounting Standard (AS) 21 prescribed by the Institute of Chartered Accountants of India, the consolidated accounts of the Company and its wholly owned subsidiary are annexed to this report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Please refer to Annexure A to this Report.

**INFORMATION PURSUANT TO SECTION 217(1) (a) OF THE COMPANIES ACT, 1956**

Information in accordance with section 217 (1) (a) of Companies Act, 1956 read with rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and Particulars Relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is at Annexure B to this Report.

## CORPORATE GOVERNANCE

Corporate Governance Report is contained as a separate Section in the Annual Report.

## INFORMATION IN ACCORDANCE WITH SECTION 217 (2A) OF THE COMPANIES ACT 1956 WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975.

During the year under report the Company had no employees drawing remuneration of ₹ 60 lakhs or more per annum or, if employed for a part of the year, ₹ 5 lakhs or more per month.

## FIXED DEPOSITS

The Company did not accept/renew any fixed deposits during the year under report. The deposit outstanding as on 31st March 2013 was Nil.

## LISTING

The Shares of the Company are listed at Mumbai & Kolkata Stock Exchanges.

## DIRECTORS

Smt. Kamlesh Garg and Shri K.L. Khetarpaul, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Shri Ramnik Garg, whole time Director and Shri Om Prakash Garg, Executive Director retiring on 30th June, 2013, are being reappointed for further three year term w.e.f. 1st July, 2013 on revised remuneration as given in the notice of AGM. The directors recommend their reappointments. A brief resume of these proposed re-appointees is given in the Corporate Governance Report.

## AUDITORS & THEIR REPORT

M/s Arora and Choudhary Associates, Chartered Accountants retire as Auditors of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them that their reappointment, if made would be within the prescribed limit under section 224 (1B) of Companies Act, 1956 and that they are not disqualified from being reappointed as Auditor U/s 226. The Directors and the Audit Committee recommend their re-appointment. Auditors' Report is self-explanatory and requires no comments by the Directors.

## COST AUDIT

In compliance with an order issued by the Cost Audit Branch of Ministry of Corporate Affairs, Government of India, vide F. No. 52/26/CAB-2010 dated 24th January, 2012, the Board, in its meeting held on 29th June, 2012 appointed M/s Vipul Bhardwaj & Co, Cost & Management Accountants, Sonipat, as Cost Auditors of the Company for the Financial Year 2012-13. The scope of their audit is the same as defined or prescribed under Section 233B of Companies Act, 1956, the Order ibid and any other directions, guidelines or orders that may be issued by the Government, any professional Institute and the Audit Committee of the Company.

## AUDIT COMMITTEE

The Audit Committee constituted by the Board in compliance with Section 292A of the Companies Act, 1956 and under the Listing agreement, comprised of Dr. K.C. Varshney, Shri Kuldeep Singal and Shri S.K. Khandelwal all of whom are non-executive Directors. Dr. Varshney, who is the Chairman of the Audit Committee, is a retired executive director of Industrial Development Bank of India with more than 40 years' experience in the field of corporate finance, and as such has sound knowledge of financial matters. The finance executives and statutory auditors of the Company are permanent invitees to the Audit Committee Meetings. Shri S.K. Verma, Company Secretary is the Secretary of the Audit Committee.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, as introduced by Companies (Amendment) Act, 2000, the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) Appropriate accounting policies have been selected and applied consistently, and 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, 2013 and of the profits of the Company for the year ended 31st March, 2013.
- (iii) 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.
- (iv) The annual accounts have been prepared on a going concern basis.

## ACKNOWLEDGMENTS

Your directors are pleased to place on record their sincere thanks to the Bankers and business associates of the company for their continued and valuable co-operation and support to the Company.

Your Directors also express their appreciation for the hard work and sincere services rendered by workers, staff and executives of the Company during the year.

For & on behalf of the Board

Place: Sonapat  
Date: 25<sup>th</sup> May, 2013

(J.K.GARG)  
Chairman

## ANNEXURE A TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT  
(PURSUANT TO CLAUSE-49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES)

## PRODUCT INTRODUCTION

Jasch Industries Ltd manufactures PU/PVC Coated Fabrics (also known as Synthetic Leather or Artificial Leather) and Allied Products & Nucleonic & X-Ray Source based Thickness Gauging Systems in Electronic Gauge Division. The major business segment & their product applications are as follows:-

Business Segment	Product Application
- PU/PVC Coated Fabric & Allied product	Used in Footwear, Garment, Upholstery, Automobile, Luggage & sports Goods
- Electronic Gauges	Used for online measurement of thickness, grammage, moisture & ash contents in Paper Making Industry, on line measurement of thickness & coating weight in Plastics, Steel Sheet Rolling, Galvanizing Sheet, Aluminum foil & Non Ferrous Metal Rolling Industry

Business Distribution	(₹ in Lakh)			
	2012-13		2011-12	
	Value	%	Value	%
- PU/PC Coated Fabrics	6809.74	76.10%	6251.84	72.70%
- Electronic Gauges	2141.01	23.90%	2349.65	27.30%
	<b>8950.75</b>	<b>100%</b>	<b>8601.49</b>	<b>100%</b>

As may be seen from above, the business of Synthetic Leather has shown increase while that of Electronic Gauge has declined due to recession in the market.

## INDUSTRY STRUCTURE AND DEVELOPMENT

PU/PVC Coated Fabric also known as Synthetic Leather is mostly used in Footwear Industry as raw material for Shoe-Upper, Lining, Insole, Chappal & Sandal Straps etc. It is also used in Garments as Lining Material, as Automobile seat cover & Furniture upholstery material, in Ladies and Gents Purses and Bags and in the manufacture of sports goods & Accessories.

Synthetic Leather Industry in India is badly fragmented & somewhat concentrated in Northern India & Western India. Most of the units are in small scale and unorganized sector manufacturing cheap quality products for small & unorganized sector. The Industry has not been able to achieve its full potential due to tough competition from imported material from China, Taiwan, Hong Kong & Korea, where there are very large units enjoying benefits of economies of scale. However, the company has been able to withstand competition from both domestic and abroad, as it is an integrated player with in-house manufacturing facility for PU Resin, which is main raw materials for PU coated Fabrics. Further, the company is continuously upgrading its technology and modernizing plant & machinery to maintain competitive edge in the market and hence despite tough competition in the market, its sales are growing every year. The company is now concentrating on PU Synthetic Leather where competition is somewhat less.

Key performance parameters of Synthetic Leather Segment are as under:-

	2012-13	2011-12
Production lakh meter	<b>34.80</b>	31.81
Segment Revenue	<b>6809.74</b>	6251.84
Segment Profits/(Loss) before interest & other common unallocable expenditure	<b>300.05</b>	315.07
Segment Assets	<b>6111.82</b>	5914.75

## B. ELECTRONIC GAUGE AUTOMATION DIVISION

Electronic Gauging Systems has been developed by in-house research & development. This division's performance has been satisfactory as may be evident from the following results.

	2012-13	2011-12
Production (in Nos.) (Gauges + Parts)	<b>65+498</b>	91+389
Segment Revenue	<b>2141.01</b>	2349.65
Segment Profits before interest & other common un-allocable expenditure	<b>251.04</b>	349.60
Segment Assets	<b>779.46</b>	886.00

## Segment Assets

The performance of Electronic Gauges Division depends upon investment in users industries. Hence it has been adversely affected due to slow down in domestic and international economies.

## (i) Fixed Assets

The gross fixed assets including capital work in progress were ₹ 4215.07 lakhs as on 31st March 2013 as compared with fixed assets including work in progress of ₹ 4143.71 lakh as on 31.03.2012 resulting in addition of net fixed assets of ₹ 71.36 lakh during the year.

## (ii) Working Capital and Borrowings

The working capital borrowing from the Bank declined by ₹100.18 lakh to ₹ 1081.52 lakh as on 31.03.2013 as against ₹ 1181.70 lakh during previous year despite increase in sales due to efficient management of working capital.

## RISK MANAGEMENT

Risk is an integral part of any business, more so in India. A brief evaluation of business risk of Jasch Industries Ltd as perceived by the Management is as under:-

## 1. Business Segment Risk

## a. User Industry Concentration

PVC/PU Synthetic Leather is used across a wide spectrum of Industries. However Company's products are mostly (up to 70% of total) used in Footwear Industry. Therefore, the fortunes of the company are invariably inter linked with that of Footwear Industry. Any downward trend in Footwear Industry will have significant impact on the company. The company is making efforts to increase usage of its

products in other Industries such as Automobile & General purpose Upholstery, Sports Goods and Garment Industries & it is hoped that over the next few years the share of Footwear Industry may come down to 60%.

b. Customer & Geographical concentration

Excessive exposure to a few large clients has the potential to adversely affect the sales and profitability in view of failure/shift of clients to other manufacturers. Fortunately, the company's customers and dealers are fairly spread out across the country both in respect of Coated Fabrics & Electronic Gauges and further efforts are underway to enlarge presence in southern market.

c. Technological Obsolescence

Right from the beginning, the company has been engaged in its own Research & Development activity with a view to improve upon/modify the process and product to suit Indian tropical conditions and usage practices. Over the years, the company has been able to develop many new products/applications. Further, the Company had entered into technical collaboration agreement with DUKSUNG COMPANY LTD., Korea in September, 2009 for three years and has been quite successful in updating technology and development of new products and saving in cost of inputs.

The Company has developed the technology in-house for the design and manufacture of Nucleonic and X-ray Thickness Gauging System which is being further upgraded continuously. Hence, there is no threat of obsolescence in near future.

**FINANCIAL RISK**

(a) Currency Risk

The currency risk emerges from the potential upward or downward fluctuations in foreign currency. The Company's foreign exchange spending including custom duty by way of import of raw materials and consumables currently constitutes about 46.56% of landed cost of raw material and consumables. The Thickness Gauging System has large export potential, which provides some cushion by way of natural hedge on foreign exchange transactions. The company incurred foreign currency expenditure of ₹ 2356.94 lakhs during the year (including capital goods of ₹18.29 lakh and foreign travel of ₹21.82 lakh, exhibition expenses of ₹ 18.05 lakh and professional fee of ₹ 3.45 lakh) against exports in foreign currency were of ₹ 860 lakh, which provides some hedge against adverse fluctuation in foreign currency. The company's foreign currency transactions are on current account basis

and there are no deferred liabilities in terms of foreign exchange except small amount due in respect of raw material imported on deferred payment basis after 31st March, 2013 and to be paid later.

(b) Interest and Leverage Risk

With a view to contain inflationary pressure in the economy the RBI had been continuously increasing the interest rate in the past resulting in higher interest on borrowing from the Banks. The management is trying to contain interest cost by efficient management of inventory and working capital resources and availing of short term borrowings in foreign currency at substantially lower interest for financing import of raw materials. RBI has since reversed its policy on interest rate and hence the interest rates have started softening in the last 6 months benefiting the company.

**HUMAN RESOURCES**

The Company did not have any labour problem during 2012-2013. Relation with workers and Staff were cordial.

**INTERNAL CONTROL**

The Management is having tight control on all the operations of the Company. All expenses are scrutinized and approved by the top management. The Company has adequate system so as to have proper check and control on every department. Deviation from established system, if any are placed before Audit Committee of the Board for review and corrective action to be taken, if any.

**CAUTIONARY STATEMENT**

Statements in this directors' report & management discussion and analyses describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed/implied. Important factor that could make a difference to the company's operations include raw material availability and prices, cyclical demand and pricing in the company's principal markets, change in the Government regulations, tax regime, economic developments within India and the countries in which the company conducts business and other incidental factors.

For & on behalf of the Board

Place: Sonapat  
Date: 25th May, 2013

(J.K.GARG)  
Chairman

**ANNEXURE B TO DIRECTORS' REPORT****INFORMATION PURSUANT TO SECTION 217(1)(A) OF THE COMPANIES ACT, 1956  
READ WITH COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****FORM A (See Rule - 2)****1. CONSERVATION OF ENERGY:**

Wind operated fans have been installed in ceiling of factory building for proper ventilation. Since these are run by wind power, these do not consume energy. Periodic energy consumption audit is carried out internally and corrective action taken such as replacement of higher HP Motors by lower HP Motors, without affecting operational efficiency. The company has installed capacitors to improve power factor resulting in lower power cost / consumption. The company has switched over from furnace oil / LDO to Petro-coke and fire wood to reduce cost of fuel. For lighting, maximum use of CFL is being made. The company has taken an independent Electricity feeder Line from Haryana Electricity Board and Power purchased at substantially lower rate from Electricity exchange is wheeled through separate feeder line resulting in saving of diesel in DG Sets.

**POWER AND FUEL CONSUMPTION DURING THE YEAR ENDED  
31.03.2013**

1) ELECTRICITY PURCHASES	KWH UNITS IN LAKH	<b>21.07</b>
TOTAL AMOUNT	₹ IN LAKH	<b>141.30</b>
AVERAGE RATE	₹ PER UNIT	<b>6.71</b>
2) FUEL FOR DG SET		
QUANTITY(LTRS)	LAKH	<b>02.32</b>
TOTAL COST	₹ IN LAKH	<b>96.88</b>
AVERAGE RATE	₹ PER LTR	<b>41.75</b>
3) FUEL FOR BOILER (PETRO COKE & FIRE WOOD)	LAKH KGS	<b>31.82</b>
TOTAL COST	₹ IN LAKH	<b>186.00</b>
AVERAGE RATE	₹ PER KG	<b>5.85</b>
4) OWN GENERATION THROUGH DIESEL GENERATORS	UNITS IN LAKH	<b>8.47</b>
UNIT PER LTR. OF DIESEL		<b>3.65</b>
COST	₹ PER UNIT	<b>11.44</b>

NOTE : Since the Company produces a number of different products with common utility services, it is not feasible to work out product wise energy consumption per unit of production.

**2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION****I) Efforts, in brief, made towards technology absorption, adaptation and innovation**

The Company had entered into a Technical Collaboration Agreement with Duksung Company Ltd, South Korea for developing advance technology for the manufacture of

Premium quality PU Coated fabrics in September, 2003 valid for a period of three years. The Company has fully absorbed and adopted the technology and successfully marketed Premium quality PU Coated Fabrics to reputed shoe manufacturers such as Reebok, Nike, Bata, etc.

**Benefits derived as a result of the above efforts e.g. product improvement, cost reduction import substitution etc.**

The use of technology has contributed to substantial saving in foreign exchange for the country, as many products developed by the company were imported earlier. The company has developed many new varieties of PU Synthetic Leather for use in premium quality sports shoes being manufactured by many multinational companies in India.

**II) Imported Technology, (imported during the last 5 years reckoned from the beginning of the financial year)**

Technology imported	Technology for manufacture of PU Coated Fabrics from Duksung Company Ltd., Korea
Year of import	2009-10 and 2012-2013
Has technology been fully absorbed	Yes.
If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	The technology imported during 2009-2010 has been fully absorbed.

**3. RESEARCH AND DEVELOPMENT :**

The cost of Research & Development is included in respective heads of accounts and not kept separately.

**4. OUTGO BY WAY OF FOREIGN EXCHANGE (CIF) DURING 2011-2012**

(₹ equivalent in Lakh)

a. Foreign exchange outgo	<b>2356.94</b>
b. Foreign exchange earnings	<b>898.14</b>

For and on behalf of Board of Directors

Place : Sonapat  
Date : 25<sup>th</sup> May, 2013

(J.K.Garg)  
Chairman

## CERTIFICATE

### TO THE MEMBERS OF JASCH INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Jasch Industries Limited ("the Company"), for the year ended on March 31, 2013, as stipulated in Clause 49 of Listing Agreement of the said company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For Arora & Choudhary Associates  
Chartered Accountants  
(Regd. No. 003870N)

CA. Vijay K. Choudhary  
Partner  
Membership No. : 81843

New Delhi, May 25, 2013



## INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENT

TO THE MEMBERS OF JASCH INDUSTRIES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Jasch Industries Limited ('the Company') which comprise the balance sheet as at March 31, 2013, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's 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 Section 211 (3C) of the Companies Act, 1956 ("the Act") in accordance with the accounting principles generally accepted in India. 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, whether due to fraud or error.

### Auditors' 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 assessment, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 afore said 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### 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 in terms of section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required under provisions of 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.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Act.
  - e. On the basis of written representations received from the directors as on March 31, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274 (1) (g) of the Act.

For Arora & Choudhary Associates  
Chartered Accountants  
(Regd. No. 003870N)

CA. Vijay K. Choudhary  
Partner  
Membership No. : 81843

New Delhi, May 25, 2013

**ANNEXURE TO THE AUDITORS' REPORT**

**(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

1. In respect of its fixed assets :-
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the Management in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) The fixed assets disposed of during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
2. In respect of its inventory :-
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. (a) As informed, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable.
  - (b) As informed, the Company has taken unsecured loans repayable on demand amounting to Rs. 2.83 crores (previous year Rs. 2.73 crores) from twelve parties (Directors and their relatives) covered in the register maintained under Section 301 of the Companies Act, 1956. The other terms and condition of such loans are, in our opinion, prima facie, not prejudicial to the interests of the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In our opinion and according to information and explanations given to us, no such transaction was made in pursuance of contracts or arrangement, that need to be entered in Register maintained under Section 301 of the Companies Act, 1956, except for as stated above.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order is not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
8. 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 of are 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 if they are accurate or complete.
9. According to the information and explanations given to us, in respect of statutory dues :-
  - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2013 for a period of more than 6 months from the date they became payable.
  - (c) The Company has raised legal disputes in respect of the following demands before the appropriate authorities :-

Sr. no.	Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	3,98,005	1998-1999	Commissioner of Central Excise (appeals)
2	Central Excise Act, 1944	Excise Duty	2,07,533	1998-1999	Punjab & Haryana High Court
3	H. LADT Act, 2000	Entry Tax	1,76,846	2000-2001	Commissioner Appeals

**ANNEXURE TO THE AUDITORS' REPORT**

**(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

10. The Company does not have accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institutions or bank during the year.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a Chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
14. The Company is not dealing in shares, debentures and other securities hence clause (xiv) is not applicable to the company.
15. The Company has not given any guarantee for loan taken by other from bank. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
16. The Company has not raised any new term loans during the year. The term loans outstanding at the beginning of the year have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investments.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debenture and did not have any outstanding debenture during the period covered by our audit report.
20. The Company has not raised any monies by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

For Arora & Choudhary Associates  
Chartered Accountants  
(Regd. No. 003870N)

CA. Vijay K. Choudhary  
Partner  
Membership No. : 81843

New Delhi, May 25, 2013

**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**BALANCE SHEET AS AT MARCH 31, 2013**

	NOTE No.	As At 31 <sup>st</sup> March, 2013 (₹)	As At 31 <sup>st</sup> March, 2012 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	11,33,00,000	11,33,00,000
Reserves and Surplus	3	14,93,89,007	13,12,58,984
		<b>26,26,89,007</b>	<b>24,45,58,984</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	5,32,05,451	70,034,591
Deferred Tax Liability (Net)	5	3,11,55,556	32,301,880
		<b>8,43,61,007</b>	<b>10,23,36,471</b>
<b>Current Liabilities</b>			
Short Term Borrowings	6	10,81,51,880	11,81,69,907
Trade Payables	7	14,44,35,912	12,81,18,875
Other Current Liabilities	8	7,31,07,839	7,25,02,714
Short Term Provisions	9	1,63,82,909	1,43,88,520
		<b>34,20,78,540</b>	<b>33,31,80,016</b>
<b>TOTAL</b>		<b>68,91,28,554</b>	<b>68,00,75,471</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	10		
Net Tangible Fixed Assets		23,60,98,401	24,91,29,194
Capital Work-in-Progress		0	21,87,479
Non-Current Investments	11	5,21,80,318	5,21,80,318
Long Term Loans And Advances	12	25,29,208	25,29,208
		<b>29,08,07,927</b>	<b>30,60,26,199</b>
<b>Current Assets</b>			
Current Investments	13	14,79,795	14,79,795
Inventories	14	14,82,30,803	12,89,03,109
Trade Receivables	15	20,86,55,714	20,77,54,733
Cash and Bank Balances	16	1,56,69,901	1,36,13,229
Short Term Loans and Advances	17	1,93,87,849	1,74,01,841
Other Current Assets	18	48,96,565	48,96,565
		<b>39,83,20,627</b>	<b>37,40,49,272</b>
<b>TOTAL</b>		<b>68,91,28,554</b>	<b>68,00,75,471</b>

See accompanying notes 1 to 35 forming part of the financial statements

In terms of our report attached

**For Arora & Choudhary Associates**

Chartered Accountants  
(Redg. No. 003870N)

**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

New Delhi May 25, 2013

For and on behalf of the Board

J. K. Garg	-	Chairman & Managing Director
O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
S. K. Verma	-	Company Secretary & Vice President
M. Paliwal	-	G. M. (Finance & Accounts)

**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

	NOTE No.	For the year ended 31-03- 2013 (₹)	For the year ended 31-03-2012 (₹)
<b>INCOME</b>			
Revenue from Operations	19	80,38,14,253	78,36,67,866
Other Income	20	25,90,107	49,45,416
<b>Total Revenue</b>		<u>80,64,04,360</u>	<u>78,86,13,282</u>
<b>EXPENDITURE :</b>			
Cost of Materials Consumed	21	58,94,01,947	56,60,55,840
Change in Inventories of Finished Goods & Stock-in-Process	22	(1,50,31,190)	(89,34,011)
Employee Benefit Expenses	23	3,53,19,729	2,87,99,933
Finance Costs	24	2,77,60,281	2,74,28,457
Depreciation and Amortization Expenses	10	2,47,80,107	2,42,59,944
Other Expenses	25	11,68,23,877	11,19,64,775
<b>Total Expenses</b>		<u>77,90,54,751</u>	<u>74,95,74,938</u>
Profit before tax		2,73,49,609	3,90,38,344
<b>Tax Expenses</b>			
Current Tax		1,01,72,950	78,07,670
Deferred Tax (+)		11,46,324	23,14,221
Tax in respect of earlier year		1,92,960	20,890
<b>Profit for the Year</b>		<u>1,81,30,023</u>	<u>2,88,95,563</u>
<b>Earnings per equity share</b>			
Basic and Diluted	26	1.60	2.55

See accompanying notes 1 to 35 forming part of the financial statements

In terms of our report attached

**For Arora & Choudhary Associates**

Chartered Accountants  
(Redg. No. 003870N)

**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

New Delhi May 25, 2013

For and on behalf of the Board

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O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
S. K. Verma	-	Company Secretary & Vice President
M. Paliwal	-	G. M. (Finance & Accounts)

**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	For the year ended 31-03- 2013 (₹)	For the year ended 31-03-2012 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before tax as per Statement of Profit &amp; Loss</b>	<b>2,73,49,609</b>	<b>3,90,38,344</b>
Adjusted For : Add / (Deduct) :		
Net Prior Year Adjustment	(1,92,960)	(20,890)
Loss on Sale / Discard of Assets / Vehicle (net)	1,24,510	5,85,537
Depreciation and Amortization Expense	2,62,54,062	2,42,59,944
Effect of Exchange Rate Change	(7,74,748)	(30,42,480)
Interest Income	(5,78,744)	(7,96,739)
TUFF	(18,20,049)	(24,73,344)
Finance Costs	2,77,60,281	2,74,28,457
Debtors Written Off	1,72,777	0
	<u>5,09,45,129</u>	<u>4,59,40,485</u>
<b>Operating Cash Profit before Working Capital Changes</b>	<b>7,82,94,738</b>	<b>8,49,78,829</b>
Adjusted For : Add / (Deduct) :		
Trade and Other Receivables	(27,09,727)	(1,87,81,483)
Inventories	(1,93,27,694)	1,62,08,723
Trade and Other Payables	2,58,15,557	(9,92,469)
	<u>37,78,136</u>	<u>(35,65,229)</u>
<b>Net Cash from Operations</b>	<b>8,20,72,874</b>	<b>8,14,13,600</b>
Taxes Paid	(1,01,72,950)	(78,07,670)
Interest Received	5,78,744	7,96,739
Interest (TUFF)	7,51,049	24,73,344
Exchange Rate Effect	7,74,748	15,94,865
Net Cash from Operating Activities	<u>7,40,04,465</u>	<u>7,84,70,878</u>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(1,21,81,445)	(1,26,82,640)
Sale of Fixed Assets & TUFF	24,95,100	37,74,358
Purchase of Investments	0	(5,17,20,000)
Sale of Investments	0	3,72,529
Net Cash (used in) Investing Activities	<u>(96,86,345)</u>	<u>(6,02,55,753)</u>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Share Capital	0	0
Proceeds form Long Term Borrowings	50,60,000	2,55,49,000
Repayment of Long Term Borrowings	(2,95,43,140)	(1,86,95,914)
Short Term Borrowings	(1,00,18,027)	1,74,33,501
Dividends Paid (including dividend distribution tax)	0	(1,32,11,761)
Interest Paid	(2,77,60,281)	(2,74,28,457)
Net Cash (used in) / from Financing Activities	<u>(6,22,61,448)</u>	<u>(1,63,53,631)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>20,56,672</b>	<b>18,61,494</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,36,13,229</b>	<b>1,17,51,735</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,56,69,901</b>	<b>1,36,13,229</b>

In terms of our report attached

**For Arora & Choudhary Associates**

Chartered Accountants  
(Redg. No. 003870N)

**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

For and on behalf of the Board

J. K. Garg	-	Chairman & Managing Director
O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
S. K. Verma	-	Company Secretary & Vice President
M. Paliwal	-	G. M. (Finance & Accounts)

New Delhi May 25, 2013

**NOTES TO FINANCIAL STATEMENTS****NOTE 1. SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting and Preparation of Financial Statements :**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention and on accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**B. Use of Estimates :**

The preparation of the financial statements in conformity with GAAP requires, the Management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision is recognized prospectively in current and future periods.

**C. Recognition of Revenue / Income and Expenditure :**

- a) Revenues / Incomes and Cost / Expenditures are accounted for on accrual basis, as they are earned or incurred.
- b) Turnover comprises of sale of goods and services. Revenue from sale of goods is recognized on transfer of title in goods which generally coincides with dispatch. Turnover includes Excise Duties, VAT and Service Tax.
- c) Revenue subsidies like interest subsidy (TUFF) is reflected in "other incomes" when actually received.

**D. Fixed Assets:**

- a) **Tangible Assets :** Tangible assets are stated at cost less accumulated depreciation. Cost includes all costs relating to acquisition and installation of tangible assets including any incidental costs of bringing the assets to their working condition for their intended use. However, cost of tangible assets does not include CENVAT, VAT and Capital Subsidy (if any received).
- b) **Intangible Assets :** Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any duties and taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase/completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of asset.
- c) **Capital Work in Progress :** Expenditure during construction period in respect of new projects, for tangible and intangible assets is included under capital work-in-progress and the same is allocated to the fixed assets on the commissioning of the respective projects.
- d) **Borrowing Costs :** Borrowing costs directly attributable to acquisition or construction of qualifying fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized.

**E. Depreciation :**

- a) Depreciation has been provided on straight line method on tangible assets, as per the Rates specified in Schedule XIV of the Companies Act, 1956. Depreciation is charged on the Tangible Assets from the date they are put to use.
- b) Depreciation on additions to tangible assets or on sale / discardment of assets, is calculated pro rat from the day of such addition or up to the day such sale / discardment, as the case may be.
- c) In respect of assets for which impairment loss has been recognized, the depreciation charged has been adjusted to allocate the revised carrying amount, on a systematic basis over its remaining useful life.

**F. Impairment of Assets :**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

Impairment losses recognized in prior years, if any, are reversed when there is an indication that the recognized impairment losses for the asset, no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

**G. Investments :**

Trade investments (Long Term / Short Term) are carried as per AS-13 issued by the ICAI.

**H. Inventory Valuation.**

- a) Valuation of Inventories of raw-materials, packing-materials, consumables and Stores is at cost including Tax, Duty, Cess actually paid and incidental expense incurred in bringing the inventories to their present location and condition and is arrived at on FIFO Basis except in case of Release Paper, the cost of which is reduced by 40% directly from the cost price as and when new reel of Release Paper is issued to production.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

- b) Valuation of Semi-finished goods / Work-in-process is at material cost including cost of conversion wherever applicable.
- c) Valuation of Finished Goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition or Market Value / Net realizable value, whichever is lower. Finished goods also include excise duty liability in accordance with revised Accounting Standard AS-2.

#### I. Retirement Benefits :

- a) Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is recognized as an expense and debited to Statement of Profit and Loss on monthly accrual basis.
- b) Bonus and leave encashment payments are accounted for on accrual basis and charged to Statement of Profit and Loss.
- c) Retirement Gratuity Liability is assessed every year as at 31<sup>st</sup> March, as per actuarial valuation made by LIC of India and premium calculated on the same is paid to LIC of India.

#### J. Income Tax

- a) Income Tax comprises the current tax, the net change in the deferred tax asset or liability during the year.
- b) Current tax is determined in accordance with the provisions of the Income Tax Act, 1961 after considering tax allowances and exemptions.
- c) Minimum alternate tax (M.A.T.) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- d) Deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable / virtual certainty (as applicable) that sufficient future taxable income will be available against which such deferred tax asset can be realized. The effect on deferred tax assets and liabilities resulting from change in tax rates is recognized in the income statement in the period of enactment of the change.

#### K. Provisions and Contingencies :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### L. Deferred Revenue Expenditure :

Some revenue expenses, the benefit from which is to accrue over an enduring length of time, are treated as Deferred Revenue Expenditure and appropriate portion thereof is charged to Statement of Profit & Loss.

#### M. Foreign Currency Transactions :

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are restated at the rate prevailing on the date of balance sheet. The exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognized as income or expense in the statement of profit and loss.
- b) In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognized as exchange difference and premium paid on forward contracts is recognized over the life of contract.

#### N. Liabilities For Customs Duty :

Liabilities for Customs Duty on the Goods lying at Port are accounted for at the time of clearance of goods. This has no effect on net profits.

#### O. Research And Development Expenditure :

Research expenditure wherever applicable, is charged to Statement of Profit and Loss and Capital Expenditure in relation thereto is added to the cost of Fixed Assets in the year in which it is incurred.

#### P. Preliminary & Share Issue Expenses :

Preliminary and Share-issued expenses are amortized over a period of 5 years in accordance with the provision of Income Tax Act, 1961.

- Q. Accounts balances of the customers and suppliers, in whose case(s) confirmation / reconciliation is not received, are taken as per the balance appearing in the books. Any differences arising on account of such reconciliations, which are not likely to be material, are accounted for as and when these reconciliations are completed.

**NOTES TO FINANCIAL STATEMENTS**

(Amount in ₹)

	As At 31 <sup>st</sup> MARCH, 2013	As At 31 <sup>st</sup> MARCH, 2012
<b>Note 2 - SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
1,40,00,000 Equity Shares of ₹ 10 each	14,00,00,000	14,00,00,000
	<u>14,00,00,000</u>	<u>14,00,00,000</u>
<b>Issued, Subscribed and Paid up :</b>		
1,13,30,000 Equity Shares of ₹ 10 each fully paid up	11,33,00,000	11,33,00,000
	<u>11,33,00,000</u>	<u>11,33,00,000</u>
<b>TOTAL</b>	<u>11,33,00,000</u>	<u>11,33,00,000</u>

2.1 There has been no movement in the shares outstanding from the prior year to the current year.

2.2 Terms / rights attached to Equity Shares :

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Jai Kishan Garg	23,80,049	21.01	23,80,049	21.01
Kamlesh Garg	6,05,945	5.35	6,05,945	5.35
Manish Garg	8,46,349	7.47	8,46,349	7.47
Ramnik Garg	7,88,973	6.96	7,88,973	6.96

2.4 There were no instance of shares issued, on which there were any calls remaining unpaid or instances of any forfeitures during the years ended March 31, 2013 and 2012.

**Note 3 - RESERVES AND SURPLUS**

**General Reserve**

Opening Balance

30,00,000

30,00,000

Add : Transferred from Statement of Profit and Loss

0

0

30,00,000

30,00,000

**Surplus in Statement of Profit and Loss**

Opening Balance

12,82,58,984

9,93,63,421

Add : Transfer from Surplus in Statement of Profit & Loss

1,81,30,023

2,88,95,563

14,63,89,007

12,82,58,984

**Less : Appropriations**

0

0

14,63,89,007

12,82,58,984

**TOTAL**

14,93,89,007

13,12,58,984

**Note 4 - LONG TERM BORROWINGS**

**Secured**

Term Loans From Bank

2,31,99,075

1,59,80,000

3,95,08,792

2,35,00,000

Loans For Vehicles (Banks)

17,41,376

22,47,800

29,85,799

22,47,800

2,49,40,451

1,80,93,800

4,24,94,591

2,57,47,800

**Unsecured**

Loan From Directors and their relatives

2,82,65,000

0

2,75,40,000

0

5,32,05,451

1,80,93,800

7,00,34,591

2,57,47,800

4.1 Term Loans From State Bank of India Secured by a first mortgage by deposit of title deeds of the Company's immovable properties both present and future ranking inter se and also personal guarantee of four directors.

4.2 Loans for Vehicles is Secured by Hypothecation of Respective Vehicle.

**NOTES TO FINANCIAL STATEMENTS**

(Amount in ₹)

	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Note 5 - DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability Related to fixed assets	3,23,01,880	3,25,68,673
<b>Deferred Tax Assets</b> Related to Income Tax	(11,46,324)	(2,66,793)
<b>TOTAL</b>	<u>3,11,55,556</u>	<u>3,23,01,880</u>
<b>Note 6 - SHORT TERM BORROWINGS</b>		
<b>Secured</b> <b>Working Capital Loan From Bank</b>	10,81,51,880	11,81,69,907
<b>TOTAL</b>	<u>10,81,51,880</u>	<u>11,81,69,907</u>

6.1 Working Capital Loan from State Bank of India is Secured by Hypothecation of present and future stock of raw materials, stock-in-process, finished goods, consumables, stores and spares, book debts, receivables, claims, materials in transit and personal guarantee of four Directors.

**Note 7 - TRADE PAYABLES**

Trade Payables	14,44,35,912	12,81,18,875
<b>TOTAL</b>	<u>14,44,35,912</u>	<u>12,81,18,875</u>

7.1 The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the Company, on the basis of information and records available with them. This information has been relied upon by the auditors. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under :

Particulars		
Principal amount due and remaining un paid	0	0
Interest due on above and the unpaid interest	0	0
Interest paid	0	0
Payment made beyond the appointed day during the year	0	0
Interest due and payable for the period of delay	0	0
Interest accrued and remaining unpaid	0	0
Amount of further interest remaining due and payable in succeeding years	0	0

**Note 8 - OTHER CURRENT LIABILITIES**

Current maturities of long term debt (Refer Note No.4)	1,80,93,800	2,57,47,800
Unclaimed Dividends	9,75,083	9,83,483
Creditors for Capital Expenditure	8,72,886	16,01,081
Advance From Customers	2,08,66,560	2,42,31,728
Sales Tax Payable	6,59,015	9,58,673
TDS Payable	2,83,307	1,26,554
Expenses Payable	3,58,159	4,33,278
Sundry Creditors for Others	1,18,07,665	1,04,12,280
Others	1,91,91,364	80,07,837
<b>TOTAL</b>	<u>7,31,07,839</u>	<u>7,25,02,714</u>

8.1 Owing to an amendment in law, there being no clarity as to whether coated fabrics are still exempt from VAT, the Company had sought clarification from Haryana VAT Authorities, who clarified in the negative. The clarification was challenged before Haryana Tax Tribunal and is now pending adjudication before Punjab & Haryana High Court. In view of such a situation, the Company has billed by way of abundant caution, the amount of VAT to customers and this amount has been duly included in "Other Current Liabilities". The Company has not received any Show Cause Notice for non-levy/non-payment of VAT from VAT authorities.

**NOTES TO FINANCIAL STATEMENTS**

(Amount in ₹)

	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Note 9 - SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits :		
EPF / ESI Payable	1,44,329	1,19,654
Salary and Wages Payable	18,33,632	19,65,421
Bonus / Gratuity Payable	11,35,448	17,50,909
Others Payables :		
Excise Duty Payable	16,55,746	18,21,597
Electricity and Power	12,99,868	7,93,722
Telephone Expenses	1,40,936	1,29,547
Current Year Tax	1,01,72,950	78,07,670
<b>TOTAL</b>	<b>1,63,82,909</b>	<b>1,43,88,520</b>

- 9.1** Provision of Excise Duty on finished goods lying in factory premises at March 31, 2013 aggregating to ₹ 21,51,506 (Previous Year ₹ 21,25,814) has been provided at current excise rate and included in valuation of finished goods inventory and same is charged from Cenvat Credit Receivable Input Account as at 31st March, 2013
- 9.2** There are no undisputed liabilities or over dues to Government Department and /or Financial Institution and Banks, other than in the normal course of business.
- 9.3** Provision for retirement gratuity liability as at 31.03.2013 to all eligible employees has been made as per Actuarial Valuation, and an amount of ₹ 17,92,470 has been paid to LIC of India as 1/4 contribution for previous liability last installment, and full contribution for current year.

**Note 10 - FIXED ASSETS**

Description	GROSS BLOCK			DEPRECIATION / Amortisation				NET BLOCK		
	As At 01.04.12	Additions	Deductions/ Adjustments	As At 31.03.2013	Upto 31.03.2012	For the Period	Deduc./ Adjustments	Upto 31.03.2013	As At 31.03.2013	As At 31.03.2012
<b>TANGIBLE OWN ASSETS:</b>										
Free Hold Land	9,92,813	0	0	9,92,813	0	0	0	0	9,92,813	992813
Building (Bahal. Office)	26,53,549	0	0	26,53,549	3,22,183	43,253	0	3,65,436	22,88,113	2374737
Building (Delhi Office)	65,85,356	0	0	65,85,356	2,14,976	1,07,341	0	3,22,317	62,63,039	6478015
Building (Factory)	3,38,33,340	1,68,350	0	3,40,01,690	1,17,48,632	11,30,835	0	1,28,79,467	2,11,22,223	21928895
Furniture & Fittings	34,38,340	0	0	34,38,942	18,65,357	2,17,685	0	20,83,042	13,55,900	1788084
Plant & Machinery	26,68,92,948	59,36,995	33,97,961	26,94,31,982	13,20,71,671	1,42,61,478	15,12,687	14,48,20,462	12,46,11,520	149962973
DMF Tower & Boiler	6,61,84,399	6,73,110	0	6,68,57,509	64,43,467	65,11,728	0	1,33,55,195	5,35,02,314	0
Vehicles-Commercial	14,27,873	0	0	14,27,873	5,68,985	1,35,648	0	7,04,633	7,23,240	13174436
Vehicles-Others	1,66,83,112	18,59,018	16,48,423	1,68,93,707	41,42,834	15,65,168	9,14,087	47,93,915	1,20,99,792	994908
Fire Fighting Equipment	6,64,074	77,924	0	7,41,998	4,33,756	45,160	0	4,78,916	2,63,082	184995
Air Conditioners	9,08,242	56,000	0	9,64,242	3,12,100	45,278	0	3,57,378	6,06,864	611383
Computers	21,52,711	73,254	0	22,25,965	14,24,235	1,69,906	0	15,94,141	6,31,824	831561
Generator Set	78,09,571	0	0	78,09,571	26,04,330	3,70,955	0	29,75,285	48,34,286	5577212
Office Appliances	19,57,558	3,96,804	0	23,54,362	5,02,768	1,01,775	0	6,04,543	17,49,819	1505861
Power Line - UHBVN	0	51,27,469	0	51,27,469	0	73,897	24,26,774	73,897	50,53,572	0
<b>TOTAL</b>	<b>41,21,84,488</b>	<b>1,43,68,924</b>	<b>50,46,384</b>	<b>42,15,07,028</b>	<b>16,30,55,294</b>	<b>2,47,80,107</b>	<b>0</b>	<b>18,54,08,627</b>	<b>23,60,98,401</b>	<b>2491,29,194</b>
Capital Work-in-Progress	21,87,479	28,59,192	50,46,671	0	0	0	0	0	0	21,87,479
<b>TOTAL</b>	<b>41,43,71,967</b>	<b>1,72,28,116</b>	<b>1,00,93,055</b>	<b>42,15,07,028</b>	<b>16,30,55,294</b>	<b>2,47,80,107</b>	<b>24,26,774</b>	<b>18,54,08,627</b>	<b>23,60,98,401</b>	<b>25,13,16,673</b>
PREVIOUS YEAR	41,55,74,850	7,52,19,859	7,64,22,742	41,43,71,967	14,83,20,980	2,42,59,944	95,25,630	16,30,55,294	25,13,16,673	198618426

**Note 11 - NON-CURRENT INVESTMENTS**

(Long Term Investments)

**Trade Investments**

**In Equity Shares - Unquoted, fully paid up**

Jasch North America Company USA

Jasch Europa BVBA

In Equity Shares - Quoted, fully paid up

Standard Capital Market Ltd

(Market Value As at 31.03.13 is ₹ 1,20,345/-)

**TOTAL**

	As At 31 <sup>st</sup> March, 2013		As At 31 <sup>st</sup> March, 2012	
	No. of Shares	Value	No. of Shares	Value
<b>Not Specified</b>		<b>5,17,20,000</b>	Not Specified	5,17,20,000
<b>5,580</b>	<b>5,580</b>	<b>3,92,518</b>	<b>5,580</b>	<b>3,92,518</b>
<b>33,900</b>	<b>33,900</b>	<b>67,800</b>	<b>33,900</b>	<b>67,800</b>
<b>TOTAL</b>		<b>5,21,80,318</b>		<b>5,21,80,318</b>

**NOTES TO FINANCIAL STATEMENTS**

	As At 31 <sup>st</sup> March, 2013	(Amount in ₹) As At 31 <sup>st</sup> March, 2012
<b>Note 12 - LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Security Deposit	25,29,208	25,29,208
(Include Deposit with State Electricity Department is Rs. 2135366/-)		
<b>TOTAL</b>	<u>25,29,208</u>	<u>25,29,208</u>
<b>Note 13 - CURRENT INVESTMENTS</b>		
<b>Other Investments</b>		
For Short Term	14,79,795	14,79,795
<b>TOTAL</b>	<u>14,79,795</u>	<u>14,79,795</u>
<b>Note 14 -INVENTORIES</b>		
Raw Materials	6,12,31,587	4,95,07,788
Consumables	2,75,24,629	2,91,84,585
Stock-in-Process	3,81,94,826	2,11,52,590
Finished Goods	1,72,22,496	1,92,07,850
Stores & Spares	9,08,710	8,90,810
Packing Material	5,06,223	5,19,877
Fuel	3,33,513	4,46,257
Goods-in-Transit	23,08,819	79,93,352
<b>TOTAL</b>	<u>14,82,30,803</u>	<u>12,89,03,109</u>
<b>Note 15-TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
Over six months	2,17,40,647	2,92,29,119
Others	18,69,15,067	17,85,25,614
<b>TOTAL</b>	<u>20,86,55,714</u>	<u>20,77,54,733</u>
<b>Note 16 - CASH AND BANK BALANCES</b>		
Cash in hand	9,59,381	1,73,812
Balance with Banks	1,44,943	1,45,623
Balance In Unpaid Dividend Account with SBI	9,75,083	9,83,483
Fixed Deposit with Bank	1,35,90,524	1,23,10,311
<b>TOTAL</b>	<u>1,56,69,901</u>	<u>1,36,13,229</u>
<b>Note 17 - SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advance to Suppliers	13,26,419	23,82,376
Advance Income Tax & TDS	72,25,978	53,13,998
Balance With Revenue Authorities	34,07,767	13,53,510
Deferred Expenditure	44,21,865	58,95,820
Prepaid Expenses	7,75,326	20,11,236
Miscellaneous Receivables	22,30,494	4,44,901
<b>TOTAL</b>	<u>1,93,87,849</u>	<u>1,74,01,841</u>
<b>Note 18 - OTHER CURRENT ASSETS</b>		
Claim Receivables	48,96,565	48,96,565
<b>TOTAL</b>	<u>48,96,565</u>	<u>48,96,565</u>

**18.1** The Company has received insurance claim of ₹ 86.03 lakh during 2003-2004 in respect of destruction of a part of factory buildings, plant and machinery and inventory in a fire accident on 23rd/24th November, 2001 which had resulted in book loss of ₹135 lakh. Balance claim of ₹ 48.97 lakh has been shown as receivable. A petition in Delhi High Court against Insurance Company for payment of balance amount with interest has been filed and admitted by the Hon'ble Delhi High Court. There are fair chances at the balance claim of ₹ 48.97 lakh will be allowed by the Court in favour of the Company. Final adjustment of Insurance Claim in the accounts will be made after settlement of claim by the Court.

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹)

	For the year ended 31-03- 2013	For the year ended 31-03-2012
<b>Note 19 - REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b> (Refer Note No. 33)		
Synthetic Leather & Allied Products	68,09,74,117	62,51,83,611
Electronic Thickness Gauges	<u>21,41,01,682</u>	<u>23,49,65,386</u>
	89,50,75,799	86,01,48,997
Less : Excise Duty / VAT	<u>9,12,61,546</u>	<u>7,64,81,131</u>
<b>TOTAL</b>	<u><u>80,38,14,253</u></u>	<u><u>78,36,67,866</u></u>
<b>Note 20 - OTHER INCOME</b>		
Income From Services	12,60,314	16,75,333
Interest Income (FDR)	5,78,744	7,96,739
Subsidy (TUFF)	<u>7,51,049</u>	<u>24,73,344</u>
<b>TOTAL</b>	<u><u>25,90,107</u></u>	<u><u>49,45,416</u></u>
<b>Note 21 - COST OF MATERIAL CONSUMED</b> (Refer Note No. 34)		
Raw Material	57,07,81,291	54,42,18,001
Consumables (Release Paper)	<u>1,86,20,656</u>	<u>2,18,37,839</u>
<b>TOTAL</b>	<u><u>58,94,01,947</u></u>	<u><u>56,60,55,840</u></u>
<b>Note 22 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS</b>		
<b>Inventories (at Commencement)</b>		
Stock-in-Process	2,11,52,590	1,25,92,280
Finished Goods	<u>1,92,07,850</u>	<u>1,83,99,154</u>
	4,03,60,440	3,09,91,434
<b>Inventories (at Close)</b>		
Stock-in-Process	3,81,94,826	2,11,52,590
Finished Goods	<u>1,72,22,496</u>	<u>1,92,07,850</u>
	5,54,17,322	4,03,60,440
	(1,50,56,882)	(93,69,006)
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	25,692	4,34,995
<b>TOTAL</b>	<u><u>(1,50,31,190)</u></u>	<u><u>(89,34,011)</u></u>
<b>Note 23 - EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Wages, Gratuity & Bonus	3,32,25,176	2,72,54,916
Contribution to P. F. & Other Funds	10,15,952	8,75,976
Employee Welfare Expenses	9,28,481	5,79,041
Director Meeting Sitting Fee	<u>1,50,120</u>	<u>90,000</u>
<b>TOTAL</b>	<u><u>3,53,19,729</u></u>	<u><u>2,87,99,933</u></u>
<b>Note 24 - FINANCE COSTS</b>		
Interest on Cash Credit Facility	1,53,32,588	1,17,03,283
Interest on Term Loan	69,52,723	95,97,838
Interest on Vehicle Loan	4,82,790	5,70,116
Other Interest	<u>3,95,699</u>	<u>1,50,260</u>
Bank Charges	45,96,481	54,06,960
<b>TOTAL</b>	<u><u>2,77,60,281</u></u>	<u><u>2,74,28,457</u></u>
<b>Note 25 - OTHER EXPENSES</b>		
<b>Manufacturing and Operating Cost</b>		
Power & Fuel	4,24,18,238	3,92,24,442
Consumables & Stores	30,76,041	27,33,826
Packing Material	62,73,196	56,20,215
Freight Inward	<u>1,61,81,918</u>	<u>1,41,86,975</u>
Repair & Maintenance (Plant)	44,73,756	37,05,491
Exchange Difference (Net)	<u>28,09,491</u>	<u>44,38,614</u>
<b>TOTAL (A)</b>	<u><u>7,52,32,640</u></u>	<u><u>6,99,09,563</u></u>

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹)

	For the year ended 31-03- 2013		For the year ended 31-03-2012	
<b>Establishment Expenses</b>				
Insurance Expenses	12,45,957		7,32,691	
Books, Printing & Stationery	5,29,488		4,73,676	
Postage & Telegram	6,77,704		5,86,673	
Telephone & Communications	22,89,568		23,18,053	
Tour & Travel Including Foreign Travel	62,81,003		58,27,828	
Hotel, Boarding, Lodging & conveyance	53,41,180		63,16,046	
Vehicle Running & Maintenance	18,99,417		21,88,570	
Fee & Subscription	10,60,104		14,17,948	
Legal & Professional Charges	25,25,096		47,36,089	
Rent, Rates and Taxes	1,68,528		2,99,099	
Office Electricity Exp.	91,106		0	
Technical Know How Fee	0		14,70,000	
Charity & Donation	5,06,040		3,00,770	
Electrical & General Repair & Maintenance	14,55,554		16,90,406	
Auditor Remuneration - Audit Fee	38,605		38,605	
Auditor Remuneration - Taxation Matters	16,545		16,545	
Auditor Remuneration - Cost Audit Fee	38,500		0	
Dividend Distribution Expenses	0		98,695	
Loss on Sale of Vehicle / Machinery (Net)	1,24,510		5,85,537	
Miscellaneous	3,45,757		2,77,655	
<b>TOTAL (B)</b>	<b>2,46,34,662</b>		<b>2,93,74,886</b>	
<b>Selling and Distribution Expenses</b>				
Testing Charges	1,50,863		1,65,370	
Discount & Rebates	47,36,327		54,92,105	
Selling Expenses	22,86,208		18,20,542	
Sales Commission	36,00,512		4,25,675	
Bad Debts	1,72,777		0	
Freight Outward	16,42,995		20,12,646	
Advertising & Exhibition	32,47,516		26,78,459	
Clearing & Forwarding (Export)	11,19,377		85,529	
<b>TOTAL (C)</b>	<b>1,69,56,575</b>		<b>1,26,80,326</b>	
<b>TOTAL (A+B+C)</b>	<b>11,68,23,877</b>		<b>11,19,64,775</b>	
<b>Note 26 - EARNINGS PER SHARE (EPS)</b>				
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1,81,30,023		2,88,95,563	
Number of equity shares used as denominator for calculating EPS	1,13,30,000		1,13,30,000	
Basic and Diluted Earnings per share	1.60		2.55	
Face Value per equity share	10.00		10.00	
	<b>₹ in Lakhs</b>	<b>% of Total Consumption</b>	<b>₹ in Lakhs</b>	<b>% of Total Consumption</b>
<b>Note 27-CONSUMPTION OF IMPORTED &amp; INDIGENOUS RAW MATERIALS &amp; CONSUMABLES</b>				
Imported (Landed cost at Factory)	2,758.31	46.56	2,624.97	46.15
Indigenous	3,166.47	53.44	3,062.93	53.85
<b>TOTAL</b>	<b>5,924.78</b>	<b>100.00</b>	<b>5,687.90</b>	<b>100.00</b>
<b>Note 28-EXPENDITURE IN FOREIGN CURRENCY (₹ in Lakhs)</b>				
Raw Material & Consumables	2,295.63		2,266.51	
Capital Goods	18.29		4.98	
Foreign Travels	21.82		18.14	
Technical Know How Fee	0.00		13.19	
Exhibition Expenses	18.05		17.61	
Professional Fee	3.15		77.18	
<b>TOTAL</b>	<b>2,356.94</b>		<b>2,397.61</b>	

**NOTES TO FINANCIAL STATEMENTS**

**Note 29 - EARNING IN FOREIGN CURRENCY (₹ in Lakhs)**

FOB Value of Export of Goods

**1. Electronic Thickness Gauge**

(Earning in US\$ 1398550)

(Earning in EURO 179080)

**TOTAL**

**2. Synthetic Leather & Allied Products**

(Earning in US\$ 32672)

**TOTAL**

	For the year ended 31-03- 2013	For the year ended 31-03-2012
	754.30	608.47
	125.85	152.22
<b>TOTAL</b>	<b>880.15</b>	<b>760.69</b>
	17.99	16.23
<b>TOTAL</b>	<b>17.99</b>	<b>16.23</b>
	0	0
	163.17	153.48
	0	0
	143.40	152.82
	769.51	748.3
	0.00	0.00
	8.00	8.00
	0	0
	0	0

**Note 30 - CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakhs)**

**(I) Contingent Liabilities**

(A) Claim against the company / disputed liabilities not acknowledged as debts

(B) Guarantees

(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties

a) In Respect of Wholly Owned Subsidiary (\$ 3 Lakh @ 54.39)

b) In Respect of Others

(ii) Performance Guarantees

(Margin Money with Bank ₹ 35.85 Lakh)

(iii) Outstanding guarantees furnished to

Bank in respect of Letters of Credits

(Margin Money with Bank ₹ 80.65 Lakh)

(C) Other Money for which the company is contingently liable

(i) Liability in respect of bill discounted with bank

(ii) Liability in respect of Sales Tax surety for third parties

**(II) Commitments**

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for :

(B) Other Commitments

**Note 31 - Segment Reporting :** (Segment Information as required by Accounting Standard (AS-17) on Segment Reporting issued by the Institute of Chartered Accountants of India and as compiled on the basis of financial statements). The Company has identified two segments as reportable segments viz. Synthetic Leather Cloth & Allied Products Division and Electronic Thickness Gauge Division. The financial information about these business segments is presented in the table below :-

	Current Year (2012-2013)			Previous Year (2011-2012)		
	Synthetic Leather Cloth & Allied Products+ Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products+ Division	Electronic Thickness Gauge Division	Total
<b>REVENUE</b>						
External Sales	6809.74	2141.02	8950.76	6251.84	2349.65	8601.49
Less : Excise Duty	---	---	912.62	---	---	764.81
Inter-segment Sales	---	---	---	---	---	---
Other Income	13.30	12.60	25.90	32.70	16.75	49.45
<b>Total Revenue</b>			<b>8064.04</b>			<b>7886.13</b>
<b>RESULTS</b>						
Segment Results	300.06	251.04	551.10	315.07	349.60	664.67
Unallocated Corporate Expenses (Net)	---	---	---	---	---	---
Operating Profit	---	---	551.10	---	---	664.67
Interest Expenses	---	---	277.60	---	---	274.28
Income Tax – Current	---	---	101.73	---	---	78.08
- Deferred & Previous Year Tax(+)	---	---	09.53	---	---	23.35
Profit from Ordinary Activities	---	---	181.30	---	---	288.96
Extra Ordinary Loss	---	---	---	---	---	---
<b>Net Profit</b>			<b>181.30</b>			<b>288.96</b>
<b>OTHER INFORMATION</b>						
Segment Assets	6111.82	779.46	6891.28	5914.75	886.00	6800.75
<b>Total Assets</b>			<b>6891.28</b>			<b>6800.75</b>
Segment Liabilities	6571.50	319.78	6891.28	6449.93	350.82	6800.75
<b>Total Liabilities</b>			<b>6891.28</b>			<b>6800.75</b>
Capital Expenditure	---	---	99.93	---	---	102.75
Depreciation	---	---	247.80	---	---	242.60
Non-cash Expenses other than Depreciation	---	---	14.74	---	---	---

**NOTES TO FINANCIAL STATEMENTS**

**Note 32- RELATED PARTY DISCLOSURES**

Nature of relationship	Names of the related parties
Wholly owned subsidiaries (WOS)	Jasch North America Company (USA)
Other subsidiary	Indev Gauging Systems, Inc. (USA)
Key management personnel (KMP)	J. K. Garg - Chairman & Managing Director O. P. Garg - Executive Director Ramnik Garg - Whole Time Director Manish Garg - Whole Time Director Navneet Garg - Whole Time Director
Relatives of key management personnel (Relatives)	Kamlesh Garg (Mrs.) - Director
Enterprises owned or significantly influenced by KMP, directors or their relatives	Jasch Europa BVBA,

Details of transactions entered into with related parties during the year as required by Accounting Standard (AS -18) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are as Under :-

Particulars	KMP	Total (₹)
Sales (Indev Gauging Systems Inc.)	WOS's Subsidiary	29,60,000
Purchases	---	---
Raw Materials	---	---
Consumables/Intermediates	---	---
Finished Goods	---	---
Job Work	---	---
Purchase of fixed assets	---	---
Sale of fixed assets	---	---
Managerial remuneration	Directors	44,71,946
Payment to Relatives as Salary	---	---
Investment (In JNAC as WOS)	---	---
Loan Given	---	---
Loan Taken (including opening balance)	As Directors & Relatives	2,82,65,000
Loan Repaid	---	---
Balance outstanding as at the year	As Directors & Relatives	2,82,65,000
Debit/(Credit)		Credit

**Note 33 - INSTALLED CAPACITY, PRODUCTION AND TURNOVER (NET OF RETURNED GOODS)**

(Value ₹ in Lakhs)

S.No.	Class of Goods	Unit	Opening Balance	Production for the Year Ended 31st		Turnover For The Year Ended 31st March				As At
			As on	March		2013		2012		31.03.13
			01.04.12	2013	2012	Qty.	Value	Qty.	Value	Qty.
1	PVC - Coated Fabric	Mtrs	28,513.50	20,71,834.50	1,908,004.00	20,77,018.50	2,908.19	19,04,755.00	2,480.47	23,329.50
2	PVC - C P S	Mtrs	1,658.00	80,139.50	77,006.00	81,547.50	159.20	77,525.00	155.38	250.00
3	PVC - Non Woven	Mtrs	2,880.00	1,16,426.50	147,176.00	1,17,551.00	277.18	1,64,055.00	389.28	1,755.50
4	PU - Coated Fabric	Mtrs	10,931.00	6,72,688.50	531,953.00	6,71,823.50	1,399.17	5,30,459.00	1,250.70	11,796.00
5	PU - N L F	Mtrs	1,176.00	7,567.50	1,824.00	7,392.50	26.78	6,466.00	24.74	1,351.00
6	PU - C P S	Mtrs	14,966.00	5,32,155.50	514,837.00	5,38,851.00	1,817.38	5,19,397.00	1,774.89	8,270.50
7	PU - Pu Resin	Kgs	0.00	87,058.80	54,499.00	87,058.80	171.59	54,499.00	105.38	0.00
8	Cut Pieces	Kgs	16,138.00	1,57,489.80	1,82,764.00	1,69,079.80	14.10	1,71,340.00	14.21	4,548.00
9	Bardana & Scrap	Kgs					31.81		34.26	0.00
10	Raw Material sales as such						4.34		22.53	0.00
11	Electronic Thickness Gauge (ETG)	Nos.	2.00	65.00	91.00	64.00	1,744.00	91.00	2,078.73	3.00
12	ETG Parts	Nos.	0.00	498.00	389.00	498.00	397.02	390.00	270.92	0.00

**NOTES TO FINANCIAL STATEMENTS****Note 34 - RAW MATERIAL CONSUMPTION**

I) Raw Materials	Unit	2012-2013				
		Opening Qty.	Receipt Qty.	Closing Qty.	Consumed Qty.	Value (₹ in lakh)
Diop/Dop/Dinp/Kanatot	Kgs.	20,330.00	695,140.00	29,802.00	<b>685,668.00</b>	<b>801.23</b>
PVC Resin	Kgs.	41,370.00	840,900.00	86,420.00	<b>795,850.00</b>	<b>702.22</b>
Fabrics	Mtrs.	242,915.00	1,978,381.00	182,796.00	<b>2,038,500.00</b>	<b>547.55</b>
Non Woven Lining	Mtrs.	49,100.00	269,761.00	65,692.00	<b>253,169.00</b>	<b>99.44</b>
Release Paper						<b>137.34</b>
Other Pigments						<b>382.34</b>
Non Woven Lining	Mtrs.	1,833.00	597,595.00	48,964.00	<b>550,464.00</b>	<b>431.54</b>
Adipic Acid	Kgs.	7,309.00	166,132.00	16,600.00	<b>156,841.00</b>	<b>165.26</b>
DMF	Kgs.	15,960.00	284,150.00	6,460.00	<b>293,650.00</b>	<b>187.79</b>
MDI	Kgs.	13,500.00	128,100.00	12,600.00	<b>129,000.00</b>	<b>191.28</b>
Butane Diol	Kgs.	2,600.00	72,400.00	12,200.00	<b>62,800.00</b>	<b>103.50</b>
Fabric	Mtrs.	39,416.00	776,793.00	62,938.00	<b>753,271.00</b>	<b>505.81</b>
Pu-Additive	Kgs.	5,733.00	22,224.00	4,313.00	<b>23,644.00</b>	<b>149.98</b>
M E G	Kgs.	5,170.00	56,660.00	7,360.00	<b>54,470.00</b>	<b>34.49</b>
M E K	Kgs.	1,225.00	64,520.00	668.00	<b>65,077.00</b>	<b>58.58</b>
P T M E G	Kgs.	5,000.00	24,800.00	4,400.00	<b>25,400.00</b>	<b>69.15</b>
Release Paper						<b>48.96</b>
Other Pigments						<b>257.82</b>
X-Ray tubes	Nos.	1.00	43.00	1.00	<b>43.00</b>	<b>53.61</b>
Sources	Nos.	11.00	48.00	15.00	<b>44.00</b>	<b>112.44</b>
Ionization Chambers	Nos.	7.00	91.00	9.00	<b>89.00</b>	<b>55.28</b>
Power Supplies	Nos.	6.00	171.00	1.00	<b>176.00</b>	<b>21.31</b>
Computer & Parts						<b>90.51</b>
Slide & Bearings						<b>15.35</b>
Iron & Aluminum						<b>371.67</b>
Electronic & Mechanical Items Etc.						<b>299.57</b>
						<b>5,894.02</b>

**Note 35 - REGROUPING AND RECLASSIFICATION**

Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with those of current year.

**CONSOLIDATED FINANCIAL STATEMENTS AND NOTES**



**INDEPENDENT AUDITORS' REPORT  
ON CONSOLIDATED FINANCIAL STATEMENT**

**TO THE BOARD OF DIRECTORS OF JASCH INDUSTRIES LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Jasch Industries Limited ('the Company') and its subsidiaries (the Company and its subsidiaries constitute "The Group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated 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 aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**Other Matters**

We did not audit the financial statements / financial information of subsidiaries whose financial statements / financial information reflect total assets (net) RS 1115.48 Lacs as at March 31, 2013, total revenues of Rs. 885.42 Lacs and net cash inflows amounting to Rs. 96.96 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, is so far as relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matters.

For Arora & Choudhary Associates  
Chartered Accountants  
(Regd. No. 003870N)

CA. Vijay K. Choudhary  
Partner  
Membership No. : 81843

New Delhi, May 25, 2013

**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013**

(Amount in ₹)

Note No.	As At 31st March, 2013	As At 31st March, 2012
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	2 11,33,00,000	11,33,00,000
Reserves and Surplus	3 15,61,34,093	13,83,09,809
	26,94,34,093	25,16,09,809
<b>Non-Current Liabilities</b>		
Long Term Borrowings	4 9,66,88,353	8,23,91,462
Deferred Tax Liability (Net)	5 3,11,55,556	3,23,01,880
Other Long Term Liabilities	6 71,34,530	89,52,388
	13,49,78,439	12,36,45,730
<b>Current Liabilities</b>		
Short Term Borrowings	7 10,81,51,880	11,81,69,907
Trade Payables	8 14,77,79,325	13,42,50,503
Other Current Liabilities	9 7,39,72,212	7,16,81,016
Short Term Provisions	10 1,70,79,998	1,91,15,381
	34,69,83,415	34,32,16,807
<b>TOTAL</b>	<b>75,13,95,947</b>	<b>71,84,72,346</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed Assets	11	
Net Tangible Fixed Assets	25,80,01,227	27,06,75,105
Capital Work-in-Progress	0	21,87,479
Intangible Assets	5,56,20,793	5,12,12,834
Non-Current Investments	12 4,60,318	4,60,318
Long Term Loans And Advances	13 25,65,619	26,01,850
	31,66,47,957	32,71,37,586
<b>Current Assets</b>		
Current Investments	14 14,79,795	14,79,795
Inventories	15 16,47,42,150	13,61,41,350
Trade Receivables	16 21,86,08,851	21,63,96,580
Cash and Bank Balances	17 2,54,05,289	1,48,56,711
Short Term Loans and Advances	18 1,96,15,340	1,75,63,760
Other Current Assets	19 48,96,565	48,96,565
	43,47,47,990	39,13,34,760
<b>TOTAL</b>	<b>75,13,95,947</b>	<b>71,84,72,346</b>

See accompanying notes 1 to 35 forming part of the financial statements

In terms of our report attached

**For Arora & Choudhary Associates**

Chartered Accountants  
(Redg. No. 003870N)

**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

For and on behalf of the Board

J. K. Garg	-	Chairman & Managing Director
O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
S. K. Verma	-	Company Secretary & Vice President
M. Paliwal	-	G. M. (Finance & Accounts)

New Delhi May 25, 2013

**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013** (Amount in ₹)

	<b>Note No.</b>	<b>For the year ended 31-03- 2013</b>	<b>For the year ended 31-03-2012</b>
Revenue from Operations	20	87,77,17,662	80,67,51,708
Other Income	21	1,42,69,042	83,10,104
<b>Total Revenue</b>		<b>89,19,86,704</b>	<b>81,50,61,812</b>
<b>EXPENDITURE :</b>			
Cost of Materials Consumed	22	60,05,34,010	57,12,88,834
Change in Inventories of Finished Goods & Stock-in-Process	23	(1,69,87,750)	(1,08,03,340)
Employee Benefit Expenses	24	7,32,57,355	3,28,77,546
Finance Costs	25	2,90,48,157	2,76,77,531
Depreciation and Amortization Expenses	11	2,91,17,656	2,46,43,373
Other Expenses	26	14,92,51,052	11,75,77,664
<b>Total Expenses</b>		<b>86,42,20,480</b>	<b>76,32,61,608</b>
Profit before tax		2,77,66,224	5,18,00,204
<b>Tax Expenses</b>			
Current Tax		1,01,85,139	1,25,34,531
Deferred Tax (+)		11,46,324	23,14,221
Tax in respect of earlier year		1,92,960	20,890
<b>Profit for the Year</b>		<b>1,85,34,449</b>	<b>3,69,30,562</b>
<b>Earnings per equity share</b>			
Basic and Diluted	27	1.64	3.26

See accompanying notes 1 to 35 forming part of the financial statements

In terms of our report attached

**For Arora & Choudhary Associates**Chartered Accountants  
(Redg. No. 003870N)**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

New Delhi May 25, 2013

For and on behalf of the Board

J. K. Garg	-	Chairman & Managing Director
O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
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**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P.O. Bahalgarh-131 021, Distt. Sonapat (Haryana)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

(Amount in ₹)

	For the year ended 31-03- 2013	For the year ended 31-03-2012
<b>A: CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before tax as per Statement of Profit &amp; Loss</b>	2,77,66,224	5,18,00,204
Adjusted For : Add / (Deduct) :		
Net Prior Year Adjustment	(1,92,960)	(20,890)
Loss on Sale / Discard of Assets / Vehicle (net)	1,24,510	5,85,537
Depreciation and Amortization Expense	3,05,91,611	2,46,43,373
Effect of Exchange Rate Change	(14,84,913)	(30,42,480)
Interest Income	(5,78,744)	(7,96,739)
Interest Income (TUFF)	(18,20,049)	(24,73,344)
Finance Costs	2,90,48,157	2,76,77,531
Debtors Written Off	1,72,777	0
	<u>5,58,60,389</u>	<u>4,65,72,988</u>
<b>Operating Cash Profit before Working Capital Changes</b>	<b>8,36,26,613</b>	<b>9,83,73,192</b>
Adjusted For : Add / (Deduct) :		
Trade and Other Receivables	(22,73,375)	(2,76,57,891)
Inventories	(2,86,00,800)	2,34,46,964
Trade and Other Payables	1,37,84,634	(74,00,507)
	<u>(1,70,89,541)</u>	<u>(1,16,11,434)</u>
<b>Net Cash from Operations</b>	<b>6,65,37,072</b>	<b>8,67,61,758</b>
Taxes Paid	(1,01,85,139)	(1,25,34,531)
Interest Received	5,78,744	7,96,739
Interest (TUFF)	7,51,049	24,73,344
Exchange Rate Effect	14,84,913	25,79,039
Net Cash from Operating Activities	<u>5,91,66,639</u>	<u>8,00,76,349</u>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(2,12,83,868)	(8,58,24,814)
Sale of Fixed Assets	24,95,100	37,74,358
Sale of Investments	0	3,72,529
Net Cash (used in) Investing Activities	<u>(1,87,88,768)</u>	<u>(8,16,77,927)</u>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Share Capital	0	0
Proceeds form Long Term Borrowings	3,90,40,767	4,68,58,259
Repayment of Long Term Borrowings	(2,98,03,876)	(1,86,95,914)
Short Term Borrowings (net)	(1,00,18,027)	1,74,33,501
Dividends Paid (including dividend distribution tax)	0	(1,32,11,761)
Interest Paid	(2,90,48,157)	(2,76,77,531)
Net Cash (used in) / from Financing Activities	<u>(2,98,29,293)</u>	<u>47,06,554</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,05,48,578</b>	<b>31,04,976</b>
<b>Opening Cash and Cash Equivalents</b>	<b>1,48,56,711</b>	<b>1,17,51,735</b>
<b>Closing Cash and Cash Equivalents</b>	<b>2,54,05,289</b>	<b>1,48,56,711</b>

In terms of our report attached

For and on behalf of the Board

**For Arora & Choudhary Associates**

Chartered Accountants  
(Regd. No. 003870N)

**(CA. Vijay K. Choudhary)**

Partner-M. No. : 81843

New Delhi May 25, 2013

J. K. Garg	-	Chairman & Managing Director
O. P. Garg	-	Executive Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director
S. K. Verma	-	Company Secretary & Vice President
M. Paliwal	-	G. M. (Finance & Accounts)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 1- SIGNIFICANT ACCOUNTING POLICY**

**1. Principles of Consolidation**

The consolidated financial statements relate to Jasch Industries Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis.

**2 Components considered**

The following Components considered in preparation of Consolidated Financial Statements :-

a) Subsidiaries

Indian Subsidiaries : NIL

Name	Country	Ownership (%)	Audited / Board Approved
Jasch North America Company	USA	100%	Acknowledge by Jasch Industries Ltd
Indev Gauging Systems, Inc.	USA	100%	Acknowledge by Jasch Industries Ltd

3. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
4. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve.
5. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
6. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
7. As the financial year of Jasch North America Co (a wholly owned subsidiary of the Company based in USA) is the calendar year, consolidated figures include figures of this subsidiary for the period ended on 31-12-2012.
8. Figures pertaining to the subsidiary companies have been regrouped / reclassified wherever necessary to bring them in line with the Company's financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in ₹)

	As At 31st March, 2013	As At 31st March, 2012
<b>Note 2 - SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
1,40,00,000 Equity Shares of ₹ 10 each	14,00,00,000	14,00,00,000
	<u>14,00,00,000</u>	<u>14,00,00,000</u>
<b>Issued, Subscribed and Paid up :</b>		
1,13,30,000 Equity Shares of ₹ 10 each fully paid up	11,33,00,000	11,33,00,000
<b>TOTAL</b>	<u>11,33,00,000</u>	<u>11,33,00,000</u>

- 2.1 There has been no movement in the shares outstanding from the prior year to the current year.
- 2.2 Terms / rights attached to Equity Shares :  
Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- 2.3 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Jai Kishan Garg	23,80,049	21.01	23,80,049	21.01
Kamlesh Garg	6,05,945	5.35	6,05,945	5.35
Manish Garg	8,46,349	7.47	8,46,349	7.47
Ramnik Garg	7,88,973	6.96	7,88,973	6.96

- 2.4 There were no instance of shares issued, on which there were any calls remaining unpaid or instances of any forfeitures during the years ended March 31, 2013 and 2012.

**Note 3 - RESERVES AND SURPLUS**

<b>General Reserve</b>			
Opening Balance	30,00,000		30,00,000
Add : Transferred from Statement of Profit and Loss	0		0
		30,00,000	30,00,000
<b>Profit and Loss Account</b>			
Opening Balance	13,53,09,809		9,93,63,421
Add : Transferred from Surplus in Statement of Profit and Loss	1,85,34,449		3,69,30,562
	<u>15,38,44,258</u>		<u>13,62,93,983</u>
<b>Less : Appropriations</b>	0		0
		15,38,44,258	13,62,93,983
<b>Foreign Currency Translation Reserve</b>			
Opening Balance	0		0
Amount transferred on account of resulting exchange difference on conversion of a non-integral subsidiary	(7,10,165)		(9,84,174)
		<u>(7,10,165)</u>	<u>(9,84,174)</u>
<b>TOTAL</b>	<u>15,61,34,093</u>		<u>13,83,09,809</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in ₹)

	As At 31st March, 2013		As At 31st March, 2012	
	Non Current	Current	Non Current	Current
<b>Note 4 - LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loans From Bank	3,64,70,202	1,63,61,791	5,18,65,663	2,46,31,377
Loans For Vehicles (Banks)	17,41,376	21,13,800	29,85,799	22,47,800
<b>TOTAL (A)</b>	<b>3,82,11,578</b>	<b>1,84,75,591</b>	<b>5,48,51,462</b>	<b>2,68,79,177</b>
<b>Unsecured</b>				
Loan From Directors and their relatives	2,82,65,000	0	2,75,40,000	0
Loan From Others	3,02,11,775	0	0	0
<b>TOTAL (B)</b>	<b>5,84,76,775</b>	<b>0</b>	<b>2,75,40,000</b>	<b>0</b>
<b>TOTAL (A+B)</b>	<b>9,66,88,353</b>	<b>1,84,75,591</b>	<b>8,23,91,462</b>	<b>2,68,79,177</b>

**4.1** Term Loans From State Bank of India Secured by a first mortgage by deposit of title deeds of the Company's immovable properties both present and future ranking inter se and also personal guarantee of four directors.

**4.2** Loans for Vehicles is Secured by Hypothecation of Respective Vehicle.

**4.3** Subsidiaries : Loan amounting to ₹ 132.71 Lacs in subsidiary secured by hypothecation charge over assets of the respective subsidiary Company

**Note 5 - DEFERRED TAX LIABILITY (Net)**

**Deferred Tax Liability**

Related to fixed assets

3,23,01,880

3,25,68,673

**Deferred Tax Assets**

Related to Income Tax

(11,46,324)

(2,66,793)

**TOTAL**

**3,11,55,556**

**3,23,01,880**

**Note 6 - OTHER LONG TERM LIABILITIES**

Advance Against Project

64,23,587

76,73,475

Other Liability

7,10,943

12,78,913

**TOTAL**

**71,34,530**

**89,52,388**

**Note 7 - SHORT TERM BORROWINGS**

**Secured**

**Working Capital Loan From Bank**

10,81,51,880

11,81,69,907

**TOTAL**

**10,81,51,880**

**11,81,69,907**

**7.1** Working Capital Loan from State Bank of India is Secured by Hypothecation of present and future stock of raw materials, stock-in-process, finished goods, consumables, stores and spares, book debts, receivables, claims, materials in transit and personal guarantee of four Directors.

**Note 8 - TRADE PAYABLES**

Trade Payables

14,77,79,325

13,42,50,503

**TOTAL**

**14,77,79,325**

**13,42,50,503**

**8.1** The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ('the Act') has been determined to the extent such parties have been identified by the Company, on the basis of information and records available with them. This information has been relied upon by the auditors. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under :

Particulars		
Principal amount due and remaining un paid	0	0
Interest due on above and the unpaid interest	0	0
Interest paid	0	0
Payment made beyond the appointed day during the year	0	0
Interest due and payable for the period of delay	0	0
Interest accrued and remaining unpaid	0	0
Amount of further interest remaining due and payable in succeeding years	0	0

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in ₹)

**Note 9 - OTHER CURRENT LIABILITIES**

	As At 31st March, 2013	As At 31st March, 2012
Current maturities of long term debt (Refer Note No. 4)	1,84,75,591	2,68,79,177
Unclaimed Dividends	9,75,083	9,83,483
Creditors for Capital Expenditure	9,72,886	16,01,081
Advance From Customers	2,08,66,560	2,42,31,728
Sales Tax Payable	6,59,015	9,58,673
TDS Payable	2,83,307	1,26,554
Expenses Payable	7,40,742	4,33,278
Sundry Creditors for Others	1,18,07,666	65,11,639
Others	1,91,91,362	99,55,403
<b>TOTAL</b>	<u>7,39,72,212</u>	<u>7,16,81,016</u>

**9.1** Owing to an amendment in law, there being no clarity as to whether coated fabrics are still exempt from VAT, the Company had sought clarification from Haryana VAT Authorities, who clarified in the negative. The clarification was challenged before Haryana Tax Tribunal and is now pending adjudication before Punjab & Haryana High Court. In view of such a situation, the Company has billed by way of abundant caution, the amount of VAT to customers and this amount has been duly included in "Other Current Liabilities". The Company has not received any Show Cause Notice for non-levy/non-payment of VAT from VAT authorities.

**Note 10 - SHORT TERM PROVISIONS**

Provision for Employee Benefits :		
EPF / ESI Payable	1,44,329	1,19,654
Salary and Wages Payable	18,33,632	19,65,421
Bonus / Gratuity Payable	18,20,348	17,50,909
Others Payables :		
Excise Duty Payable	16,55,746	18,21,597
Electricity and Power	12,99,868	7,93,722
Telephone Expenses	1,40,936	1,29,547
Current Year Tax	1,01,85,139	1,25,34,531
<b>TOTAL</b>	<u>1,70,79,998</u>	<u>1,91,15,381</u>

**10.1** Provision of Excise Duty on finished goods lying in factory premises at March 31, 2013 aggregating to ₹ 21,51,506 (Previous Year ₹ 21,25,814) has been provided at current excise rate and included in valuation of finished goods inventory and same is charged from Cenvat Credit Receivable Input Account as on 31st March, 2013

**10.2** There are no undisputed liabilities or over dues to Government Department and /or Financial Institution and Banks, other than in the normal course of business.

**10.3** Provision for retirement gratuity liability as at 31.03.2013 to all eligible employees has been made as per Actuarial Valuation, and an amount of ₹ 17,92,470 has been paid to LIC of India as 1/4 contribution for previous liability last installment, and full contribution for current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - FIXED ASSETS

(Amount in ₹)

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01.04.12	Additions	Deductions/ Adjustments	As At 31.03.2013	Upto 31.03.2012	For the Period	Deduc./ Adjustments	Upto 31.03.2013	As At 31.03.2013	As At 31.03.2012
<b>A. TANGIBLE OWN ASSETS :</b>										
Free Hold Land	29,66,175	0	0	29,66,175	0	0		0	29,66,175	29,66,175
Building (Bahalgarh Office)	26,53,549	0	0	26,53,549	3,22,183	43,253		3,65,436	22,88,113	23,31,366
Building (Delhi Office)	65,85,356	0	0	65,85,356	21,49,76	1,07,341		3,22,317	62,63,039	63,70,380
Building (Factory)	5,17,34,611	1,68,350	0	5,19,02,961	1,17,48,632	11,30,835		1,28,79,467	3,90,23,494	3,99,85,979
Furniture & Fittings	51,79,804	1,46,701	0	53,26,505	18,65,357	2,17,685		20,83,042	32,43,463	33,14,447
Plant & Machinery	26,72,06,793	61,66,409	33,97,961	2,69,975,241	13,33,11,493	1,49,77,686	15,12,687	14,67,76,492	12,31,98,749	13,73,05,028
DMF Tower & Boiler	6,61,84,399	6,73,110	0	6,68,57,509	59,87,077	65,11,728		1,24,98,805	5,43,58,704	56,787,594
Vehicles-Commercial	14,27,873	0	0	14,27,873	5,68,985	1,35,648		7,04,633	7,23,240	8,58,888
Vehicles-Others	1,66,83,112	18,59,018	16,48,423	1,68,93,707	41,42,831	15,65,168	9,14,087	47,93,912	1,20,99,795	12,540,281
Fire Fighting Equipment	6,64,074	7,7924	0	7,41,998	4,33,756	45,160		4,78,916	2,63,082	2,30,318
Air Conditioners	9,08,242	56,000	0	9,64,242	3,12,100	45,278		3,57,378	6,06,864	5,96,142
Computers	21,52,711	7,70,262	0	29,22,973	14,24,235	1,69,906		15,94,141	13,28,832	7,28,476
Generator Set	78,09,571	0	0	78,09,571	26,04,330	3,70,955		29,75,285	48,34,286	52,05,241
Office Appliances	19,57,558	3,96,804	0	23,54,362	5,02,768	1,01,775		6,04,543	17,49,819	14,54,790
Power Line - HUBVN	0	51,27,469	0	51,27,469	0	73,897		73,897	50,53,572	0
<b>TOTAL</b>	<b>43,41,13,828</b>	<b>1,54,42,047</b>	<b>50,46,384</b>	<b>4,44,509,491</b>	<b>16,34,38,723</b>	<b>2,54,96,315</b>	<b>24,26,774</b>	<b>18,65,08,264</b>	<b>25,80,01,227</b>	<b>27,06,75,105</b>
Capital Work-in-Progress	21,87,479	28,59,192	50,46,671	0	0	0		0	0	21,87,479
<b>B. INTANGIBLE ASSETS :</b>										
Goodwill on Consolidation	5,12,12,834	80,29,300	0	5,92,42,134	0	36,21,341		36,21,341	5,56,20,793	5,12,12,834
<b>TOTAL</b>	<b>48,75,14,141</b>	<b>2,63,30,539</b>	<b>1,00,93,055</b>	<b>50,37,51,625</b>	<b>16,34,38,723</b>	<b>2,91,17,656</b>	<b>24,26,774</b>	<b>19,01,29,605</b>	<b>31,36,22,020</b>	<b>32,40,75,418</b>
<b>PREVIOUS YEAR</b>	<b>41,55,74,850</b>	<b>14,83,62,033</b>	<b>7,64,22,742</b>	<b>48,75,14,141</b>	<b>14,83,20,980</b>	<b>2,46,43,373</b>	<b>95,25,630</b>	<b>16,34,38,723</b>	<b>32,40,75,418</b>	<b>26,72,53,870</b>

Note 12 - NON-CURRENT INVESTMENTS

(Long Term Investments)

Trade Investments

In Equity Shares - Unquoted, fully paid up  
Jasch Europa BVBA

In Equity Shares - Quoted, fully paid up  
Standard Capital Market Ltd  
(Market Value As at 31.03.13 is ₹ 1,20,345/-)

TOTAL

As At 31st March, 2013		As At 31st March, 2012	
No. of Shares	Value	No. of Shares	Value
5,580	3,92,518	5,580	3,92,518
33,900	67,800	33,900	67,800
	<u>4,60,318</u>		<u>4,60,318</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

	As At 31st March, 2013	As At 31st March, 2012
<b>Note 13 - LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Security Deposit	25,65,619	26,01,850
(Include Deposit with State Electricity Department is Rs. 2135366/-)		
<b>TOTAL</b>	<u>25,65,619</u>	<u>26,01,850</u>
<b>Note 14 - CURRENT INVESTMENTS</b>		
<b>Other Investments</b>		
Real Estate for Short Term	14,79,795	14,79,795
<b>TOTAL</b>	<u>14,79,795</u>	<u>14,79,795</u>
<b>Note 15 - INVENTORIES</b>		
Raw Materials	7,39,56,652	5,19,45,145
Consumables	2,75,24,629	2,91,84,585
Stock-in-Process	3,92,37,068	2,44,49,789
Finished Goods	1,99,66,536	2,07,11,535
Stores & Spares	9,08,710	8,90,810
Packing Material	5,06,223	5,19,877
Fuel	3,33,513	4,46,257
Goods-in-Transit	23,08,819	79,93,352
<b>TOTAL</b>	<u>16,47,42,150</u>	<u>13,61,41,350</u>
<b>Note 16 - TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
Over six months	2,17,40,647	2,92,29,119
Others	19,68,68,204	18,71,67,461
<b>TOTAL</b>	<u>21,86,08,851</u>	<u>21,63,96,580</u>
<b>Note 17 - CASH AND BANK BALANCES</b>		
Cash in hand	9,59,381	1,73,812
Balance with Banks	98,80,301	13,89,105
Balance In Unpaid Dividend Account with SBI	9,75,083	9,83,483
Fixed Deposit with Bank	1,35,90,524	1,23,10,311
<b>TOTAL</b>	<u>2,54,05,289</u>	<u>1,48,56,711</u>
<b>Note 18 - SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advance to Suppliers	13,26,419	23,82,376
Advance Income Tax & TDS	72,25,978	53,13,998
Balance With Revenue Authorities	34,07,767	13,53,510
Deferred Expenditure	45,45,215	58,95,820
Prepaid Expenses	8,56,894	20,90,310
Miscellaneous Receivables	22,53,067	5,27,746
<b>TOTAL</b>	<u>1,96,15,340</u>	<u>1,75,63,760</u>
<b>Note 19 - OTHER CURRENT ASSETS</b>		
Claim Receivables	48,96,565	48,96,565
<b>TOTAL</b>	<u>48,96,565</u>	<u>48,96,565</u>

**19.1** The Company has received insurance claim of ₹ 86.03 lakh during 2003-2004 in respect of destruction of a part of factory buildings, plant and machinery and inventory in a fire accident on 23rd/24th November, 2001 which had resulted in book loss of ₹135 lakh. Balance claim of ₹ 48.97 lakh has been shown as receivable. A petition in Delhi High Court against Insurance Company for payment of balance amount with interest has been filed and admitted by the Hon'ble Delhi High Court. There are fair chances at the balance claim of ₹ 48.97 lakh will be allowed by the Court in favour of the Company. Final adjustment of Insurance Claim in the accounts will be made after settlement of claim by the Court.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

	For the year ended 31-03- 2013	For the year ended 31-03-2012
<b>Note 20 - REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
Synthetic Leather & Allied Products	68,09,74,117	62,51,83,611
Electronic Thickness Gauges	28,80,05,091	25,82,44,318
	<u>96,89,79,208</u>	<u>88,34,27,929</u>
Less : Excise Duty / VAT / Service Tax	9,12,61,546	7,66,76,221
<b>TOTAL</b>	<u><u>87,77,17,662</u></u>	<u><u>80,67,51,708</u></u>
<b>Note 21 - OTHER INCOME</b>		
Income From Services	1,29,39,249	50,40,021
Interest Income (FDR)	5,78,744	7,96,739
Subsidy (TUFF)	7,51,049	24,73,344
<b>TOTAL</b>	<u><u>1,42,69,042</u></u>	<u><u>83,10,104</u></u>
<b>Note 22 - COST OF MATERIAL CONSUMED</b>		
Raw Material	58,19,13,354	54,94,50,995
Consumables (Release Paper)	1,86,20,656	2,18,37,839
<b>TOTAL</b>	<u><u>60,05,34,010</u></u>	<u><u>57,12,88,834</u></u>
<b>Note 23 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS</b>		
<b>Inventories (at Commencement)</b>		
Finished Goods	2,07,11,535	1,83,99,154
Stock-in-Process	2,44,49,789	1,55,23,835
	<u>4,51,61,324</u>	<u>3,39,22,989</u>
<b>Inventories (at Close)</b>		
Finished Goods	1,99,66,536	2,07,11,535
Stock-in-Process	3,92,37,068	2,44,49,789
	<u>5,92,03,604</u>	<u>4,51,61,324</u>
	(1,40,42,280)	(1,12,38,335)
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	(29,45,470)	4,34,995
<b>TOTAL</b>	<u><u>(1,69,87,750)</u></u>	<u><u>(1,08,03,340)</u></u>
<b>Note 24 - EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Wages, Gratuity & Bonus	6,86,02,972	3,04,87,842
Contribution to P. F. & Other Funds	10,15,952	8,75,976
Employee Welfare Expenses	34,88,311	14,23,728
Director Meeting Sitting Fee	1,50,120	90,000
<b>TOTAL</b>	<u><u>7,32,57,355</u></u>	<u><u>3,28,77,546</u></u>
<b>Note 25 - FINANCE COSTS</b>		
Interest on Cash Credit Facility	1,60,93,950	1,17,03,283
Interest on Term Loan	69,52,723	95,97,838
Interest on Vehicle Loan	4,82,790	5,70,116
Other Interest	8,58,014	3,65,809
Bank Charges	46,60,680	54,40,485
<b>TOTAL</b>	<u><u>2,90,48,157</u></u>	<u><u>2,76,77,531</u></u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

	For the year ended 31-03- 2013	For the year ended 31-03-2012
<b>Note 26 - OTHER EXPENSES</b>		
<b>Manufacturing and Operating Cost</b>		
Power & Fuel	4,25,09,344	3,93,49,193
Consumables & Stores	30,76,041	27,33,826
Packing Material	62,73,196	56,20,215
Freight Inward	1,68,21,734	1,41,86,975
Repair & Maintenance (Plant)	46,57,538	37,05,491
Exchange Difference (Net)	28,09,491	44,38,614
<b>TOTAL (A)</b>	<b>7,61,47,344</b>	<b>7,00,34,314</b>
<b>Establishment Expenses</b>		
Insurance Expenses	63,65,029	7,32,691
Books, Printing & Stationery	5,29,488	4,73,676
Courier & Postage	7,05,110	5,92,658
Telephone & Communications	36,68,803	33,84,504
Tour & Travel Including Foreign Travel	99,47,443	75,37,138
Hotel, Boarding, Lodging & conveyance	56,29,968	63,16,046
Vehicle Running & Maintenance	24,04,612	21,88,570
Fee & Subscription	14,57,930	14,55,860
Legal & Professional Charges	48,35,239	62,10,770
Rent, Rates and Taxes	30,49,725	10,30,973
Technical Know How Fee	0	14,70,000
Charity & Donation	5,06,040	3,00,770
Electrical & General Repair & Maintenance	29,23,973	16,90,406
Auditor Remuneration - Audit Fee	38,605	38,605
Auditor Remuneration - Taxation Matters	16,545	16,545
Auditor Remuneration - Cost Audit Fee	38,500	0
Dividend Distribution Expenses	0	98,695
Loss on Sale of Vehicle / Machinery (Net)	1,24,510	5,85,537
Miscellaneous	22,27,701	6,70,403
<b>TOTAL (B)</b>	<b>4,44,69,221</b>	<b>3,47,93,847</b>
<b>Selling and Distribution Expenses</b>		
Testing Charges	1,50,863	1,65,370
Discount & Rebates	47,36,327	54,92,105
Selling Expenses	99,39,186	18,20,542
Sales Commission	42,31,331	4,25,675
Bad Debts	1,72,777	0
Freight Outward	18,70,492	20,12,646
Advertising & Exhibition	64,14,134	27,47,636
Clearing & Forwarding (Export)	11,19,377	85,529
<b>TOTAL (C)</b>	<b>2,86,34,487</b>	<b>1,27,49,503</b>
<b>TOTAL (A+B+C)</b>	<b>14,92,51,052</b>	<b>11,75,77,664</b>
<b>Note 27 - EARNINGS PER SHARE (EPS)</b>		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1,85,34,449	3,69,30,562
Number of equity shares used as denominator for calculating EPS	1,13,30,000	1,13,30,000
Basic and Diluted Earnings per share	1.64	3.26
Face Value per equity share	10.00	10.00

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 28 - Segment Reporting** : (Segment Information as required by Accounting Standard (AS-17) on Segment Reporting issued by the Institute of Chartered Accountants of India and as complied on the basis of financial statement). The Company has identified two segment as reportable segment viz. Synthetic Leather Cloth & Allied Products Division and Electronic Thickness Gauge Division.

The financial information about these business segments is presented in the table below :-

	Current Year (2012-2013)			Previous Year (2011-2012)		
	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total
<b>(₹ In Lakhs)</b>						
<b>REVENUE</b>						
External Sales	6809.74	2880.05	9689.79	6251.84	2582.44	8834.28
Less : Excise Duty	---	---	912.62	---	---	766.76
Inter-segment Sales			---			---
Other Income	13.30	129.39	142.69	32.70	50.40	83.10
<b>Total Revenue</b>			<b>8919.86</b>			<b>8150.62</b>
<b>RESULTS</b>						
Segment Results	300.06	268.08	568.14	315.07	479.70	794.77
Unallocated Corporate Expenses (Net)			---			---
Operating Profit			568.14			794.77
Interest Expenses			290.48			276.77
Income Tax Current			101.85			125.34
- Deferred &			9.53			23.35
Previous Year Tax (Net) (+)						
Profit from Ordinary Activities			185.34			369.31
Extra Ordinary Loss			---			---
<b>Net Profit</b>			<b>185.34</b>			<b>369.31</b>
<b>OTHER INFORMATION</b>						
Segment Assets	6152.21	1361.75	7513.96	5914.75	1269.97	7184.72
<b>Total Assets</b>			<b>7513.96</b>			<b>7184.72</b>
Segment Liabilities	6388.76	1125.20	7513.96	6449.93	734.79	7184.72
<b>Total Liabilities</b>			<b>7513.96</b>			<b>7184.72</b>
Capital Expenditure			190.96			318.21
Depreciation			291.17			246.43
Non-cash Expenses other than Depreciation			14.74			---

**Note 29 - REGROUPING AND RECLASSIFICATION**

Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with those of current year.



**JASCH INDUSTRIES LIMITED**

Registered Office : 43/5, Bahalgarh Road, P. O. Bahalgarh-131 021  
Distt. Sonapat (Haryana)

D P No.	
Demat A/c No.	

L. F. No.	
No. of Shares	

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the Annual General Meeting of the Company held at the Registered Office of the Company at **43/5, BAHALGARH ROAD, P. O. BAHALGARH-131021, DISTT. SONEPAT (HARYANA), INDIA** on..... **at 10.00 A.M.**

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
NAME OF THE PROXY, IF ANY (IN BLOCK LETTERS)	
SIGNATURE OF THE SHARE HOLDER / PROXY	

- Notes:** 1. You are requested to sign and hand over this slip at the entrance to the Registered Office of the Company.  
2. If you intend to appoint a proxy to attend the Meeting instead of yourself, the enclosed proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

Tear Here

D P No.	
Demat A/c No.	

**JASCH INDUSTRIES LIMITED**

**FORM OF PROXY**

L. F. No.	
No. of Shares	

Tear Here

I/We ..... of.....  
in the district of.....being a Member/Members of the  
JASCH INDUSTRIES LIMITED, hereby appoint .....of.....in the  
district of.....of failing him.....  
of.....in the district of.....  
as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on  
.....and at any adjournment thereof.

I/We wish my/our Proxy to vote "for" or "against" the Resolutions as ticked (✓) in the box below :

RESOLUTIONS	FOR	AGAINST
1. Adoption of Accounts & Reports		
2. Re-appointment of Mrs. Kamlesh Garg as Director		
3. Re-appointment of Shri K.L. Khetarpaul as Director		
4. Re-appointment of Statutory Auditors		
5. Re-appointment of Shri Ramnik Garg as Whole Time Director		
6. Re-appointment of Shri O.P. Garg as Whole Time Director		

Please Affix  
Re. 1/-  
Revenue  
Stamp  
And sign  
across it.

Signed this.....day of.....2013.



# JASCH INDUSTRIES LIMITED

## CONTENTS

NOTICE OF MEETING	...	<b>02-04</b>
CORPORATE GOVERNANCE REPORT	...	<b>05-08</b>
DIRECTORS' REPORT, MANAGEMENT DISCUSSION AND ANALYSIS	...	<b>09-14</b>
<b>STANDALONE FINANCIAL STATEMENT</b>	...	<b>15-31</b>
INDEPENDENT AUDITORS' REPORT	...	<b>15-17</b>
BALANCE SHEET	...	<b>18</b>
STATEMENT OF PROFIT AND LOSS	...	<b>19</b>
CASH FLOW STATEMENT	...	<b>20</b>
NOTES TO FINANCIAL STATEMENTS	...	<b>21-31</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	...	<b>32-45</b>
AUDITORS' REPORT	...	<b>33</b>
BALANCE SHEET	...	<b>34</b>
STATEMENT OF PROFIT AND LOSS	...	<b>35</b>
CASH FLOW STATEMENT	...	<b>36</b>
NOTES TO FINANCIAL STATEMENTS	...	<b>37-45</b>
<b>PROXY FORM</b>	...	<b>—</b>

**Annual General Meeting**  
**Date : September 27, 2013 at 10 A.M.**  
**Venue : Registered Office of the Company**

# JASCH INDUSTRIES LIMITED



Nucleonic Gauge



DMF Recovery Tower



**27<sup>th</sup> Annual Report  
2012 - 2013**

BOOK POST



**JASCH INDUSTRIES LIMITED**  
**Annual Report 2012-2013**

If undelivered please return to :

**JASCH INDUSTRIES LIMITED**

Regd. Office : 43/5, Bahalgarh Road, P. O. Bahalgarh

Distt. Sonapat - 131 021 (Haryana)

Phones : 0130-3053600 Fax : 0130-3053697, 3053698

Website : [www.jasch.biz](http://www.jasch.biz)

# **JASCH INDUSTRIES LIMITED**

## **Regd. Office & Works:**

43/5, Bahalgarh Road, P.O. Bahalgarh – 131021

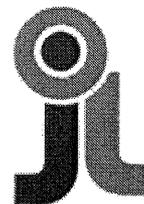
Distt. Sonapat (Haryana) INDIA

Tel.: 0130- 3053600, 6451517-18

Fax. : 0130 – 3053698

Email. skverma@jasch.biz Website. www.jaschindustries.com,

CIN : L24302HR1985PLC022758

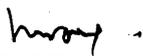


## **FORM A**

### **FORMAT OF COVERING LETTER OF ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGE**

1	Name of the Company	JASCH INDUSTRIES LTD
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2013
3	Type of Audit Observation	Unqualified
4	Frequency of observation	Not applicable
5	To be signed by : CEO/Managing Director CFO AUDITOR OF THE COMPANY CHAIRMAN OF AUDIT COMMITTEE	

FOR JASCH INDUSTRIES LTD

  
J.K. GARG  
CHAIRMAN &  
MANAGING DIRECTOR

  
K.C. VARSHNEY  
CHAIRMAN  
AUDIT COMMITTEE

  
M.PALIWAL  
GENERAL MANAGER (F)

FOR ARORA & CHOUDHARY ASSOCIATES  
(Firm Registration No. N03870)  
Chartered Accountants

  
(V.K. CHOUDHARY)  
CHARTERED ACCOUNTANT  
MEMBERSHIP NO. 81843