



JASCH INDUSTRIES LIMITED

**28th ANNUAL REPORT
2013 - 2014**



JASCH INDUSTRIES LIMITED

(CIN : L24302HR1985PLC022758)

28TH ANNUAL REPORT 2013-2014

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This Annual Report is also available online at www.jaschindustries.com

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Annual General Meeting

Date : September 29, 2014 at 10 A.M.

Venue : Registered Office of the Company

JASCH INDUSTRIES LTD.

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

28TH ANNUAL REPORT 2013-2014

BOARD OF DIRECTORS

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
S.K. KHANDELWAL (DR.)	DIRECTOR
K.C. VARSHNEY (DR.)	DIRECTOR
KULDEEP SINGAL	DIRECTOR
K.L. KHETARPAUL	DIRECTOR
O.P. GARG*	EXECUTIVE DIRECTOR
ASHOK MITTAL (DR.)*	DIRECTOR
NARESH KUMAR, IRS (RETD)@	DIRECTOR

*ceased to be Director w.e.f. 30-04-2014 @appointed Independent Additional Director w.e.f. 31-05-2014

VICE PRESIDENT & COMPANY SECRETARY

S. K. VERMA

CHIEF FINANCIAL OFFICER

M. PALIWAL

AUDITORS

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

BANKERS

HDFC BANK
ATLAS ROAD, MODEL TOWN, SONIPAT
STATE BANK OF INDIA
OVERSEAS BRANCH, JANPATH, NEW DELHI

REGISTRARS

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

REGISTERED OFFICE AND WORKS

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

CORPORATE OFFICE

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

NOTICE OF 28th ANNUAL GENERAL MEETING

To

The Members,

NOTICE is hereby given that the 28th Annual General Meeting of Members of JASCH INDUSTRIES LIMITED will be held on Monday, the 29th September, 2014 at 10:00 AM at Registered Office of the Company at 43/5, Bahalgarh Road, P.O. Bahalgarh, Distt. Sonapat-131021, Haryana, to transact the following business :

ORDINARY BUSINESS :

ITEM NO. 1 : To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2014, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.

ITEM NO. 2 : To appoint a Director in place of Shri Navneet Garg (DIN 00176350) who retires by rotation, and being eligible, offers himself for re-appointment as non-independent director.

ITEM NO. 3 : Re-appointment of Auditors : 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, (Firm Registration No. 003870N) being eligible for reappointment, be and are hereby re-appointed as 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 :

ITEM NO. 4 : Appointment of Independent Director : To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or enactments thereof for the time being in force), Shri Naresh Kumar (DIN 06884903), who was appointed as an Additional Director by the Board in its Meeting held on 31-05-2014 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as non-executive Independent Director of the Company, for a period beginning with the conclusion of this Annual General Meeting and ending with the conclusion of the fifth Annual General Meeting held hereafter, whose period of office shall not be liable to determination by retirement of directors by rotation."

AGENDA ITEM NO. 5 : Variation in remuneration/terms of appointment of Managing Director : 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 196, 197, Schedule V and all other applicable provisions of Companies Act, 2013 and Rules made thereunder; consent of the Company be and is hereby accorded to the payment of a fixed remuneration of Rs. 2,00,000 per month to Shri JaiKishan Garg, Chairman & Managing Director (DIN 00596709) from 01-04-2014 to 30-04-2016 (being the remaining period of his present term of office as Managing Director) along with other benefits and on the terms and conditions as are set out in the attached explanatory statement , which forms part of this Resolution (or as may be varied by the Annual General Meeting and acceptable to him)"

ITEM NO. 6 : Variation in remuneration/terms of appointment of Whole Time Director : 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 196, 197, Schedule V and all other applicable provisions of Companies Act, 2013 and Rules made thereunder; consent of the Company be and is hereby accorded to the payment of a fixed remuneration of Rs. 1,50,000 per month to Shri Ramnik Garg, Whole Time Director (DIN 00188843) from 01-04-2014 to 30-06-2016 (being the remaining period of his present term of office as whole time director) along with other benefits and on the terms and conditions as are set out in the attached explanatory statement , which forms part of this Resolution (or as may be varied by the Annual General Meeting and acceptable him)"

NOTICE OF 28th ANNUAL GENERAL MEETING

ITEM NO. 7 : Variation in remuneration/terms of appointment of Whole Time Director : 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 196, 197, Schedule V and all other applicable provisions of Companies Act, 2013 and Rules made thereunder; consent of the Company be and is hereby accorded to the payment of a fixed remuneration of Rs. 1,50,000 per month Shri Manish Garg, Whole Time Director (DIN 00188959) from 01-04-2014 to 31-03-2017 (being a period of initial three years out of the remaining period of his present term of office as whole time director expiring on 28-07-17) along with other benefits and on the terms and conditions as are set out in the attached explanatory statement , which forms part of this Resolution (or as may be varied by the Annual General Meeting and acceptable to him)"

ITEM NO. 8 : Variation in remuneration/terms of appointment of Whole Time Director : 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 196, 197, Schedule V and all other applicable provisions of Companies Act, 2013 and Rules made thereunder; consent of the Company be and is hereby accorded to the payment of a fixed remuneration of Rs. 1,50,000 per month Shri Navneet Garg, Whole Time Director (DIN 00176350) from 01-04-2014 to 30-04-2016 (being the remaining period of his present term of office as whole time director) along with other benefits and on the term and conditions as are set out in the attached explanatory statement , which forms part of this Resolution (or as may be varied by the Annual General Meeting)"

ITEM NO. 9 : To rescind earlier resolution relating to sitting fee : To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

"RESOLVED THAT the Special Resolution passed at the Annual General Meeting of the Company held on 28th September, 2007 relating to sitting fee of directors, be and is hereby rescinded and the Board of Directors of the Company be and is hereby authorized to pay to non-executive Directors of the Company a sitting fee upto the extent permitted under law in force from time to time."

ITEM NO. 10 : To amend Articles of Association of the Company : To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

"RESOLVED THAT the existing Article 1 of Articles of Association of the Company be and is hereby substituted with the following Article :

"1. The Regulations contained in Table A in the First Schedule of the Companies Act, 1956, or in the Schedule of any previous or subsequent Companies Act, shall not apply to the Company, but, subject to exercise of any statutory powers of the Company to repeal, alter or add to its regulations by Special Resolution (or in any other manner as may be prescribed by law which may be in force at the relevant time), be such as are contained in these Articles and the same shall be observed by the management of the Company and its Members and their representatives."

"RESOLVED FURTHER THAT in Article 2 of Articles of Association of the Company (being the part marked "INTERPRETATION"), the following words : "The Act" means the Companies Act, 1956 or any other Act being in force" be and are hereby substituted with the following words :

"The Act" means the Companies Act, 2013 or any other Act relating Companies which may be in force from time to time and Rules/notifications/government orders issued thereunder."

"RESOLVED FURTHER THAT words "the Companies Act, 1956" and words/numbers making any reference to any Sections, sub-Sections or clauses of the Companies Act, 1956, occurring wherever else in the Articles of Association of the Company, be and are hereby deleted and in their place, the words "the Act" be and is hereby inserted."

"RESOLVED FURTHER THAT the following new clause (4) be and is hereby inserted after the existing clause (3) of Article 146 of Articles of Association of the Company :

"(4) Subject to provisions of the Act, the Managing Director shall have substantial powers of management of affairs of the company."

"RESOLVED FURTHER THAT the following new clause (5) be and is hereby inserted after clause (4) (as inserted above) of Article 146 of Articles of Association of the Company :

"(5) The Managing Director of the Company may also be appointed or re-appointed as the Chairman of the Company. Conversely, the Chairman of the Company may also be appointed as Managing Director of the Company."

NOTICE OF 28th ANNUAL GENERAL MEETING

ITEM NO. 11 : To grant consent to charge/mortgage : To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter called the "Board") which term shall be deemed to include any Committee thereof, which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution and the power to delegate such authority to any person or person(s) to mortgage and/or charge any of its movable and/or immovable properties, wherever situated both present and future or to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a mortgage and/or charge, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any bank(s) or body/bodies corporate or person(s), whether shareholders of the Company or not, together with interest, cost, charges and expenses thereon for an amount not exceeding Rs. 50 crores (Rupees Fifty crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the Company as may be agreed to between the concerned parties."

ITEM NO. 12 : To grant consent to borrow : To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

"RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business, shall not be in excess of Rs. 50 crores (Rupees Fifty Crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

By Order of the Board of Directors
For JASCH INDUSTRIES LTD

Place : Sonipat
Date : 26th July, 2014

S.K. VERMA
COMPANY SECRETARY

IMPORTANT
RESOLUTIONS MENTIONED AT ITEM NOS. 11 AND 12 WILL BE
PASSED ONLY THROUGH POSTAL BALLOT AND e-VOTING.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person of shareholder.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto, also contains the information/statement referred to in para (iv) of second proviso of para (B) of Section II of Schedule V of Companies Act, 2013 is annexed and forms part of the notice.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 01st Sept. to 10th Sept. 2014 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the Members.
6. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent/the Company.
7. Under Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years is required to be transferred, along with relevant shares, to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Those shareholders in respect of whose shares dividend for the year 2010-11 still remains unpaid, are called upon to claim it from the company at the earliest.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, form part of the notice. The Directors have furnished the requisite declarations for their appointment/re appointment.
9. Electronic copy of the Annual Report 2014 is being sent to the members whose email Ids are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2014 is being sent in the permitted mode. Positive consent letter is attached to the Notice to the Members for giving consent to receive documents in electronic mode.
10. Electronic copy of the Notice of the this Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy Form is being sent to the members whose email Ids are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of this Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy Form is being sent in the permitted mode.
11. Members may also note that the Notice of this Annual General Meeting and the Annual Report 2014 will also be available on the Company's website www.jaschindustries.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: skverma@jasch.biz.
12. All documents referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the Registered office of the Company during normal business hours (9:30 am to 5:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
13. Voting through electronic means:

Pursuant to Clause 35B of Listing Agreement read with Section 108 of the Companies Act, 2013 & Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provided its members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic Means. The business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL). Instructions for E-voting are as follows. Please read the entire instructions carefully before excercising e-vote. The Notice of the Annual General Meeting and full Annual Report containing procedure for e-voting are also available at the website of the Company at www.jaschindustries.com.

INSTRUCTIONS FOR E-VOTING

- A (i) Open your web browser during the voting period mentioned below and log on the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholder" tab.
- (iii) Select the Electronic Voting Sequence Number - "EVSN" along with "Jasch Industries Ltd." from the drop down menu and click on "SUBMIT".

(iv) USER ID, PASSWORD & IMAGE VERIFICATION :

USER ID : Enter Your User ID as follows :

For CDSL : 16 digits beneficiary ID,

For NSDL : 8 Character DP ID followed by 8 Digits Client ID

For Members holding shares in Physical Form : Folio Number

PASSWORD : Now enter your Password as follows :

PAN	<p>If you have recorded your PAN No. with your Depository Participant or with the Company, please enter your 10 digit alpha numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). If you have not recorded your PAN No. with your Depository Participant or with the Company, please make a sequence of ten digits as described below and enter the same in the PAN field :</p> <ul style="list-style-type: none"> - In case of Members holding shares in demat form, please take the first two letters of your first name (in capital letters) followed by your 8-digit (including zeros) NSDL/CDSL Client ID. For example, if your name is Ramesh Kumar and your Client ID with NSDL is 00073142, then you should enter RA00073142 (total 10 digit) in the PAN field. - In case of Members holding shares in physical form, take the first two letters of your first name followed by your Folio Number followed by so many 0 (zeros), as to make it a total of ten-digit sequence. For example, if your name is Ramesh Kumar and your Folio No. is 142, then you should enter RA14200000 (total 10 digit) in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- (v) After entering these details, click on "SUBMIT".
- (vi) Members holding shares in Physical form will be redirected to the voting screen.
- (vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting resolutions(s) of any other company on which they are eligible to vote, provided that the other company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person.
- (viii) You can update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communications(s) regarding CDSL e-voting system in future.
- (ix) Members holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any other company, must use their existing login id and password.
- (x) For Members holding shares in Physical form, the password and default number can be used only for e-voting on the resolution contained in the Notice.
- (xi) On the voting page, you will see Resolution with its description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter and number in YES and partially in No, but the total number in YES and NO taken together should not exceed your total shareholding, otherwise your vote will not be counted.
- (xii) Click on the Resolution File Link if you wish to view the entire Notice.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xv) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at contact@vipulbhardwaj.com with a copy marked to helpdesk.evoting@cdslindia.com.
- (xvi) In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com or skverma@jasch.biz

INSTRUCTIONS FOR E-VOTING CONTD....

- B. The e-voting facility will be available during the following voting period :
- | | | |
|--------------------------|---|-------------------------------------|
| Commencement of e-voting | : | From 10.00 a.m. (IST) on 24-09-2014 |
| End of e-voting | : | From 10.00 a.m. (IST) on 25-09-2014 |
- The cut-off date (i.e. the record date) for the purpose of e-voting is 22-08-2014
- C. During E-voting period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically.
- D. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date mentioned overleaf.
- E. Shri Vipul Bhardwaj (Membership No. 30834), independent practicing Cost Accountant has been appointed as the Scrutinizer to scrutinize the e - voting process in a fair and transparent manner.
- F. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- G. The result shall be declared on or after the AGM of the Company. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.jaschindustries.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Exchanges.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT IN RESPECT OF ITEMS OF SPECIAL BUSINESS
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**ITEM NO. 4 : APPOINTMENT OF SHRI NARESH KUMAR AS DIRECTOR**

Shri Naresh Kumar is a 64 years' old Science Graduate. Prior to his retirement as Deputy Commissioner (Dept of Central Excise, Customs & Service Tax) he belonged to the elite Indian Revenue Service. He has vast experience in indirect taxation and administration. He has confirmed to the Board about his independence and adherence to Code of Conduct for Directors. On the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company, in their Meeting held on 31-05-2014, appointed him Additional Director (non-executive, independent). In accordance with law, he holds office only upto this Annual General Meeting.

As reported by him, he does not hold any shares in the Company and is not a Director in any other Company. The directors feel that his appointment will be of immense help to the Company and recommends his appointment for a period of five years, as proposed in the Resolution.

Except the proposed appointee, none of the Directors or key managerial personnel or their relatives has any concern or interest, financial or otherwise, in the proposed Resolution.

ITEM NOS. 5 TO 8 : PAYMENT OF REMUNERATION TO WHOLE TIME DIRECTORS

Provisions relating to payment of remuneration to whole time directors are regulated by Section 196 and 197 of the Companies Act, 2013, read with Schedule V of that Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Based on the effective capital of the Company (which is between the slab of Rs. 5 Crores and 100 Crores), the Company is permitted to pay a remuneration upto Rs. 84 lakhs per annum (or Rs. 7 lakhs per month) to each managerial personnel, subject to fulfillment of conditions and making disclosures as referred to therein.

As mandated by Section 178 of the Companies Act, 2013, the Board of Directors of the Company constituted a Committee called 'Nomination & Remuneration Committee' to recommend to the Board a policy relating to the remuneration for key managerial personnel (which term includes whole time directors). All the Members of the Committee are non-executive and independent directors, having no direct or indirect relation with the key managerial personnel. As required by law, the Committee ensured that the remuneration of key managerial personnel, involved a balance between fixed and incentive pay and that the level and composition of remuneration of Key Managerial Personnel was reasonable and appropriate to the performance/goals of the Company and offers sufficient attraction and motivation for their retention.

In tune with the Remuneration Policy framed as aforesaid and accordance with recommendations of the aforesaid Nominations & Remuneration Committee, the Board, in its Meeting held on 31-05-2014, revised the remuneration and terms of appointment of the Managing Director and Whole Time Directors with effect from 01st April, 2014, for the remaining term of their respective offices, subject to approval of the Board and/or and Shareholders in General Meeting. It is clarified that although the remaining term of office of Shri Manish Garg (who was re-appointed for five years) exceeds three years, the proposed special resolution in his case is being restricted to three years, by way of abundant caution, to comply with the condition of three years' contained in proviso (iii) of Section II of Part II of Schedule V of Companies Act, 2013. The proposed Special Resolutions are in accordance with provisions of Section 196, 197 and Schedule V of the Companies Act, 2013.

Since Shri Ramnik Garg, Shri Manish Garg and Shri Navneet Garg are liable to retire by rotation of Directors, the continuity of payment to them shall be subject to their re-appointment as directors, if and when due, during the period covered by payment of remuneration.

Details of other benefits, terms and conditions as referred to in the proposed Special Resolution are as under :

In addition to fixed remuneration, other benefits, terms and conditions (as referred to in the Special Resolutions under reference) applicable to these appointees are as under and the entire remuneration/benefits are well within the ceilings mentioned in Schedule V of the Companies Act, 2013 :

1. Incentive Pay @ 0.5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013; provided that such incentive will not be less than 10% and will not be more than 25% of the aforesaid fixed pay. Incentive pay will be payable annually, after adoption of the annual accounts in the Annual General Meeting.
2. Besides incentive pay, the aforesaid appointees will not be entitled to any bonus, stock options or pension
3. Annual Increments as recommended by the Nomination & Remuneration Committee;
4. Special Allowance not exceeding six months' salary in a year, to cover housing, conveyance, medical, electricity, gas, water and other personal expenses.
5. Chauffeur driven car, subsidized health care insurance/medical, mobile phone and telephone at residence and gratuity as per law.
6. One month's paid leave during a financial year or encashment in lieu thereof.
7. Leave Travel Concession (or encashment in lieu thereof) for self and family members once during a block of four years, subject to the condition that such concession shall not exceed one month's fixed pay.
8. Severance pay calculated @ half month's pay for each completed year of service, provided that he puts in a minimum of 15 years' of continuous service in the Company from his initial appointment, any part of the year exceeding 182 days being treated as full year. This benefit will be payable only on attaining the age of superannuation or on termination of his service otherwise for misconduct.
9. Fixed Remuneration will be suitably bifurcated for tax management purposes.
10. The service is terminable by giving three months' notice in writing from either side.
11. Notwithstanding anything contained elsewhere, the total remuneration payable to the appointees shall not exceed the limits prescribed by law.

ANNEXURE TO NOTICE

Statement Containing Information Referred to in Para (IV) of Second Proviso to Para (B) Of Section II of Schedule V of Companies Act, 2013**I. General Information :**

- (1) Nature of Industry : The Company manufactures PVC coated fabrics, PU coated fabrics, PU resin and nucleonic gauges. Coated fabrics have been classified under textiles, nucleonic gauges have been classified under capital goods and PU resin has been classified under Plastics and their products, thus making the Company belonging to a hybrid of textile, plastic and capital goods industry, with manufacture of capital goods further entailing knowledge of electronics, software and mechanical engineering.
- (2) Date or expected date of commencement of commercial production : Not applicable as the Company is already into commercial production.
- (3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable, as the company is not a new company.
- (4) Financial performance based on given indicators : During the year, the company's operating profit before interest, depreciation, income tax and deferred tax increased by 4.90% to Rs. 838.05 lakhs. The gross profit before interest and depreciation has increased to Rs. 838.05 lakh which is 5% higher as compared to the previous year. After providing depreciation of Rs. 267.76 lakh and provision of income tax of Rs. 145.96 lakh and writing back of deferred tax of Rs. 8.22 lakh the company has earned net profit of Rs. 191.02 lakh, which is 5.36% higher as compared with the net profit of Rs. 181.30 lakh in the previous year.
- (5) Foreign investment or collaborations, if any : During the year, the Company did not enter into any foreign collaboration.

II. Information about the appointees :

Name of the appointee (Shri)	Background details, job profile, suitability & Past Remuneration	Fixed Remuneration*
JAI KISHAN GARG	Shri Jai Kishan Garg (age 68 years) is a Mechanical Engineer by qualification and has been associated with the Company as promoter, Chairman and Whole Time/ Managing Director since its inception in the year 1985. He has about four decades of experience in the overall management of companies, out of which three decades' has been in this Company itself. As Managing Director, he is the Chief Executive Officer of the Company being overall incharge of the affairs of the Company. His immediate past annual remuneration was Rs. 12,00,000 plus perks.	Rs. 2,00,000
RAMNIK GARG	Shri Ramnik Garg (age 43 years) is a qualified Polymer Engineer. At the time of his first appointment in the Company on 30 th July, 2003 as Whole Time Director for a period of five years, he already had 10 years' experience in production of coated fabrics. After the end of his term, he was re-appointed for one term of five years and one term of three years and the current term of his office will come to an end on 30-06-2016. Thus, he has a total of 21 years' of experience, out about 11 years' is in this Company itself. He is the functional head of the PVC Coated Fabrics Division of the Company, looking after production, maintenance, and purchase functions of that Division. Thus, he is discharging the functions of a functional Manager at the Board level (there is no separate functional Manager at non-Board level). His immediate past annual remuneration was Rs. 10,05,000 plus perks.	Rs.1,50,000
MANISH GARG	Shri Manish Garg (age 40 years) is an IIT qualified Electronics Engineer. He was appointed whole time Director of the Company w.e.f. 29 th July, 2002 for a period of five years. After the end of his term, he was re-appointed for two more successive terms of five years each and the current term of his office will come to an end on 28 th July, 2017. Thus, he has a total of 12 years' of experience, all of which is in this Company itself. During this period, has conceived, set up and profitably managed the Electronics Division of the Company, looking after production, maintenance, and purchase functions of that Division. Thus, he is discharging the functions of a functional Manager at the Board level (there is no separate functional Manager at non-Board level). His immediate past annual remuneration was Rs. 12,00,000 plus perks.	Rs.1,50,000
NAVNEET GARG	Shri Navneet Garg (age 39 years) is a qualified Mechanical Engineer. At the time of his first appointment in the Company on 7 th April, 2005 as Production Manager he already had eleven years' experience in production of coated fabrics. Later, in the Board Meeting held on 29 th April, 2006, he was appointed as Whole Time Director for a period of five years w.e.f. 01 st May, 2006, after the end of which he was re-appointed for two more successive terms of five years each and the current term of his office will come to an end on 30-04-2016. Thus, he has a total of 20 years' of experience, out which more than nine years' is in this Company itself. He is the functional head of the PU Coated Fabrics Division of the Company, looking after production, maintenance, and purchase functions of that Division. Thus, he is discharging the functions of a functional Manager at the Board level (there is no separate functional Manager at non-Board level). His immediate past annual remuneration was Rs. 8,40,000 plus perks.	Rs.1,50,000

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Pecuniary and other relationship, Comparative data, etc : All the aforesaid appointees are relatives and together with other relatives, hold more than 54% shares in paid up equity capital of the Company. In addition these directors, together with their relatives, have provided an interest-free unsecured loan worth Rs. 283.65 lakhs to the Company, besides giving commission-free security of their house(s) for securing credit facilities worth Rs. 3601.75 lakhs from the bank. They are not related to any other key managerial personnel. Due to peculiar hybrid nature of the products of the Company, there is no single degree, diploma or professional qualification which covers this hybrid. Hence, suitably qualified, trained and experienced persons are rare to find. In order to ensure continuity and sense of belongingness, the Company, instead of appointing non-directors as functional heads, has chosen to make these appointments at Board level, which attracts provisions of law relating to managerial remuneration. Based on the effective capital of the Company (which is between the slab of Rs. 5 Crores and 100 Crores), the law permits the Company to pay a remuneration upto Rs. 84 lakhs per annum (or Rs. 7 lakhs per month) to each managerial personnel, even in case of inadequacy of profit, subject to fulfillment of certain conditions/making certain disclosures as contained in this Explanatory Statement. The proposed remuneration is at par or less than the remuneration prevailing in capital goods/coated fabrics industry, keeping in view the effective capital, hybrid nature of industry, turnover of the company and nature of duties assigned to these positions. None of the above persons is a repatriate or has received any recognition or award.

III. Other information :

- (1) Reasons of inadequate profits : During the year under report, the Company has made an operating profit of Rs. 838.05 lakhs (net profit Rs. 182.80 lakhs), after paying the existing remuneration of all the whole time directors. There is tough competition from coated fabrics being imported from China and also from coated fabrics being produced by un-organised sector/small players who are not liable to pay Excise Duty. It is clarified that the question of inadequacy of profits has crept in only because instead of appointing non-directors as functional heads in each division (whose remuneration does not attract provisions of law relating to 'managerial remuneration'), the Company has made these appointments at director level, to ensure continuity and sense of belongingness, which is the crux of the Remuneration Policy recommended by the Nominations & Remuneration Board, and adopted by the Board. As stated in the preceding paragraphs, the aforesaid remuneration is well within the ceiling of Rs. 84 lakhs per annum (or Rs. 7 lakhs) per month for each individual.
- (2) Steps taken or proposed to be taken for improvement : The Company proposes to concentrate more on PU coated fabrics segment where margins are high. Moreover, steps are being taken to expand the market size. New products development, innovations and setting up of new machines are also on the anvil, which will enable the Company to produce quality products at higher speed and low cost.
- (3) Expected increase in productivity and profits in measurable terms : The management has budgeted a sales figure of Rs. 110 crores for the next financial year 2014-15. With fixed costs remaining nearly the same, it is expected that the profits will be adequate next year.

IV. Disclosures : As mandated, disclosures relating to all elements of remuneration package and other terms, are also contained in the preceding paragraphs and, as required to be mentioned in Board's Report under the head "Corporate Governance", are also mentioned in "Corporate Governance Report" which forms part of the Board's Report.

Besides the aforesaid appointees viz. Shri JK Garg, Shri Ramnik Garg, Shri Manish Garg and Shri Navneet Garg (all of whom may be deemed to be interested in all these Resolutions, being beneficiaries/relatives of beneficiaries of the proposed resolutions), and Smt. Kamlesh Garg (who is also relative of proposed appointees) no other Director or Key Managerial Personnel or their relative has any concern or interest, financial or otherwise, in the resolutions set out at the relevant Agenda Items.

ITEM NO. 9 : PAYMENT OF SITTING FEE TO NON-EXECUTIVE DIRECTORS

In the Annual General Meeting of the Company held on 28th September, 2007 a Special Resolution was passed, restricting the sitting fee to Rs. 5,000 per meeting to non-executive directors. Keeping in view the increased responsibilities of the non-executive Directors under the new Companies Act, 2013, this amount is too small. It is proposed to rescind the earlier Special Resolution and pave the way for payment of sitting fee upto an amount as may be permitted by law.

Besides the non-executive directors i.e. Dr. KC Varshney, Dr. SK Khandelwal, Shri Kuldeep Singal, Shri KL Khetarpaul and Shri Naresh Kumar (proposed Director) (who may be deemed to be interested in this Resolution to the extent of sitting fee that will accrue to them in future), no other Director or Key Managerial Personnel or their relative has any concern or interest, financial or otherwise, in the resolutions set out at the relevant Agenda Items.

AGENDA ITEM NO. 10 : AMENDMENTS IN ARTICLES OF ASSOCIATION OF THE COMPANY

The existing Articles of Association of the Company make a reference to the Companies Act, 1956 and its Sections at various places in the Articles of Association of the Company. Since the Companies Act, 2013 has been enacted and a majority of its Sections have already been enforced w.e.f. 01st April, 2014, reference to the old Act of 1956 has become redundant making it necessary to amend the Articles. Moreover, in the new Act, the term "Managing Director" has been re-defined. The Articles are being amended to enable identical interpretation of this term.

Likewise, Section 203 of the Companies Act, 2013 provides that the Managing Director and Chairman of a Company cannot be the same person unless the Articles provide otherwise or the Company does not carry on multiple businesses. The term "multiple businesses" has not been defined anywhere in the Act. Since Shri Jai Kishan Garg is the Chairman as well as Managing Director of the Company, the Articles are sought to be amended, by way of abundant caution, to make an enabling provision in the Articles, as proposed.

Since a part of these amendments concern the Managing Director/Chairman, Shri Jai Kishan Garg (and his relatives Smt. Kamlesh Garg, Shri Ramnik Garg, Shri Ramnik Garg, Shri Manish Garg being his relatives) may be deemed to be interested in such amendments. Besides them, none

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of the Directors or Key Managerial Personnel or their relative has any concern or interest, financial or otherwise, in the resolutions set out at the relevant Agenda Item.

ITEM NOS. 11 : CHARGING PROPERTY OF THE COMPANY

The Members of the Company, at their 23rd Annual General Meeting held on 12th August, 2010 had accorded consent to the Board by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, for creating mortgage or charge on its movable or immovable properties for an amount not exceeding Rs. 50 crores.

A new Companies Act i.e. the Companies Act, 2013 has been promulgated w.e.f. 01-04-2014, Section 180(1)(a) of which 2013 requires that the Board of Directors shall not create mortgage or charge on its movable or immoveable properties, except with the consent of the members of the company accorded by way of a Special Resolution.

It is, therefore, necessary that the members pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at item No. 11 of the Notice, to enable to the Board of Directors to create mortgage or charge on its movable or immoveable properties upto Rs 50 crore (Rupees fifty crore).

None of the Directors and/or key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in the item under reference.

AGENDA ITEM NOS. 12 : GRANTING AUTHORITY TO BORROW

The members of the Company, at their 23rd Annual General Meeting held on 12th August, 2010, had approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 50 Crore.

A new Companies Act i.e. the Companies Act, 2013 has been promulgated w.e.f. 01-04-2014, Section 180(1)(c) of which requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary that the members pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at item No. 11 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs 50 crore (Rupees fifty crore) which is in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in the item under reference.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT
(Forms part of Directors' 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 31st March, 2014 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 2013-14, 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 Meetings			Whether attended last AGM
			Directorships#	Member	Chairman	
J.K. Garg	E&P	5	1	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	1	0	0	Yes
Navneet Garg	E&P	5	0	0	0	Yes
K.C. Varshney (Dr)	NE&I	5	2	1	1	Yes
Kuldeep Singal	NE&I	5	0	0	0	Yes
Shri K.L. Khetarpaul	NE&I	5	1	1	0	Yes
Naresh Kumar+	NE&I	0	1	0	0	No/NA
O.P. Garg*	E	5	0	0	0	Yes
Ashok Mittal (Dr)*	NE&I	5	1	1	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.

* Ceased w.e.f. 30-04-2014 + appointed Additional Director w.e.f. 31-05-2014

During the year under the report, the Board met five times i.e. on 25-05-2013, 27-07-2013, 27-09-2013, 26-10-2013 and 01-02-2014. 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.

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

NAME OF DIRECTOR, BRIEF RESUME, FIELD OF SPECIALISATION AND DIRECTORSHIP / COMMITTEE MEMBERSHIP HELD BY HIM:

Shri Navneet Garg, (age 39 years), is a Mechanical Engineer. At the time of his first appointment in the Company on 7th April, 2005 as Production Manager, he had eleven years' experience in production of Synthetic Leather. Later, in the Board Meeting held on 29th April, 2006, he was appointed as Whole Time Director for a period of five years w.e.f. 01st May, 2006, after the end of which he was re-appointed for two more successive terms of five years each. Thus, he has a total of 20 years' of experience, out which more than nine years' is in this Company itself. He specializes in the field of production of synthetic leathers and synthetic adhesives. As reported by him, he is not a director of any other Indian public limited company. Being a whole time director belonging to the promoters' category, he is not an independent director.

Shri Naresh Kumar (age 64 years), a Science Graduate, is a retired member of the elite Indian Revenue Service and the position last held by him was that of Deputy Commissioner, Central Excise, Customs & Service Tax. The field of his specialization is indirect taxes and general administration. He was appointed Additional Director by the Board in the Meeting held on 31st May, 2014. As declared by him, he is an independent director and is not a director of any other Indian public limited company.

Relationship between directors inter-se [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 are their sons. No other Directors or Key Managerial Personnel are relatives.

(c) Details of remuneration and benefits package of directors (Disclosure pursuant to Section II, Part II of Schedule V of Companies Act, 2013) :**During 2013-14****(1) Remuneration to Non-Executive (non-whole time) Directors**

Besides payment of sitting fees for Board/Committee Meeting attended by them, no other remuneration was paid to non-executive directors. Sitting Fees paid to non-executive Directors for attending Board Meetings and Committee Meetings was as follows :

Dr. S.K. Khandelwal	₹ 50,000	Dr. K.C. Varshney	₹ 50,000
Dr. Ashok Mittal	₹ 25,000	Shri Kuldeep Singal	₹ 50,000
Shri K.L. Khetarpaul	₹ 25,000	Smt. Kamlesh Garg	₹ 25,000

(2) Remuneration to Executive (Whole Time) Directors

The remuneration paid to Whole Time Directors during the year under review (2013-14) was as under :

Name	Designation	Salary (₹)	Perks (₹)
Shri J.K. Garg	Chairman & Managing Director	12,00,000	13,710
Shri O.P. Garg	Executive Director	6,57,000	1,10,156
Shri Manish Garg	Whole Time Director	12,00,000	1,45,636
Shri Ramnik Garg	Whole Time Director	10,05,000	1,45,635
Shri Navneet Garg	Whole Time Director	8,40,000	1,45,417

The entire remuneration was fixed. There were no performance linked incentives payable to any of the Directors. No Stock Option Scheme was operational in the Company during the year under report.

Current Remuneration w.e.f. 01-04-2014 (Awaiting Members' approval by way of Special Resolution)

With effect from 01st April, 2014, in accordance with the Remuneration Policy of the Company and the recommendations of Remuneration & Remuneration Committee, as accepted by the Board, the Managing Director and the whole time directors are being paid the following monthly fixed remuneration :

Shri Jai Kishan Garg, Chairman & Managing Director	:	₹ 2,00,000
Shri Ramnik Garg, Whole Time Director	:	₹ 1,50,000
Shri Manish Garg, Whole Time Director	:	₹ 1,50,000
Shri Navneet Garg, Whole Time Director	:	₹ 1,50,000

In addition to fixed remuneration, other benefits, terms and conditions applicable to these appointees are as under and the entire remuneration/benefits are well within the ceilings mentioned in Schedule V of the Companies Act, 2013 :

- Incentive Pay @ 0.5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013; provided that such incentive will not be less than 10% and will not be more than 25% of the aforesaid fixed pay. Incentive pay will be payable annually, after adoption of the annual accounts in the Annual General Meeting.
- Besides incentive pay, the aforesaid appointees will not be entitled to any bonus, stock options or pension
- Annual Increments as recommended by the Nomination & Remuneration Committee;
- Special Allowance not exceeding six months' salary in a year, to cover housing, conveyance, medical, electricity, gas, water and other personal expenses.
- Chauffeur driven car, subsidized health care insurance/medical, mobile phone and telephone at residence and gratuity as per law.
- One month's paid leave during a financial year or encashment in lieu thereof.
- Leave Travel Concession (or encashment in lieu thereof) for self and family members once during a block of four years, subject to the condition that such concession shall not exceed one month's fixed pay.
- Severance pay calculated @ half month's pay for each completed year of service, provided that he puts in a minimum of 15 years' of continuous service in the Company from his initial appointment, any part of the year exceeding 182 days being treated as full year. This benefit will be payable only on attaining the age of superannuation or on termination of his service otherwise for misconduct.
- Fixed Remuneration will be suitably bifurcated for tax management purposes.
- The service is terminable by giving three months' notice in writing from either side.
- Notwithstanding anything contained elsewhere, the total remuneration payable to the appointees shall not exceed the limits prescribed by law.

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 25-05-2013, 27-07-2013, 26-10-2013 and 01-02-2014.

4. REMUNERATION COMMITTEE/NOMINATION & REMUNERATION COMMITTEE

During the year under Report, the Remuneration Committee constituted by the Board of Directors comprised of three non-executive 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 was the Secretary of the this Committee. During the year under report, there was no occasion for Remuneration Committee meeting to meet.

After the coming into force of the Companies Act, 2014, the aforesaid Committee was reconstituted on 30th April, 2014 and re-named as "Nomination & Remuneration Committee". Its functions/powers were also redefined in accordance with provisions of that Act. This Committee has framed a Remuneration Policy and the remuneration and terms & conditions of Key Managerial Personnel have been revised to fall in tune with the Remuneration Policy. The policy has been mandated to form part of Annual Report for the next year.

5. SHAREHOLDERS' GRIEVANCE COMMITTEE/STAKEHOLDERS RELATIONSHIP 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, all of which were satisfactorily resolved. No complaint was pending as on 31st March, 2014.

No requests for transfer / transmission / dematerialization of shares were pending as on 31st March, 2014, 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.

After the coming into force of the Companies Act, 2014, the aforesaid Committee was reconstituted on 30th April, 2014 and re-named as "Stakeholders Relationship Committee" in accordance with provisions of that Act.

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
2010-11	30-09-2011	10 AM	3
2011-12	29-08-2012	10 AM	2
2012-13	27-09-2013	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

- 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.
- 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

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

9. GENERAL SHAREHOLDER INFORMATION

9.1 Annual General Meeting :

- Date and Time 29th September, 2014 at 10:00 AM - Venue Registered Office of the Company at : 43/5, Bahalgarh Road, Sonipat, Haryana

9.2 Financial Calendar 2013-14

Annual General Meeting : 29th September, 2014 at 10:00 AM

Results for Quarter ending	Published during	Results for Quarter ending	Published during
- 30 th June, 2013 (unaudited)	July, 2013	- 30 th Sept, 2013 (unaudited)	Oct, 2013
- 31 st Dec, 2013 (unaudited)	Feb, 2014	- 31 st March, 2014 (unaudited)	May, 2014

9.3 Book Closure Date: 1st September, 2014 to 10th September, 2014 (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.

STOCK MARKET DATA & 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 i.e. high/low/closing price, number of shares traded and number of trades during the financial year 2013-2014 on the Mumbai Stock Exchange was as under:

Period: Apr. 2013 to Mar. 2014

All Prices are in ₹

Month	Open	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
								H-L	C-O
Apr 13	7.97	9.98	1,606	21	14,146	1,602	99.75	2.28	2.01
May 13	10.95	12.99	1,429	22	13,826	1,423	99.58	4.00	2.04
Jul 13	12.35	11.74	33	2	393	33	100.00	0.61	-0.61
Aug 13	11.16	11.69	11	3	123	10	90.91	1.14	0.53
Sep 13	11.11	12.85	105	5	1,222	103	98.10	1.74	1.74
Oct 13	12.21	9.92	30	8	332	30	100.00	3.53	-2.29
Nov 13	9.45	9.31	20,119	76	1,77,082	19,514	96.99	3.45	-0.14
Dec 13	9.77	9.48	15,648	51	1,61,847	14,451	92.35	2.33	-0.29
Jan 14	9.02	10.60	8,893	46	85,737	8,864	99.67	2.40	1.58
Feb 14	10.10	9.70	17,962	201	1,72,855	16,645	92.67	2.59	-0.40
Mar 14	9.50	7.72	26,330	267	2,07,297	23,874	90.67	2.47	-1.78

*Spread H-L High-Low C-O : Close-Open

Note : The above figures have been obtained from "Historical Data>Stock Prices" Section of the official website of the Mumbai Stock Exchange (June 2013 data is not available there). The shares of the company have shown no or very little sensitivity to share price index.

9.8 REGISTRAR AND 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, 2014

(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	6218097	6218097	54.88	2000000	32.16
Mutual Funds/UTI	1	1100	0	0.01		0.00
Bodies Corporate	102	336992	298992	2.97		0.00
i. Individual shareholders holding nominal share capital up to ₹ 1 Lac	8982	2830279	1538739	24.98	-	0.00
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	46	1803530	1702030	15.92	-	0.00
NRIs	305	140002	27102	1.24		0.00
TOTAL	9447	11330000	9784960	100.00	2000000	17.65

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

* These encumbrances have since been removed after the period under report.

9.10 DEMATERIALISATION OF SHARES AND LIQUIDITY

86.36% of the paid up share capital of the Company is represented in dematerialized form as on 31st March, 2014.

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. Sonipat, 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, Sonipat 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 Chief Financial Officer have given the required certificate to the Board of Directors.

Sonipat
26th July, 2014

For Jasch Industries Ltd.

J. K. Garg
CHAIRMAN & Managing Director

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 28th Annual report and audited accounts of the company for the year ended 31st March 2014.

FINANCIAL RESULTS

₹ lakh

Particulars	Current year 2013-14	Previous Year 2012-13
Gross Sales	9755.99	8963.36
Less Excise Duty/VAT/Service Tax	983.72	912.61
Net Sales Turnover	8772.27	8050.75
Other Income	29.16	21.04
Net sales and & other income	8801.43	8071.79
Operating Profit before Interest, Depreciation, Income Tax, Exceptional Items & Prior Periods Adjustments	838.05	798.90
Interest & Financial Charges	241.54	277.60
Gross Profit Before Depreciation	596.51	521.30
Depreciation	267.76	247.80
Less : Provision for income tax	145.95	103.66
Net profit before deferred tax	182.80	169.84
Add / (Deduct) : Provisions for deferred Tax (Assets) / Liability	8.22	11.46
Net profit available for appropriation	191.02	181.30
Surplus brought forward from previous year	1463.89	1282.59
Transfer to general reserve	—	—
Provision for dividend including dividend distribution tax	—	—
surplus carried forward	1684.91	1493.89

Dividend

In view of low profit, tough economic scenario and need for augmenting working capital resources the Management has not proposed any dividend for the year ended on 31st March, 2014.

Performance during the year

Your company has achieved gross sales of 9755.99 lakh during 2013-2014 which were 8.84% higher as compared with the sales of previous year. The sales of Synthetic Leather Division at ₹ 7152.72 lakh during 2013-14 were 5 % higher as compared with the sales of previous year. The sales of Electronic gauge Division at ₹ 2603.28 lakh during the year were 20.88% higher as compared with the previous year. The Electronic gauge Division has achieved export of ₹ 965.71 lakh during the year as compared with export of ₹ 880 lakh during the previous year despite recessionary conditions in user industries in international market.

The company operating profit before interest, depreciation, income tax and deferred tax increased by 4.90% to ₹ 838.05 lakh during 2013-14 as compared with ₹ 798.90 lakh during the previous year, despite higher cost of power & fuel, salaries/wages, exchange loss due to Rupee depreciation and stagnant selling prices due to recession in the market.

The interest and finance charges decreased to ₹ 241.54 lakhs (previous year ₹ 277.60 lakhs) despite higher sales, due to effective working capital management. The gross profit before interest and depreciation has increased to ₹ 838.05 lakh which is 5% higher as compared to the previous year. After providing depreciation of ₹ 267.76 lakh and provision for income tax of ₹ 145.95 lakh and writing back of deferred tax of ₹ 8.22 lakh the company has earned net profit of ₹ 191.02 lakh, which is 5.37% higher as compared with the net profit of ₹ 181.30 lakh in the previous year. Keeping in the view weak scenario in the economy resulting in stagnant sale realization 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 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 rating to fund based long term bank loans and A3+ rating 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 hopeful of better sales and profit in the current year.

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

Indev Gauging Systems Inc, which is a wholly owned subsidiary of Jasch North America Ltd, (the latter in turn being the wholly owned subsidiary of Jasch Industries Ltd) achieved gross sales and other income of USD equivalent of INR 11,66,97,652 with net profit of USD equivalent of INR 22,99,418 during the year ended on 31st December, 2013.

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 (which also contains disclosures required to be mentioned in the Board of Directors' Report pursuant to Schedule V, Part II, Section II of the Companies Act, 2013) is contained as a separate Section in the Annual Report and forms a part of the the Board of Directors' Report.

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

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

FIXED DEPOSITS

The Company did not accept/renew any fixed deposits during the year under report. The deposit outstanding as on 31st March 2014 was Nil. However, with the coming into effect of Companies Act, 2014, unsecured loans received from relatives of Directors (now included within the meaning of "deposits") will be suitably dealt with in accordance with law.

LISTING

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

DIRECTORS

Shri Navneet Garg, Director retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. Shri Naresh Kumar was appointed non-executive Additional Director (Independent) w.e.f. 31-05-2014. The directors recommend their reappointments. A brief resume of these proposed (re)appointees is given in the Corporate Governance Report. Dr. Ashok Mittal, Director and Shri OP Garg, Executive Director resigned w.e.f. 30-04-2014 and the management would like to place on record the rich contribution made by them on the Board of Directors of the Company.

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 Companies Act, 2013 and that they are not disqualified from being reappointed as Auditor U/s 141. 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 25th May, 2013 appointed M/s Vipul Bhardwaj & Co, Cost & Management Accountants, Sonipat, as Cost Auditors of the Company for the Financial Year 2013-14. The scope of their audit was 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.

The Board, in its Meeting held on 31st May, 2014 had re-appointed M/s Vipul Bhardwaj & Co as Cost Auditors (subject to approval of Central Government and Members in the Annual General Meeting) for the Financial Year 2014-15 under the aforesaid notification which was still in force at that time. In the meanwhile, the law has changed and the Company is no longer required to appoint Cost Auditors. Therefore, their re-appointment for the Financial Year 2014-15 is not being put up to the Members for their approval.

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, 2014 and of the profits of the Company for the year ended 31st March, 2014.
- (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 : Sonipat
Date : 26th July, 2014

(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	PU/PVC Coated Fabric (Synthetic Leather) is mostly used in footwear industry as raw material for shoe upper, lining, insole, chappal & sandal straps etc.; in garments as lining material and in automobiles as seat covers. It is also used in furniture upholstery material, ladies and gents purses, bags, luggage and in the manufacture of sports goods & Accessories.
- Electronic Gauges	Electronic Gauges are 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	2013-14		2012-13	
	Value	%	Value	%
- PU/PC Coated Fabrics	7152.72	73.32	6809.74	75.97
- Electronic Gauges	2603.27	26.68	2153.62	24.03
	9755.99	100.00	8963.36	100.00

As may be seen from above, sales of both Synthetic Leather and Electronic Gauge have grown during the period under review.

INDUSTRY STRUCTURE AND DEVELOPMENT

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:-

	2013-14	2012-13
Production lakh meter	32.96	34.80
Segment Revenue	7152.72	6809.74
Segment Profits/(Loss) before interest & other common unallocable expenditure	165.68	300.05
Segment Assets	5353.60	6039.57

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. (Unless stated otherwise, the figures are in ₹ lakhs)

	2013-14	2012-13
Production (in Nos.) (Gauges + Parts)	87+392	65+389
Segment Revenue	2603.27	2153.62
Segment Profits before interest & other common Un-allocable expenditure	404.59	251.04
Segment Assets	946.79	779.46

The performance of Electronic Gauges Division depends upon investment in users industries and may get adversely affected whenever there is slowdown in domestic and international economies.

(i) Fixed Assets

The gross fixed assets including capital work in progress were ₹ 4419.14 lakhs as on 31.03.2014 as compared with fixed assets including work in progress of ₹4215.07 lakh as on 31.03.2013 resulting in addition of net fixed assets of ₹204.97 lakh during the year.

(ii) Working Capital and Borrowings

The working capital borrowing from the Bank declined by ₹ 218.03 lakh to ₹ 863.49 lakh as on 31.03.2014 as against ₹ 1081.52 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 and Indian business is no exception. 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 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. With vigorous efforts, the Company has been able to increase usage of its products in other Industries such as Automobile & General purpose Up-holstery, Sports Goods and Garment Industries and it is hoped that the increasing trend will continue in future also.

Industrial gauges are classified as capital goods. These are generally bought by paper, plastic, steel and galvanizing industry. Revenues and consequent profits from industrial gauges, depend on growth of these industries.

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. The Company had entered into technical collaboration agreement with DUKSUNG COMPANY LTD., Korea in September, 2009 for three years. This collaboration had 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 48.81% 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 ₹ 2862.03 lakhs during the year (including capital goods of ₹ 26.11 lakh and foreign travel of ₹ 28.73 lakh, exhibition expenses of ₹ 14.13 lakh and Technical Fee of ₹ 16.51 lakh and sales commission of ₹ 23.59 lakh) against exports in foreign currency were of ₹ 980.86 lakh, which provides some hedge against adverse fluctuation in foreign currency for the . The company's foreign currency transactions are on current account basis and there are no deferred liabilities in terms of foreign exchange except amount due in respect of raw material imported on deferred payment basis after 31st March, 2014 and to be paid later.

(b) Interest and Leverage Risk

The management is trying to contain interest cost by efficient management of inventory and working capital resources. During the period under report, the Company changed its bankers to HDFC Bank, who offered 0.3% less interest on working capital and better services.

HUMAN RESOURCES

The Company did not have any labour problem during 2013-2014. Relations 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. In view of increase in size of the operations of the Company, the Board has also appointed independent professional as Internal Auditor for the year 2014-15.

CAUTIONARY STATEMENT

Statements in this Directors' Report & Management Discussion and Analyses Report and elsewhere 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 : Sonipat
Date : 26th July, 2014

(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 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.

A) POWER AND FUEL CONSUMPTION DURING THE YEAR ENDED
31.03.2014

1) ELECTRICITY PURCHASES	KWH UNITS IN LAKH	26.63
TOTAL AMOUNT	₹ IN LAKH	214.76
AVERAGE RATE	₹ PER UNIT	08.06
2) FUEL FOR DG SET		
QUANTITY(LTRS)	LAKH	00.87
TOTAL COST	₹ IN LAKH	43.96
AVERAGE RATE	₹ PER LTR	50.53
3) FUEL FOR BOILER	LAKH KGS	28.68
(PETRO COKE & FIRE WOOD)		
TOTAL COST	₹ IN LAKH	179.74
AVERAGE RATE	₹ PER KG	06.27
4) OWN GENERATION		
THROUGH DIESEL GENERATORS	UNITS IN LAKH	03.05
UNIT PER LTR. OF DIESEL		03.51
COST	₹ PER UNIT	14.41

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, 2009 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.

Technology imported	Technology for manufacture of PU Coated Fabrics from Duksung Company Ltd., Korea
Year of import	2009-10 to 2012-13
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 2009-10 has been fully absorbed.

3. 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 2013-2014

	(₹ equivalent in Lakh)
a. Foreign exchange outgo	2862.03
b. Foreign exchange earnings	980.86

For and on behalf of Board of Directors

Place : Sonipat
Date : 26th July, 2014

(J. K. Garg)
Chairman

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Jasch Industries Limited

We have examined the compliance of conditions of Corporate Governance by Jasch Industries Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of Listing Agreements of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for insuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certified that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to 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, 26th July, 2014

INDEPENDENT AUDITORS' REPORT

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 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and 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 31st March 2014;
- (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 of the Company for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of 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 by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e. On the basis of written representations received from the directors as on 31st March 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, 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, 26th July, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" 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 on the basis of available information.
 - (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) In our opinion, the Company has not disposed of substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories :-
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (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 are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
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. 2.84 crores (previous year Rs. 2.83 crores) from eleven parties (Directors and their relatives) covered in the register maintained under Section 301 of the Companies Act, 1956. The terms and condition of such loans are prima facie not prejudicial to the interest 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 for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in 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 arrangements, that need to be entered in Register maintained under Section 301 of the Companies Act, 1956.
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 are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with size and 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 are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues :-
 - (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues have been generally regularly deposited with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, as at March 31, 2014 for a period of more than six 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 INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

10. The Company does not have accumulated losses 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 are 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 given 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 raised new working capital term loans during the year. The term loans outstanding at the beginning of the year and those raised during 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, 26th July, 2014

JASCH INDUSTRIES LIMITED

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

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

	Note	As At 31 st March, 2014	As At 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	113,300,000	113,300,000
Reserves and Surplus	3	168,490,622	149,389,007
		281,790,622	262,689,007
Share Application Money Pending Allotment			
		-	-
Non-Current Liabilities			
Long Term Borrowings	4	43,101,647	53,205,451
Deferred Tax Liability (Net)	5	30,333,097	31,155,556
		73,434,744	84,361,007
Current Liabilities			
Short Term Borrowings	6	86,348,740	108,151,880
Trade Payables	7	101,075,678	144,435,911
Other Current Liabilities	8	77,903,802	76,526,602
Short Term Provisions	9	9,491,337	5,738,167
		274,819,557	334,852,560
TOTAL		630,044,924	681,902,574
ASSETS			
Non-Current Assets			
Fixed Assets	10		
Net Tangible Fixed Assets		228,499,515	236,098,401
Capital Work-in-Progress		2,560,195	-
Non-Current Investments	11	52,180,318	52,180,318
Long Term Loans And Advances	12	2,689,208	2,529,208
		285,929,236	290,807,927
Current Assets			
Current Investments	13	2,109,063	1,479,795
Inventories	14	131,451,104	148,230,803
Trade Receivables	15	186,950,182	208,655,714
Cash and Bank Balances	16	12,737,697	15,669,902
Short Term Loans and Advances	17	5,971,077	12,161,868
Other Current Assets	18	4,896,565	4,896,565
		344,115,688	391,094,647
TOTAL		630,044,924	681,902,574
Significant Accounting Policies Notes on Financial Statements	1 to 34		

As per our report of even date

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

J. K. Garg -
Ramnik Garg -
Manish Garg -
Navneet Garg -

Chairman & Managing Director
Whole Time Director
Whole Time Director
Whole Time Director

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843

S. K. Verma -
M. Paliwal -

Vice President & Company Secretary
Chief Financial Officer

New Delhi, 26th July, 2014

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 31ST MARCH, 2014

		(Amount in ₹)	
INCOME	Note	2013-2014	2012-2013
Revenue from Operations	19	877,226,801	805,074,567
Other Income	20	2,916,354	2,104,541
Total Revenue		880,143,155	807,179,108
EXPENDITURE :			
Cost of Materials Consumed	21	609,850,152	589,401,947
Change in Inventories of Finished Goods & Stock-in-Process	22	12,997,844	(15,031,190)
Employee Benefits Expense	23	41,680,685	35,319,729
Finance Costs	24	24,153,506	27,760,281
Depreciation and Amortization Expense	10	26,776,461	24,780,107
Other Expenses	25	131,810,118	117,598,625
Total Expenses		847,268,767	779,829,499
Profit Before Tax		32,874,388	27,349,609
Tax Expenses			
Current Tax		14,316,500	10,172,950
Deferred Tax (+)		822,459	1,146,324
Tax in respect of earlier year		278,732	192,960
Profit for the Year		19,101,615	18,130,023
Earning per equity share			
Basic and Diluted	26	1.69	1.60
Significant Accounting Policies Notes on Financial Statements	1 to 34		

As per our report of even date

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

J. K. Garg	-	Chairman & Managing Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843

S. K. Verma	-	Vice President & Company Secretary
M. Paliwal	-	Chief Financial Officer

New Delhi, 26th July, 2014

JASCH INDUSTRIES LIMITED

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

CASH FLOW STATEMENT FOR THE YEAR 2013-2014

(Amount in ₹)

	2013-2014	2012-2013
A: CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax as per Statement of Profit Loss Account	32,874,388	27,349,609
Adjusted For : Add / (Deduct) :		
-Net Prior Year Adjustment	(278,732)	(192,960)
-Loss on Sale / Discard of Assets / Vehicle	431,567	124,510
-Depreciation and Amortization Expense	31,198,326	26,254,062
-Effect of Exchange Rate Change	(1,162,124)	(774,748)
-Interest Income	(1,414,754)	(578,744)
-TUFF	(339,476)	(1,820,049)
-Finance Costs	24,153,506	27,760,281
-Debtors Written Off	0	172,777
	52,588,313	50,945,129
Operating Profit before Working Capital Changes	85,462,701	78,294,738
Adjusted For : Add / (Deduct) :		
-Trade and Other Receivables	23,314,458	(2,709,727)
-Inventories	16,779,699	(19,327,694)
-Trade and Other Payables	(27,029,023)	25,815,557
	13,065,134	3,778,136
Cash Generated from Operations	98,527,835	82,072,874
Taxes Paid	(14,316,500)	(10,172,950)
Interest Received	1,414,754	578,744
Interest (TUFF)	339,476	751,049
Exchange Rate Effect	1,162,124	774,748
Net Cash from Operating Activities	87,127,689	74,004,465
B: CASH FLOW FROM INVESTING ACTIVITIES :		
-Purchase of Fixed Assets	(23,054,337)	(12,181,445)
-Sale of Fixed Assets & TUFF	885,000	2,495,100
-Purchase of Investments	(629,268)	0
-Sale of Investments	0	0
Net Cash (used in) Investing Activities	(22,798,605)	(9,686,345)
C: CASH FLOW FROM FINANCING ACTIVITIES :		
-Proceeds from Issue of Share Capital	0	0
-Proceeds form Long Term Borrowings	21,200,000	5,060,000
-Repayment of Long Term Borrowings	(42,504,642)	(29,543,140)
-Short Term Borrowings	(21,803,140)	(10,018,027)
-Dividends Paid (including dividend distribution tax)	0	0
-Interest Paid	(24,153,506)	(27,760,281)
Net Cash (used in) / from Financing Activities	(67,261,288)	(62,261,448)
Net Increase in Cash and Cash Equivalents	(2,932,204)	2,056,672
Opening Balance of Cash and Cash Equivalents	15,669,901	13,613,229
Closing Balance of Cash and Cash Equivalents	12,737,697	15,669,901

Significant Accounting Policies
Notes on Financial Statements

1 to 34

As per our report of even date

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843
New Delhi, 26th July, 2014

For and on behalf of the Board

J. K. Garg - Chairman & Managing Director
Ramnik Garg - Whole Time Director
Manish Garg - Whole Time Director
Navneet Garg - Whole Time Director

S. K. Verma - Vice President & Company Secretary
M. Paliwal - Chief Financial Officer

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

A. Basis of Preparation of Financial Statements :

These financial statements have been prepared in accordance with Accounting Principles Generally accepted in India (Indian GAAP), the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. These financial statements are prepared on accrual basis under the historical cost convention. These financial statements are presented in Indian rupees rounded off to the nearest rupee.

All the assets and liabilities have been classified as current or non current as per the Companies normal operating cycle and other criteria set out in revised Schedule VI to the Companies Act, 1956. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be twelve months for the purpose of current - non current classification of assets and liabilities.

B. Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimate and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

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. Sales are recorded when supply of goods takes place in accordance with the terms of sales. 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 and Depreciation :

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation where applicable, less accumulated depreciation (other than 'Free Hold Land', where no depreciation is charged) and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bring the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets if applicable.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bring the assets to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets if applicable.

Depreciation

Depreciation is provided on Straight Line Method (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

E. Impairment of Assets :

An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

F. 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.

G. Borrowing Costs :

Interest (up to the date of its first use) and other borrowing costs on specific borrowings relating to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

H. Foreign Currency Transactions :

- a) Transactions denominated in Foreign Currencies are recorded at the exchange rate prevailing on the date of the transaction.

- b) Monetary items denominated in foreign currencies at the year end are stated at year end rates. 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.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in Statement of Profit and Loss, except in case of the long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I. Liabilities For Customs Duty / Excise Duty / Service Tax :

Liabilities for Customs Duty on the Goods lying at Port are accounted for at the time of clearance of goods. This is no effect on net profits. Excise Duty / Service Tax is accounted on the basis of both, payment made in respect of goods cleared / services provided and provisions made for goods laying in bounded warehouse.

J. Expenditure During Construction Period :

In case of new projects and substantial expansion of existing facilities, expenditure capitalized includes interest and financing cost on specific loan prior to commencement of commercial production.

K. Investments :

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

L. Inventory Valuation.

- a) Valuation of Inventories of raw-materials, packing-materials, consumables and Stores is at cost excluding Tax, Duty, Cess actually paid and including 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 50% directly from the cost price as and when new reel of Release Paper is issued to production.
- 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.

M. 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.

N. 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 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 31st March, as per actuarial valuation made by LIC of India and premium calculated on the same is paid to LIC of India.

O. 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.

P. Provision For Current And Deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

Q. Provisions, Contingent Liabilities And Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

The previous years figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.

(Amount in ₹)

	As At 31 st March, 2014	As At 31 st March, 2013
2 SHARE CAPITAL		
Authorised Share Capital :		
1,40,00,000 Equity Shares of ₹ 10 each	140,000,000	140,000,000
	<u>140,000,000</u>	<u>140,000,000</u>
Issued, Subscribed and Paid up :		
1,13,30,000 Equity Shares of ₹ 10 each fully paid up	113,300,000	113,300,000
TOTAL	<u>113,300,000</u>	<u>113,300,000</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 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
Shri Jai Kishan Garg	2,394,491	21.13	2,380,049	21.01
Smt. Kamlesh Garg	605,945	5.35	605,945	5.35
Shri. Manish Garg	846,349	7.47	846,349	7.47
Shri. Ramnik Garg	793,973	7.01	788,973	6.96

2.4 There were no instance of shares issued, on which there were any calls reming unpaid or instances of any forfeitures during the years ended March 31, 2014 and 2013.

3 RESERVES AND SURPLUS**General Reserve**

Opening Balance	3,000,000	3,000,000
Add : Transferred from Statement of Profit And Loss	-	-
	<u>3,000,000</u>	<u>3,000,000</u>

Surplus in Statement of Profit and Loss

Opening Balance	146,389,007	128,258,984
Add : Transfer from Surplus in Statement of Profit and Loss	19,101,615	18,130,023
	<u>165,490,622</u>	<u>146,389,007</u>

Less : Appropriations

	-	-
	<u>165,490,622</u>	<u>146,389,007</u>
TOTAL	<u>168,490,622</u>	<u>149,389,007</u>

4 LONG TERM BORROWINGS**Secured**

	Non Current	Current	Non Current	Current
Term Loans From Bank	10,100,089	4,200,000	23,199,075	15,980,000
Loans For Vehicles (Banks)	4,636,558	2,692,960	1,741,376	2,113,800
	<u>14,736,647</u>	<u>6,892,960</u>	<u>24,940,451</u>	<u>18,093,800</u>

Unsecured

Loan From Directors and their relatives	28,365,000	-	28,265,000	-
	<u>28,365,000</u>	<u>-</u>	<u>28,265,000</u>	<u>-</u>
TOTAL	<u>43,101,647</u>	<u>6,892,960</u>	<u>53,205,451</u>	<u>18,093,800</u>

4.1 Term Loans From H D F C Bank Ltd. 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.

5 DEFERRED TAX LIABILITY (Net)**Deferred Tax Liability**

Related to fixed assets	31,155,556	32,301,880
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Deferred Tax Assets

Related to Income Tax	(822,459)	(1,146,324)
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TOTAL	<u>30,333,097</u>	<u>31,155,556</u>
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	As At 31 st March, 2014	(Amount in ₹) As At 31 st March, 2013
6 SHORT TERM BORROWINGS		
Secured		
Working Capital Loan From Bank	86,348,740	108,151,880
TOTAL	<u>86,348,740</u>	<u>108,151,880</u>

6.1 Working Capital Loan from H D F C Bank Ltd. 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.

7 TRADE PAYABLES		
Trade Payables	101,075,678	144,435,911
TOTAL	<u>101,075,678</u>	<u>144,435,911</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 :

7.2 Accounts balances of the 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.

Particulars		
Principal amount due and remaining un paid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
8 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (Refer Note No. 4)	6,892,960	18,093,800
Unclaimed Dividends	905,084	975,083
Creditors for Capital Expenditure	1,111,809	872,886
Advance From Customers	26,667,028	20,866,560
Sales Tax Payable	2,105,235	659,015
TDS Payable	222,149	283,307
Expenses Payable	3,975,242	3,776,924
Sundry Creditors for Others	7,999,949	11,807,665
Others	28,024,346	19,191,362
TOTAL	<u>77,903,802</u>	<u>76,526,602</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".

9 SHORT TERM PROVISIONS		
Provision for Employee Benefits :		
Bonus / Gratuity Payable	2,237,206	1,135,448
Provisions :		
For Excise Duty	591,741	1,655,746
For Tax (NET)	6,662,390	2,946,973
TOTAL	<u>9,491,337</u>	<u>5,738,167</u>

9.1 Provision of Excise Duty on finished goods lying in factory premises at March 31, 2014 aggregating to ₹ 14,25,148/- (Previous Year ₹ 21,51,506/-) 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, 2014.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 31.03.2014 to all eligible employees has been made as per Actuarial Valuation by LIC of India and an amount of ₹ 19,30,829 has been paid to LIC of India as full contribution for current year.

10 FIXED ASSETS

(Amount in ₹)

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01.04.13	Additions	Deductions/ Adjustments	As At 31.03.2014	Upto 31.03.2013	For the Period	Deduc./ Adjustments	Upto 31.03.2014	As At 31.03.2014	As At 31.03.13
TANGIBLE OWN ASSETS :										
Free Hold Land	992,813	-	-	992,813	-	-	-	-	992,813	992,813
Building (Bahalgarh Office)	2,653,549	-	-	2,653,549	365,436	43,253	-	408,689	2,244,860	2,288,113
Building (Delhi Office)	6,585,356	-	-	6,585,356	322,317	107,341	-	429,658	6,155,698	6,263,039
Building (Factory)	34,001,690	-	-	34,001,690	12,879,467	1,135,657	-	14,015,124	19,986,566	21,122,223
Furniture & Fittings	3,438,942	280,971	-	3,719,913	2,083,042	222,104	-	2,305,146	1,414,767	1,355,900
Plant & Machinery	269,431,982	11,509,452	-	280,941,434	144,820,462	15,428,990	-	160,249,452	120,691,982	124,611,520
DMF Tower & Boiler	66,857,509	123,786	-	66,981,295	13,355,195	6,914,812	-	20,270,007	46,711,288	53,502,314
Vehicles-Commercial	1,427,873	-	-	1,427,873	704,633	135,648	-	840,281	587,592	723,240
Vehicles-Others	16,893,707	7,525,983	2,647,041	21,772,649	4,793,915	1,729,011	1,330,474	5,192,452	16,580,197	12,099,792
Fire Fighting Equipment	741,998	120,717	-	862,715	478,916	52,161	-	531,077	331,638	263,082
Air Conditioners	964,242	-	-	964,242	357,378	45,801	-	403,179	561,063	606,864
Computers	2,225,965	353,319	-	2,579,284	1,594,141	185,985	-	1,780,126	799,158	631,824
Generator Set	7,809,571	391,598	-	8,201,169	2,975,285	388,027	-	3,363,312	4,837,857	4,834,286
Office Appliances	2,354,362	159,316	-	2,513,678	604,543	116,341	-	720,884	1,792,794	1,749,819
Power Line - UHBVN	5,127,469	29,000	-	5,156,469	73,897	271,330	-	345,227	4,811,242	5,053,572
TOTAL	421,507,028	20,494,142	2,647,041	439,354,129	185,408,627	26,776,461	1,330,474	210,854,614	228,499,515	236,098,401
Capital Work-in-Progress	-	2,560,195	-	2,560,195	-	-	-	-	2,560,195	-
TOTAL	421,507,028	23,054,337	2,647,041	441,914,324	185,408,627	26,776,461	1,330,474	210,854,614	231,059,710	236,098,401
PREVIOUS YEAR	414,371,967	17,228,116	10,093,055	421,507,028	163,055,294	24,780,107	2,426,774	185,408,627	236,098,401	251,316,673

	As At 31 st March, 2014		As At 31 st March, 2013	
	No. Shares	Value	No. Shares	Value
11 NON-CURRENT INVESTMENTS				
(Long Term Investments)				
Trade Investments				
In Equity Shares - Unquoted, fully paid up				
Jasch North America Company, USA	Not Specified	51,720,000	Not Specified	51,720,000
Jasch Europa BVBA	5,580	392,518	5,580	392,518
In Equity Shares - Quoted, fully paid up				
Standard Capital Market Ltd	33,900	67,800	33,900	67,800
(Market Value As on 31.03.14 is ₹ 80,110/-)				
TOTAL		52,180,318		52,180,318
12 LONG TERM LOANS AND ADVANCES				
(Unsecured and Considered Good)				
Security Deposit		2,689,208		2,529,208
(Include Deposit with State Electricity Department is ₹ 22,95,366/-)				
TOTAL		2,689,208		2,529,208
13 CURRENT INVESTMENTS				
Other Investments				
For Short Term		2,109,063		1,479,795
TOTAL		2,109,063		1,479,795

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	(Amount in ₹)	
	As At 31 st March, 2014	As At 31 st March, 2013
14 INVENTORIES		
Raw Materials	56,537,266	61,231,587
Consumables	29,296,952	27,524,629
Stock-in-Process	25,639,893	38,194,826
Finished Goods	16,053,227	17,222,496
Stores & Spares	626,100	908,710
Packing Material	474,195	506,223
Fuel	503,481	333,513
Goods-in-Transit	2,319,990	2,308,819
TOTAL	131,451,104	148,230,803
15 TRADE RECEIVABLES (Unsecured and Considered Good)		
Over six months	35,880,342	21,740,647
Others	151,069,840	186,915,067
TOTAL	186,950,182	208,655,714
15.1 Accounts balances of the customers, 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.		
16 CASH AND BANK BALANCES		
Cash in hand	552,565	959,381
Balance with Banks	914,113	144,914
Balance In Unpaid Dividend Account With SBI	905,084	975,083
Fixed Deposit with Bank	10,365,936	13,590,524
TOTAL	12,737,697	15,669,902
17 SHORT TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Advance to Suppliers	1,489,102	1,326,418
Balance With Revenue Authorities	3,401,628	3,407,766
Deferred Expenditure	-	4,421,865
Prepaid Expenses	483,235	775,326
Miscellaneous Receivables	597,112	2,230,493
TOTAL	5,971,077	12,161,868
18 OTHER CURRENT ASSETS		
Claim Receivables	4,896,565	4,896,565
TOTAL	4,896,565	4,896,565

- 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 FOR THE YEAR ENDED 31ST MARCH, 2014

	(Amount in ₹)	
	For the Year Ended 2013 — 2014	For the Year Ended 2012 — 2013
19 REVENUE FROM OPERATIONS		
Sale of Products (Refer Note No. 33)		
Synthetic Leather & Allied Products	715,272,495	680,974,117
Electronic Thickness Gauges	258,717,174	214,101,682
Income From Services	1,609,791	1,260,314
	<u>975,599,460</u>	<u>896,336,113</u>
Less : Excise Duty / VAT	98,372,659	91,261,546
TOTAL	<u><u>877,226,801</u></u>	<u><u>805,074,567</u></u>
20 OTHER INCOME		
Interest Income (FDR)	1,414,754	578,744
Subsidy (TUFF)	339,476	751,049
Exchange Fluctuation AS11	1,162,124	774,748
TOTAL	<u><u>2,916,354</u></u>	<u><u>2,104,541</u></u>
21 COST OF MATERIAL CONSUMED		
(Refer Note No. 34)		
Raw Material	586,782,692	570,781,291
Consumables (Release Paper)	23,067,460	18,620,656
TOTAL	<u><u>609,850,152</u></u>	<u><u>589,401,947</u></u>
22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS		
Inventories (at Commencement)		
Stock-in-Process	38,194,826	21,152,590
Finished Goods	17,222,496	19,207,850
	<u>55,417,322</u>	<u>40,360,440</u>
Inventories (at Close)		
Stock-in-Process	25,639,893	38,194,826
Finished Goods	16,053,227	17,222,496
	<u>41,693,120</u>	<u>55,417,322</u>
	13,724,202	(15,056,882)
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	(726,358)	25,692
TOTAL	<u><u>12,997,844</u></u>	<u><u>(15,031,190)</u></u>
23 EMPLOYEE BENEFITS EXPENSE		
Salary, Wages, Gratuity & Bonus	39,331,339	33,225,176
Contribution to P. F. & Other Funds	935,541	1,015,952
Employee Welfare Expenses	1,188,805	928,481
Director Meeting Sitting Fee	225,000	150,120
TOTAL	<u><u>41,680,685</u></u>	<u><u>35,319,729</u></u>
24 FINANCE COST		
Interest on Cash Credit Facility	13,552,302	15,332,588
Interest on Term Loan	3,648,154	6,952,722
Interest on Vehicle Loan	431,232	482,790
Other Interest	487,661	395,699
Bank And Other Charges	6,034,157	4,596,482
TOTAL	<u><u>24,153,506</u></u>	<u><u>27,760,281</u></u>
25 OTHER EXPENSES		
Manufacturing and Operating Cost		
Power & Fuel	43,845,209	42,418,238
Consumables & Stores	3,364,720	3,076,041
Packing Material	6,954,278	6,273,196
Freight Inward	17,315,529	16,181,918
Repair & Maintenance (Plant)	5,633,252	4,473,756
Exchange Difference (Net)	5,569,765	3,584,239
TOTAL (A)	<u><u>82,682,753</u></u>	<u><u>76,007,388</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	(Amount in ₹)			
	For the Year Ended 2013 — 2014	For the Year Ended 2012 — 2013		
(Note 25 Cont....)				
Establishment Expenses				
Insurance Expenses	1,102,401	1,245,957		
Books, Printing & Stationery	647,425	529,488		
Postage & Telegram	639,719	677,704		
Telephone & Communications	2,400,810	2,289,568		
Tour & Travel Including Foreign Travel	6,570,913	6,281,003		
Hotel, Boarding, Lodging & conveyance	6,656,530	5,341,180		
Vehicle Running & Maintenance	2,925,851	1,899,417		
Fee & Subscription	1,481,541	1,060,104		
Legal & Professional Charges	4,871,144	2,525,096		
Rent, Rates and Taxes	343,559	168,528		
Office Electricity Exp.	118,745	91,106		
Technical Know How Fee	1,658,986	-		
Charity & Donation	717,000	506,040		
Electrical & General Repair & Maintenance	1,570,970	1,455,554		
Auditor Remuneration - Audit Fee	56,180	38,605		
Auditor Remuneration - Taxation Matters	22,480	16,545		
Auditor Remuneration - Cost Audit Fee	30,000	38,500		
Loss on Sale of Vehicle	431,567	124,510		
Miscellaneous	341,186	345,757		
TOTAL (B)	32,587,007	24,634,662		
Selling and Distribution Expenses				
Testing Charges	136,345	150,863		
Discount & Rebates	4,346,646	4,736,327		
Selling Expenses	1,720,000	2,286,208		
Sales Commission	4,183,406	3,600,512		
Bad Debts	-	172,777		
Freight Outward	1,663,888	1,642,995		
Advertising & Exhibition	2,546,696	3,247,516		
Clearing & Forwarding (Export)	1,943,377	1,119,377		
TOTAL (C)	16,540,358	16,956,575		
TOTAL (A+B+C)	131,810,118	117,598,625		
26 EARNINGS PER SHARE (EPS)				
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	19,101,615	18,130,023		
Number of equity shares used as denominator for calculating EPS	11,330,000	11,330,000		
Basic and Diluted Earnings per share	1.69	1.60		
Face Value per equity share	10.00	10.00		
27 CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & CONSUMABLES				
	₹ in Lakhs	% of Total Consumption	₹ in Lakhs	% of Total Consumption
Imported (Landed cost at Factory)	3,041.53	48.81	2,758.31	48.02
Indigenous	3,189.53	51.19	2,985.40	51.98
TOTAL	6,231.06	100.00	5,743.71	100.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount ₹ in Lakh)

	For the Year Ended 2013 — 2014	For the Year Ended 2012 — 2013
28 EXPENDITURE IN FOREIGN CURRENCY		
Raw Material & Consumables	2,752.96	2,295.63
Capital Goods	26.11	18.29
Foreign Travels	28.73	21.82
Technical Know How Fee	16.51	0.00
Exhibition Expenses	14.13	18.05
Sales Commission	23.59	4.40
TOTAL	2,862.03	2,358.19
29 EARNING IN FOREIGN CURRENCY		
FOB Value of Export of Goods		
1. Electronic Thickness Gauge		
(Earning in US\$ - 13,88,418)	850.71	754.30
(Earning in EURO - 1,43,800)	115.00	125.85
	965.71	880.15
2. Synthetic Leather & Allied Products		
(Earning in US\$ - 25,529)	15.15	17.99
TOTAL	15.15	17.99
30 CONTINGENT LIABILITIES AND COMMITMENTS		
(I) Contingent Liabilities		
(A) Claim against the company / disputed liabilities not acknowledged as debts	0	0
(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 @ 60.10)	180.30	163.17
b) In Respect of Others	0	0
(ii) Advance / Performance Guarantees (Margin Money with Bank ₹ 33.92)	57.48	143.40
(iii) Outstanding guarantees furnished to Bank in respect of Letters of Credits (Margin Money with Bank ₹ 52.45)	668.92	769.51
(C) Other Money for which the company is contingently liable		
i) Liability in respect of bill discounted with bank	0.00	0.00
ii) Liability in respect of Sales Tax surety for third parties	8.00	8.00
(II) Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for :	0	0
(B) Other Commitments	0	0

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 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.

(₹ In Lakhs)

	Current Year (2013-2014)			Previous Year (2012-2013)		
	Synthetic Leather Cloth & Allied Products+ Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products+ Division	Electronic Thickness Gauge Division	Total
REVENUE						
External Sales	7152.72	2603.27	9755.99	6809.74	2153.62	8963.36
Less : Excise Duty			983.72	---	---	912.61
Inter-segment Sales			---			---
Other Income	29.16	---	29.16	21.04	---	21.04
Total Revenue			8801.43			8071.79
RESULTS						
Segment Results	165.68	404.59	570.27	300.06	251.04	551.10
Unallocated Corporate Expenses (Net)			---			---
Operating Profit			570.27			551.10
Interest Expenses			241.53			277.60
Income Tax – Current			143.16			101.73
- Deferred & Previous Year Tax(+)			05.44			09.53
Profit from Ordinary Activities			191.02			181.30
Extra Ordinary Loss			---			---
Net Profit			191.02			181.30
OTHER INFORMATION						
Segment Assets	5353.66	946.79	6300.45	6039.57	779.46	6819.03
Total Assets			6300.45			6819.03
Segment Liabilities	5888.42	412.03	6300.45	6499.25	319.78	6819.03
Total Liabilities			6300.45			6819.03
Capital Expenditure			155.28			103.22
Depreciation			267.76			247.80
Non-cash Expenses other than Depreciation			44.22			14.74

32. RELATED PARTY DISCLOSURES

Nature of relationship	Name of related parties
Wholly owned subsidiaries (WOS)	Jasch North America Company (USA)
Other subsidiary	Indev Gauging Systems, Inc. (USA)
Key Management Personnel	J. K. Garg - Chairman & Managing Director Ramnik Garg - Whole Time Director Manish Garg - Whole Time Director Navneet Garg - Whole Time Director
Relative 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	Key Management Personnel (KMP)	Total (₹ in Lakh)
Sales (Indev Gauging Systems Inc.)	WOS's Subsidiary	157.84
Purchases	---	---
Raw Materials	---	---
Consumables/Intermediates	---	---
Finished Goods	---	---
Job Work	---	---
Purchase of fixed assets	---	---
Sale of fixed assets	---	---
Managerial remuneration	As Directors	54.63
Payment to Relatives as Salary	---	---
Investment (In JNAC as WOS)	As Directors (WOS)	---
Loan Given	---	---
Loan Taken (including opening balance)	As Directors & Relatives	283.65
Loan Repaid	---	---
Balance outstanding as at the year	As Directors & Relatives	283.65

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

33 Installed Capacity, Production and Turnover (Net of Returned Goods)

(Value ₹ in Lakh)

S.No.	Class of Goods	UOM	Opening Balance As	Production for the Year Ended 31st March		Turnover For The Year Ended 31st March				Closing Stock As At
			01.04.13	2014	2013	2014		2013		31.03.14
			Qty.	Qty.	Qty.	Qty.	Value	Qty.	Value	Qty.
1	PVC - Coated Fabric	Mtrs	23329.50	1859153.00	2071834.50	1860681.50	2509.05	2077018.50	2908.19	21801.00
2	PVC - C P S	Mtrs	250.00	144510.50	80139.50	143215.50	343.95	81547.50	159.10	1545.00
3	PVC - Non Woven	Mtrs	1755.00	11607.50	116426.50	13362.50	32.35	117551.00	277.18	0.00
4	PU - Coated Fabric	Mtrs	11796.00	587498.50	672688.50	592851.50	1407.97	671823.50	1399.17	6443.00
5	PU - N L F	Mtrs	1351.00	2288.00	7567.50	2648.00	10.12	7392.50	26.78	991.00
6	PU - C P S	Mtrs	8270.50	690769.00	532155.50	689872.00	2624.24	538851.00	1817.38	9167.50
7	PU - Pu Resin	Kgs	0.00	82346.00	87058.80	82346.00	175.77	87058.80	171.59	0.00
8	Cut Pieces	Kgs	4548.00	159079.00	157489.80	159745.00	13.27	169079.50	14.10	3882.00
9	Bardana & Scrap	Kgs	0.00				28.86		31.81	0.00
10	Raw Material sales as such		0.00				7.15		4.44	0.00
11	Electronic Thickness Gauge (ETG)	Nos.	3.00	87.00	65.00	87.00	2253.41	64.00	1744.00	3.00
12	ETG Parts	Nos.	0.00	392.00	389.00	392.00	333.76	498.00	397.02	0.00
13	AMC						16.09		12.60	

34. RAW MATERIAL CONSUMPTION

I) Raw Materials	Unit	2013-2014				
		Opening Qty.	Receipt Qty.	Closing Qty.	Consumed Qty.	Value
Diop/Dop/Dinp/Kanatol	Kgs.	29802	3362250	26012	3366040	655.77
PVC Resin	Kgs.	86420	656150	58667	683903	567.72
Fabrics	Mtrs.	182796	1952173	182906	1952063	534.04
Non Woven Lining	Mtrs.	72764	343565	46672	369657	70.33
Release Paper						149.82
Other Pigments						381.70
Non Woven Lining	Mtrs.	48964	729344	84534	693774	598.27
Adipic Acid	Kgs.	16600	179384	7175	188809	203.44
DMF	Kgs.	6460	307860	0	314320	215.98
MDI	Kgs.	12600	141750	1350	153000	247.26
Butane Diol	Kgs.	12200	82800	13000	82000	103.42
Fabric	Mtrs.	62938	552071	36861	578148	417.81
Pu-Adhesive	Kgs.	4313	28744	6911	26146	181.79
M E G	Kgs.	7360	53220	1140	59440	46.83
M E K	Kgs.	668	100993	6020	95641	98.78
P T M E G	Kgs.	4400	38400	7600	35200	92.27
Release Paper						81.40
Other Pigments						373.27
X-Ray tubes	Nos.	1	46	7	40	55.91
Sources	Nos.	15	65	18	62	128.76
Ionization Chambers	Nos.	9	123	17	115	64.20
Power Supplies	Nos.	1	224	5	220	32.33
Computer & Parts						89.72
Slide & Bearings						23.17
Iron & Aluminum						300.89
Electronic & Mechanical Items Etc.						383.62
						6098.50



CONSOLIDATED FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF JASCH INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Jasch Industries Limited ('the Company') and its subsidiaries (collectively referred to as "The Group"), which comprise the Consolidated Balance Sheet as at March 31st, 2014, 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

2. 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 Standards notified under the Companies Act, 1956 ("the ACT") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General circular 15/2013 dated 13th September 2013 of Ministry of Corporate Affairs). 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

3. 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.
4. 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 audit considers internal control relevant to the Group'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

5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report on financial statements / consolidated financial statements of the subsidiaries as noted below, the 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 31st, 2014;
 - 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

6. We did not audit the financial statements / consolidated financial information of subsidiaries whose financial statements / consolidated financial information reflect total assets (net) of ₹ 1253.01 Lacs as at March 31st, 2014 / December 31st, 2013, total revenues (net) of ₹. 1009.13 Lacs and net cash inflows amounting to ₹ 48.34 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / consolidated financial information have been compiled by other accountants whose reports have been furnished to us by the Management and our opinion is based solely on the reports of the other accountants.

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, 26th July, 2014

JASCH INDUSTRIES LIMITED

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

	Note	As At 31 st March, 2014	As At 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	113,300,000	113,300,000
Reserves and Surplus	3	176,790,220	156,134,093
		290,090,220	269,434,093
Share Application Money Pending Allotment			
		—	—
Non-Current Liabilities			
Long Term Borrowings	4	83,892,704	96,688,353
Deferred Tax Liability (Net)	5	30,333,097	31,155,556
Other Long Term Liabilities	6	2,798,247	7,134,530
		117,024,048	134,978,439
Current Liabilities			
Short Term Borrowings	7	92,058,221	108,151,880
Trade Payables	8	104,825,004	147,779,325
Other Current Liabilities	9	82,797,638	77,390,977
Short Term Provisions	10	10,592,125	6,435,255
		290,272,988	339,757,437
TOTAL		697,387,256	744,169,969
ASSETS			
Non-Current Assets			
Fixed Assets	11		
Net Tangible Fixed Assets		253,994,692	258,001,227
Capital Work-in-Progress		2,560,195	—
Intangible Assets		52,153,404	55,620,793
Non-Current Investments	12	460,318	460,318
Long Term Loans And Advances	13	2,689,208	2,565,619
		311,857,817	316,647,957
Current Assets			
Current Investments	14	2,109,063	1,479,795
Inventories	15	158,980,058	164,742,150
Trade Receivables	16	195,742,422	218,608,851
Cash and Bank Balances	17	17,572,126	25,405,289
Short Term Loans and Advances	18	6,229,205	12,389,362
Other Current Assets	19	4,896,565	4,896,565
		385,529,439	427,522,012
TOTAL		697,387,256	744,169,969

Significant Accounting Policies
Notes on Financial Statements

1 to 28

As per our report of even date

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

J. K. Garg	-	Chairman & Managing Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843

S. K. Verma	-	Vice President & Company Secretary
M. Paliwal	-	Chief Financial Officer

New Delhi, 26th July, 2014

JASCH INDUSTRIES LIMITED

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

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

		(Amount in ₹)	
INCOME	Note	2013-2014	2012-2013
Revenue from Operations	20	978,140,203	890,656,911
Other Income	21	2,916,354	2,104,541
Total Revenue		981,056,557	892,761,452
EXPENDITURE :			
Cost of Materials Consumed	22	624,980,400	600,534,010
Change in Inventories of Finished Goods & Stock-in-Process	23	8,599,194	(16,987,750)
Employee Benefits Expense	24	93,694,915	73,257,355
Finance Costs	25	25,650,337	29,048,157
Depreciation and Amortization Expense	11	31,740,594	29,117,656
Other Expenses	26	161,326,668	150,025,800
Total Expenses		945,992,108	864,995,228
Profit Before Tax		35,064,449	27,766,224
Tax Expenses			
Current Tax		14,316,500	10,185,139
Deferred Tax (+)		822,459	1,146,324
Tax in respect of earlier year		278,732	192,960
Profit for the Year		21,291,676	18,534,449
Earning per equity share	27		
Basic and Diluted		1.88	1.64

Significant Accounting Policies
Notes on Financial Statements

1 to 28

As per our report of even date

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

J. K. Garg	-	Chairman & Managing Director
Ramnik Garg	-	Whole Time Director
Manish Garg	-	Whole Time Director
Navneet Garg	-	Whole Time Director

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843

S. K. Verma	-	Vice President & Company Secretary
M. Paliwal	-	Chief Financial Officer

New Delhi, 26th July, 2014

JASCH INDUSTRIES LIMITED

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2013-2014

(Amount in ₹)

INCOME	2013-2014	2012-2013
A: CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax as per Statement of Profit Loss Account	35,064,449	27,766,224
Adjusted For : Add / (Deduct) :		
-Net Prior Year Adjustment	(278,732)	(192,960)
-Loss on Sale / Discard of Assets / Vehicle (net)	431,567	124,510
-Depreciation and Amortization Expense	36,162,459	30,591,611
-Effect of Exchange Rate Change	(1,797,673)	(1,484,913)
-Interest Income	(1,414,754)	(578,774)
-TUFF	(339,476)	(1,820,049)
-Finance Costs	25,650,337	29,048,157
-Debtors Written Off	0	172,777
	58,413,728	55,860,359
Operating Profit before Working Capital Changes	93,478,177	83,626,583
Adjusted For : Add / (Deduct) :		
-Trade and Other Receivables	24,357,782	(2,273,375)
-Inventories	5,762,092	(28,600,800)
-Trade and Other Payables	(33,390,790)	13,784,634
	(3,270,916)	(17,089,541)
Cash Generated from Operations	90,207,261	66,537,042
Taxes Paid	(14,316,500)	(10,185,139)
Interest Received	1,414,754	578,744
Interest (TUFF)	339,476	751,049
Exchange Rate Effect	1,797,673	1,484,913
Net Cash from Operating Activities	79,442,664	59,166,609
B: CASH FLOW FROM INVESTING ACTIVITIES :		
-Purchase of Fixed Assets	(27,790,320)	(21,283,868)
-Sale of Fixed Assets & TUFF	885,000	2,495,100
-Purchase of Investments	(629,268)	0
-Sale of Investments	0	0
Net Cash (used in) Investing Activities	(27,534,588)	(18,788,768)
C: CASH FLOW FROM FINANCING ACTIVITIES :		
-Proceeds from Issue of Share Capital	0	0
-Proceeds form Long Term Borrowings	21,200,000	39,040,767
-Repayment of Long Term Borrowings	(39,197,243)	(29,803,876)
-Short Term Borrowings	(16,093,659)	(10,018,027)
-Dividends Paid (including dividend distribution tax)	0	0
-Interest Paid	(25,650,337)	(29,048,157)
Net Cash (used in) / from Financing Activities	(59,741,239)	(29,829,293)
Net Increase in Cash and Cash Equivalents	(7,833,163)	10,548,578
Opening Balance of Cash and Cash Equivalents	25,405,289	14,856,711
Closing Balance of Cash and Cash Equivalents		25,405,289

Significant Accounting Policies
Notes on Financial Statements

1 to 28

As per our report of even date

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(Regd. No. 003870N)

J. K. Garg - Chairman & Managing Director
Ramnik Garg - Whole Time Director
Manish Garg - Whole Time Director
Navneet Garg - Whole Time Director

(CA. Vijay K. Choudhary)

Partner-M. No. : 81843
New Delhi, 26th July, 2014

S. K. Verma - Vice President & Company Secretary
M. Paliwal - Chief Financial Officer

1. Significant Accounting Policies on Consolidated Accounts

A. 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.

a. Components considered

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

a) Subsidiaries

Indian Subsidiaries : NIL

Foreign WOS / WOS's Subsidiaries :

Name	Country	Ownership (%)	Period Considered	Audited / Board Approved
Jasch North America Company (WOS)	USA	100%	Since the date of incorporation	Acknowledge by Jasch Industries Ltd
Indev Gauging Systems, Inc. (WOS's Subsidiary)	USA	100%	Since December, 2011	Acknowledge by Jasch Industries Ltd

- b.** 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".
- c.** 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.
- d.** 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.
- e.** 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.
- f.** Since 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 31-12-2013.

B. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies and Practices" as given in the Company's separate financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

The previous years figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.

(Amount in ₹)

	As At 31 st March, 2014	As At 31 st March, 2013
2 SHARE CAPITAL		
Authorised Share Capital :		
1,40,00,000 Equity Shares of ₹ 10 each	140,000,000	140,000,000
	<u>140,000,000</u>	<u>140,000,000</u>
Issued, Subscribed and Paid up :		
1,13,30,000 Equity Shares of ₹10 each fully paid up	113,300,000	113,300,000
TOTAL	<u>113,300,000</u>	<u>113,300,000</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 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
Shri Jai Kishan Garg	2,394,491	21.13	2,380,049	21.01
Smt. Kamlesh Garg	605,945	5.35	605,945	5.35
Shri Manish Garg	846,349	7.47	846,349	7.47
Shri Ramnik Garg	793,973	7.01	788,973	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, 2014 and 2013

3 RESERVES AND SURPLUS**General Reserve**

Opening Balance	3,000,000	3,000,000	
Add : Transferred from Statement of Profit And Loss	-	-	
	<u>3,000,000</u>		3,000,000

Surplus in Statement of Profit and Loss

Opening Balance	153,844,258	135,309,809	
Add : Transfer from Surplus in Statement of Profit and Loss	21,291,676	18,534,449	
	<u>175,135,934</u>	153,844,258	

Less : Appropriations

	-	-	
	<u>175,135,934</u>		153,844,258

Foreign Currency Translation Reserve

Opening Balance	(710,165)	-	
Amount transferred on account of resulting exchange difference on conversion of a non-integral subsidiary	(635,549)	(710,165)	
	<u>(1,345,714)</u>	(710,165)	
TOTAL	<u>176,790,220</u>	<u>156,134,093</u>	

4 LONG TERM BORROWINGS**Secured**

	Non Current	Current	Non Current	Current
Term Loans From Bank	24,746,651	4,634,822	36,470,202	16,361,791
Loans For Vehicles (Banks)	4,636,558	2,692,960	1,741,376	2,113,800
TOTAL	<u>29,383,209</u>	<u>7,327,782</u>	<u>38,211,578</u>	<u>18,475,591</u>

Unsecured

Loan From Directors and their relatives	28,365,000	-	28,265,000	-
Loan From Others	26,144,495	-	30,211,775	-
	<u>54,509,495</u>	<u>-</u>	<u>58,476,775</u>	<u>-</u>
TOTAL	<u>83,892,704</u>	<u>7,327,782</u>	<u>96,688,353</u>	<u>18,475,591</u>

4.1 Term Loans From H D F C Bank Ltd. 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 Term Loan From Alpine Bank (USA) Rs. 150.81 Lacs secured by first mortgage by deposit of title deed of the Company's immovable property at USA Only.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	As At 31 st March, 2014	As At 31 st March, 2013
5 DEFERRED TAX LIABILITY (Net)		
Deferred Tax Liability		
Related to fixed assets	31,155,556	32,301,880
Deferred Tax Assets		
Related to Income Tax	(822,459)	(1,146,324)
TOTAL	30,333,097	31,155,556
6 OTHER LONG TERM LIABILITIES		
Advance Against Project	2,798,247	6,423,587
Other Liability	-	710,943
TOTAL	2,798,247	7,134,530
7 SHORT TERM BORROWINGS		
Secured		
Working Capital Loan From Bank	92,058,221	108,151,880
	92,058,221	108,151,880
7.1 Working Capital Loan from H D F C Bank Ltd. 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.		
7.2 Line of credit from Alpine Bank (USA) of Rs. 57.09 Lacs is secured by corporate gurantee provide by Jasch Industries Ltd.		
8 TRADE PAYABLES		
Trade Payables	104,825,004	147,779,325
TOTAL	104,825,004	147,779,325

- 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 :
- 8.2 Accounts balances of the 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.

Particulars		
Principal amount due and remaining un paid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
9 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer Note No. 4)	7,327,782	18,475,591
Unclaimed Dividends	905,084	975,083
Creditors for Capital Expenditure	1,111,809	972,886
Advance From Customers	26,667,028	20,866,560
Sales Tax Payable	2,105,235	659,015
TDS Payable	222,149	283,307
Expenses Payable	6,832,716	4,159,507
Sundry Creditors for Others	7,999,949	11,807,665
Others	29,625,886	19,191,362
TOTAL	82,797,638	77,390,977

- 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".

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	As At 31 st March, 2014	As At 31 st March, 2013
10 SHORT TERM PROVISIONS		
Provision for Employee Benefits :		
Bonus / Gratuity Payable	3,337,994	1,820,348
Provisions :		
For Excise Duty	591,741	1,655,746
For Tax (Net)	6,662,390	2,959,161
TOTAL	10,592,125	6,435,255

10.1 Provision of Excise Duty on finished goods lying in factory premises at March 31, 2014 aggregating to ₹ 14,25,148/- (Previous Year ₹ 21,51,506/-) 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, 2014.

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 31.03.2014 to all eligible employees has been made as per Actuarial Valuation by LIC of India and an amount of ₹ 19,30,829 has been paid to LIC of India as full contribution for current year.

11 FIXED ASSETS

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01.04.13	Additions	Deductions/ Adjustments	As At 31.03.2014	Upto 31.03.2013	For the Period	Deduc./ Adjustments	31.03.2014	31.03.2014	As At 31.03.13
A. TANGIBLE OWN ASSETS :										
Free Hold Land	2,966,175	-	-	2,966,175	-	-	-	-	2,966,175	2,966,175
Building (Bahalgarh Office)	2,653,549	-	-	2,653,549	365,436	43,253	-	408,689	2,244,860	2,288,113
Building (Delhi Office)	6,585,356	-	-	6,585,356	322,317	107,341	-	429,658	6,155,698	6,263,039
Building (Factory)	51,902,961	-	-	51,902,961	12,879,467	1,135,657	-	14,015,124	37,887,837	39,023,494
Furniture & Fittings	5,326,505	280,971	-	5,607,476	2,083,042	222,104	-	2,305,146	3,302,330	3,243,463
Plant & Machinery	269,975,241	16,245,435	-	286,220,676	146,776,492	16,572,622	-	163,349,114	122,871,562	123,198,749
DMF Tower & Boiler	66,857,509	123,786	-	66,981,295	12,498,805	6,914,812	-	19,413,617	47,567,678	54,358,704
Vehicles-Commercial	1,427,873	-	-	1,427,873	704,633	135,648	-	840,281	587,592	723,240
Vehicles-Others	16,893,707	7,525,983	2,647,041	21,772,649	4,793,912	1,729,011	1,330,474	5,192,449	16,580,200	12,099,795
Fire Fighting Equipment	741,998	120,717	-	862,715	478,916	52,161	-	531,077	331,638	263,082
Air Conditioners	964,242	-	-	964,242	357,378	45,801	-	403,179	561,063	606,864
Computers	2,922,973	353,319	-	3,276,292	1,594,141	185,985	-	1,780,126	1,496,166	1,328,832
Generator Set	7,809,571	391,598	-	8,201,169	2,975,285	388,027	-	3,363,312	4,837,857	4,834,286
Office Appliances	2,354,362	159,316	-	2,513,678	604,543	116,341	-	720,884	1,792,794	1,749,819
Power Line - UHBVN	5,127,469	29,000	-	5,156,469	73,897	271,330	-	345,227	4,811,242	5,053,572
TOTAL	444,509,491	25,230,125	2,647,041	467,092,575	186,508,264	27,920,093	1,330,474	213,097,883	253,994,692	258,001,227
Capital Work-in-Progress	-	2,560,195	-	2,560,195	-	-	-	-	2,560,195	-
B. INTANGIBLE ASSETS :										
Goodwill on Consolidation	59,242,134	353,112	-	59,595,246	3,621,341	3,820,501	-	7,441,842	52,153,404	55,620,793
TOTAL	503,751,625	28,143,432	2,647,041	529,248,016	190,129,605	31,740,594	1,330,474	220,539,725	308,708,291	313,622,020
PREVIOUS YEAR	487,514,141	26,330,539	10,093,055	523,937,735	163,438,723	29,117,656	2,426,774	190,129,605	313,622,020	324,075,418

12 NON-CURRENT INVESTMENTS

(Long Term Investments)

Trade Investments

In Equity Shares - Unquoted, fully paid up

Jasch Europa BVBA

5,580

392,518

5,580

392,518

In Equity Shares - Quoted, fully paid up

Standard Capital Market Ltd

(Market Value As on 31.03.14 is ₹ 80,110/-)

33,900

67,800

33,900

67,800

TOTAL

460,318

460,318

13 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Security Deposit

2,689,208

2,565,619

(Include Deposit with State Electricity Department is Rs. 22,95,366/-)

TOTAL

2,689,208

2,565,619

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	As At 31 st March, 2014	As At 31 st March, 2013
14 CURRENT INVESTMENTS		
Other Investments		
For Short Term	2,109,063	1,479,795
TOTAL	2,109,063	1,479,795
15 INVENTORIES		
Raw Materials	75,881,288	73,956,652
Consumables	29,296,952	27,524,629
Stock-in-Process	30,699,635	39,237,068
Finished Goods	19,178,417	19,966,536
Stores & Spares	626,100	908,710
Packing Material	474,195	506,223
Fuel	503,481	333,513
Goods-in-Transit	2,319,990	2,308,819
TOTAL	158,980,058	164,742,150
16 TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Over six months	35,880,342	21,740,647
Others	159,862,080	196,868,204
TOTAL		218,608,851
16.1 Accounts balances of the customers, 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.		
17 CASH AND BANK BALANCES		
Cash in hand	552,565	959,381
Balance with Banks	5,748,541	9,880,301
Balance In Unpaid With SBI Dividend Account	905,084	975,083
Fixed Deposit with Bank	10,365,936	13,590,524
TOTAL	17,572,126	25,405,289
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Advance to Suppliers	1,489,102	1,326,419
Balance With Revenue Authorities	3,401,628	3,407,767
Deferred Expenditure	-	4,545,215
Prepaid Expenses	576,149	856,894
Miscellaneous Receivables	762,326	2,253,067
TOTAL	6,229,205	12,389,362
19 OTHER CURRENT ASSETS		
Claim Receivables	4,896,565	4,896,565
TOTAL	4,896,565	4,896,565

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 FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	For the Year Ended 2013 — 2014	For the Year Ended 2012 — 2013
20 REVENUE FROM OPERATIONS		
Sale of Products		
Synthetic Leather & Allied Products	715,272,495	680,974,117
Electronic Thickness Gauges	343,685,565	288,005,091
Income From Services	17,554,802	12,939,249
	<u>1,076,512,862</u>	<u>981,918,457</u>
Less : Excise Duty / VAT	98,372,659	91,261,546
TOTAL	<u><u>978,140,203</u></u>	<u><u>890,656,911</u></u>
21 OTHER INCOME		
Interest Income (FDR)	1,414,754	578,744
Subsidy (TUFF)	339,476	751,049
Exchange Fluctuation AS11	1,162,124	774,748
TOTAL	<u><u>2,916,354</u></u>	<u><u>2,104,541</u></u>
22 COST OF MATERIAL CONSUMED		
Raw Material	601,912,940	581,913,354
Consumables (Release Paper)	23,067,460	18,620,656
TOTAL	<u><u>624,980,400</u></u>	<u><u>600,534,010</u></u>
23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS		
Inventories (at Commencement)		
Stock-in-Process	19,966,536	20,711,535
Finished Goods	39,237,068	24,449,789
	<u>59,203,604</u>	<u>45,161,324</u>
Inventories (at Close)		
Stock-in-Process	30,699,635	19,966,536
Finished Goods	19,178,417	39,237,068
	<u>49,878,052</u>	<u>59,203,604</u>
	9,325,552	(14,042,280)
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	(726,358)	(2,945,470)
TOTAL	<u><u>8,599,194</u></u>	<u><u>(16,987,750)</u></u>
24 EMPLOYEE BENEFITS EXPENSE		
Salary, Wages, Gratuity & Bonus	85,960,631	68,602,972
Contribution to P. F. & Other Funds	935,541	1,015,952
Employee Welfare Expenses	6,573,743	3,488,311
Director Meeting Sitting Fee	225,000	150,120
TOTAL	<u><u>93,694,915</u></u>	<u><u>73,257,355</u></u>
25 FINANCE COST		
Interest on Cash Credit Facility	13,552,302	16,093,950
Interest on Term Loan	4,632,703	6,952,723
Interest on Vehicle Loan	431,232	482,790
Other Interest	874,062	858,014
Bank And Other Charges	6,160,038	4,660,680
TOTAL	<u><u>25,650,337</u></u>	<u><u>29,048,157</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	For the Year Ended 2013 — 2014	For the Year Ended 2012 — 2013
26 OTHER EXPENSES		
Manufacturing and Operating Cost		
Power & Fuel	43,845,209	42,509,344
Consumables & Stores	3,422,423	3,076,041
Packing Material	6,954,278	6,273,196
Freight Inward	19,031,720	16,821,734
Repair & Maintenance (Plant)	5,633,252	4,657,538
Exchange Difference (Net)	5,569,765	3,584,239
TOTAL (A)	84,456,647	76,922,092
Establishment Expenses		
Insurance Expenses	2,847,673	6,365,029
Books, Printing & Stationery	647,425	529,488
Courier & Postage	660,556	705,110
Telephone & Communications	3,995,643	3,668,803
Tour & Travel Including Foreign Travel	12,063,814	9,947,443
Hotel, Boarding, Lodging & conveyance	7,901,313	5,629,968
Vehicle Running & Maintenance	2,925,851	2,404,612
Fee & Subscription	2,113,692	1,457,930
Legal & Professional Charges	6,133,501	4,835,239
Rent, Rates and Taxes	4,303,680	3,049,725
Office Electricity Exp.	118,745	91,106
Technical Know How Fee	1,658,986	-
Charity & Donation	717,000	506,040
Electrical & General Repair & Maintenance	3,432,391	2,923,973
Auditor Remuneration - Audit Fee	56,180	38,605
Auditor Remuneration - Taxation Matters	22,480	16,545
Auditor Remuneration - Cost Audit Fee	30,000	38,500
Loss on Sale of Vehicle / Machinery (Net)	431,567	124,510
Miscellaneous	2,394,834	2,136,595
TOTAL (B)	52,455,331	44,469,221
Selling and Distribution Expenses		
Testing Charges	136,345	150,863
Discount & Rebates	4,346,646	4,736,327
Selling Expenses	1,901,351	9,939,186
Sales Commission	7,894,112	4,231,331
Bad Debts	-	172,777
Freight Outward	2,224,255	1,870,492
Advertising & Exhibition	5,968,604	6,414,134
Clearing & Forwarding (Export)	1,943,377	1,119,377
TOTAL (C)	24,414,690	28,634,487
TOTAL (A+B+C)	161,326,668	150,025,800
27 EARNINGS PER SHARE (EPS)		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	21,291,676	18,534,449
Number of equity shares used as denominator for calculating EPS	11,330,000	11,330,000
Basic and Diluted Earnings per share	1.88	1.64
Face Value per equity share	10.00	10.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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 compiled 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 :-

(Amount ₹ in lakh)

Particulars				Previous Year (2012-2013)		
	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total
REVENUE						
External Sales	7152.72	3436.86	10589.58	6809.74	2880.05	9689.79
Less : Excise Duty			983.73	---	---	912.61
Inter-segment Sales						---
Other Income	29.16	175.55	204.71	21.04	129.39	150.43
Total Revenue			9810.56			8927.61
RESULTS						
Segment Results	165.68	441.46	607.14	300.06	268.08	568.14
Unallocated Corporate Expenses (Net)			---			---
Operating Profit			607.14			568.14
Interest Expenses			256.5			290.48
Income Tax – Current			143.16			101.85
– Deferred & Previous Year Tax (Net) (+)			05.44			9.53
Profit from Ordinary Activities			212.92			185.34
Extra Ordinary Loss			---			---
Net Profit			212.92			185.34
OTHER INFORMATION						
Segment Assets	5353.66	1620.21	6973.87	6039.57	1402.13	7441.70
Total Assets			6973.87			7441.70
Segment Liabilities	5888.42	1085.45	6973.87	6499.25	942.45	7441.70
Total Liabilities			6973.87			7441.70
Capital Expenditure			177.04			190.96
Depreciation			279.20			291.17
Non-cash Expenses other than Depreciation			82.43			14.74

JASCH INDUSTRIES LTD.

(CIN : L24302HR1985PLC022758)

REGD OFFICE : 43/5, BAHALGARH ROAD,
P. O. BAHALGARH, DISTT. SONIPAT 131 021 (HARYANA)

Dear Shareholder(s),

Dated _____

Sub.: Service of Documents through Electronic Mode

The Ministry of Corporate Affairs, Government of India, has notified Section 101 of the Companies Act, 2013 and the other rules governing the said Act. As per Rule 18(3)(1) of Chapter VII and Rule 11 of Chapter IX, the Company is requesting for a positive consent from its members to receive Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication. This will enable you to receive such notice(s)/Annual Reports(s)/documents(s)/Communications(s) etc., promptly and without loss in postal transit.

Once we receive your positive consent, henceforth, Notices of Meetings, Annual Reports, Directors' Report, Auditors' Report and other shareholders communication will be sent to you electronically to your email address as provided by you AND/OR made available to the Company by the Depositories viz. National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).

As and when there are changes in your e-mail address, you may update the same with your Depository Participant (DP). For shares held in physical form, you can register your e-mail address with the Company's Registrar M/s. Alankit Assignments Ltd, (Unit : Jasch), 2E/21, Jhandewalan Extension, New Delhi 110055" mentioning your name(s) and folio Number.

Please note that if you still wish to get a physical copy of the above documents, the Company will send the same, free of cost, upon receipt of a request from you.

We look forward to your support.

Thanking you,
Yours faithfully,
For Jasch Industries Ltd
Sd/-
S.K. Verma
Vice President & Company Secretary

To,
M/s. Alankit Assignments Ltd,
(Unit : Jasch),
2E/21, Jhandewalan Extension,
New Delhi 110055

Dear Sir,

As per your letter dated _____, I/We submit to you as under:

- 1) I/We hereby give my/our CONSENT to the Company to use my/our registered email id in my/our demat account with the Depository Participant for serving members related documents, under the Companies Act, 2013 (Please tick mark (✓) appropriately)
DP ID/Client ID: _____

Yes NO

- 2) Kindly use my/our Email Id: _____ for serving the documents for Physical Folio No. _____

Yes NO

Thanking You,
Yours faithfully
Name of Sole/First Holder: _____ Signature: _____

JASCH INDUSTRIES LIMITED

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

Registered Office : 43/5, Bahalgarh Road
P. O. Bahalgarh-131021, Distt. Sonipat (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. SONIPAT (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	

I/We of.....
in the district of.....being a Member/Members of the
JASCH INDUSTRIES LIMITED, hereby appointof.....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 :

Resolution No.	Subject matter of Resolution	Voted for or against (Please tick)	
		For	Against
1	Adoption of Annual Accounts		
2	Re-appointment of Shri Navneet Garg as Director		
3	Re-appointment of Independent Statutory Auditors		
4	Appointment of Shri Naresh Kumar as Independent Director		
5	Variation in remuneration of Shri Jai Kishan Garg		
6	Variation in remuneration of Shri Ramnik Garg		
7	Variation in remuneration of Shri Manish Garg		
8	Variation in remuneration of Shri Navneet Garg		
9	Rescinding earlier resolution regarding Sitting Fee		
10	Amendment in Articles of Association		
11	Charging/Mortgaging properties of the Company		
12	Authorizing the Board of Directors to borrow		

Please Affix
₹ 1/
Revenue
Stamp
and sign across it

Signed this.....day of.....2014.

REGISTERED POST

If undelivered please return to :

JASCH INDUSTRIES LIMITED

(CIN : L24302HR1985PLC022758)

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

Distt. Sonapat - 131 021 (Haryana)

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

Website : www.jaschindustries.com

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 st March, 2014
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	

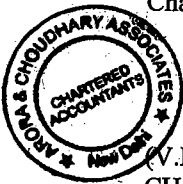
FOR JASCH INDUSTRIES LTD

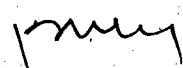

J.K. GARG
CHAIRMAN &
MANAGING DIRECTOR


K.L. KHETARPAUL
CHAIRMAN
AUDIT COMMITTEE


M.PALIWAL
CHIEF FINANCIAL OFFICER

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




V.K. CHOUDHARY
CHARTERED ACCOUNTANT
MEMBERSHIP NO. 81843