



JASCH INDUSTRIES LIMITED

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

29TH ANNUAL REPORT 2014-2015

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

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Annual General Meeting

Date : September 28, 2015 at 10:00 A.M.

Venue : Registered Office of the Company

JASCH INDUSTRIES LTD.

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

29TH ANNUAL REPORT 2014-2015

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

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

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.

SECRETARIAL AUDITORS

Mukesh Arora & Co.
Company Secretaries
(Registration No. 003870N)
Chamber No. 304, Nai Wala, Karol Bagh, New Delhi 110 005.
(Registration No. 4405)

BANKERS

HDFC BANK
ATLAS ROAD, MODEL TOWN, SONIPAT

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 29th ANNUAL GENERAL MEETING

To

The Members,

NOTICE is hereby given that the 29th Annual General Meeting of Members of JASCH INDUSTRIES LIMITED will be held on Monday, the 28th September, 2015 at 10:00 AM at Registered Office of the Company at 43/5, Bahalgarh Road, PO, Bahalgarh, Distt. Sonipat-131021, Haryana, to transact the following ordinary business :

ITEM NO. 1 : To receive, consider and adopt the audited Stand-alone and Consolidated Financial Statements of the Company for the year ended 31st March, 2015, and the Reports of the Directors and the Auditors thereon.

ITEM NO. 2 : To appoint a Director in place of Shri Manish Garg (DIN No. 00188959), a non-independent director, who retires by rotation, and being eligible, offers himself for re-appointment as non-independent director.

ITEM NO. 3 : To appoint auditors and to fix their remuneration and in this regard, 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.".

By Order of the Board of Directors
For JASCH INDUSTRIES LTD

Place : Sonipat
Date : 31st July, 2015

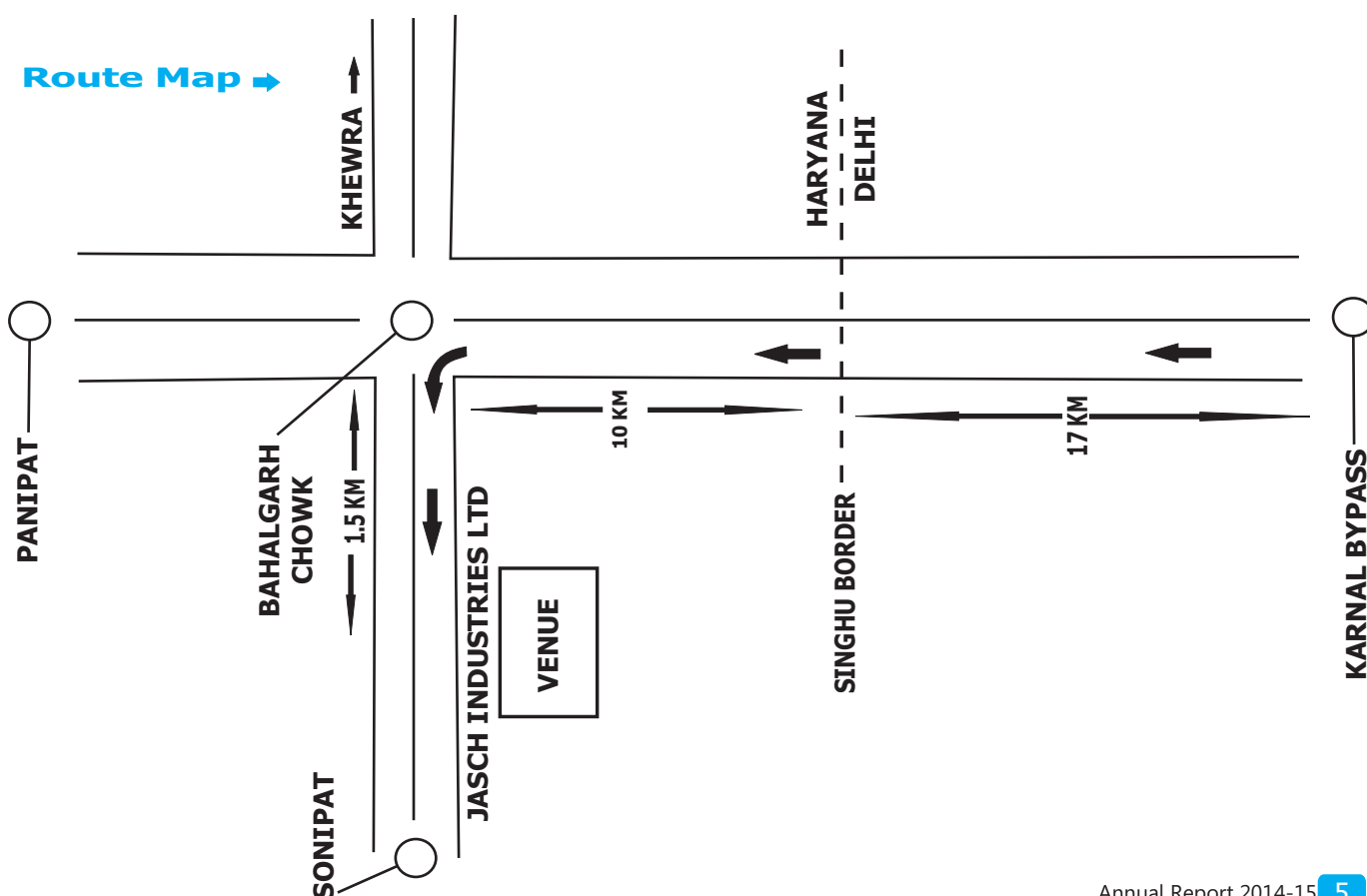
S.K. VERMA
COMPANY SECRETARY

NOTES

- In accordance with Secretarial Standard-2, proxyholders shall be required to prove their identity before entering the venue of the Meeting. Proxyholders and/or shareholders are requested to carry with them their government issued photo-identity card such as PAN Card, Voters' Id Card, Aadhar Card, Driving License, etc, without which they may not be permitted entry.**
- The business set out in the Notice will also be available for transaction through electronic voting system (e-voting) and the Company is providing the facility for e-voting. Instructions and other information relating to e-voting are attached. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- 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. A blank proxy form is attached. 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. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- 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.
- The company has given a public notice and has also notified the Stock Exchanges that the Register of Members and Share Transfer Books of the company will remain closed from 21st August, 2015 to 31st August, 2015 (both days inclusive) in connection with the Annual General Meeting.
- 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.

NOTES

7. Under Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive 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 in respect of the Director(s) seeking appointment/re-appointment at the Annual General Meeting are contained in the Corporate Governance Report (under Clause 49 of the Listing Agreement with the Stock Exchanges) and the same form part of the notice. The Director(s) have furnished the requisite declarations for their appointment/re-appointment.
9. Electronic copy of the notice and the Annual Report 2015 are 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 2015 are being sent in the permitted mode. For members who have not registered their email address, physical copies of the Annual Report 2015 are being sent in the permitted mode. Process and manner of e-voting, attendance slips, route map showing prominent landmark of the venue of the meeting and Proxy Form are attached.
10. Positive consent letter is also attached for giving consent to receive documents in electronic mode.
11. Members may also note that the Notice of this Annual General Meeting and the Annual Report 2015 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. The members are informed that Notice of Postal Ballot being sent together with Annual Report does not form a part of the Annual Report. The business mentioned therein shall be transacted only by means of Postal Ballot/e-voting.
13. 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.



INSTRUCTIONS FOR E-VOTING

The instructions for Shareholders voting electronically (e-voting) are as under:

- (i) The e-voting period begins at 10:00 hours on 25th September, 2015 and ends at 17:00 hours on 27th September, 2015. During this period Shareholders of the Company (hereinafter referred to as "You" or "Your"), holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2015 may cast your vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Once you have voted electronically, you would not be entitled to vote again either at the Meeting venue or, (in case of Postal Ballot items) through Postal Ballot.
- (iii) For e-voting, you should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. If you are holding shares in Physical Form, you should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user, follow the steps given below:

| | |
|--|--|
| PAN | <p>Enter your 10 digit alpha -numeric PAN issued by Income Tax Department (Applicable whether you are holding shares in physical form or in demat form)</p> <ul style="list-style-type: none"> • If you have not updated by your PAN with the Company/Depository Participant please use the first two letters of your name and the 8 digits of the sequence number in the PAN field. Sequence Number is given on the address label. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| <p>Dividend Bank Details OR Date of Birth (DOB)</p> | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) If you are holding shares in physical form, you will then directly reach the Company selection screen. However, if you are holding shares in demat form, you will now reach 'Password Creation' menu wherein you are required to mandatorily enter your login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) If you are holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN No. 150824004 for Jasch Industries Ltd.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

INSTRUCTIONS FOR E-VOTING

- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com with a copy to the Scrutinizer whose email id is contact@vipulbhardwaj.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Your voting rights shall be in proportion to your shares in the paid up equity share capital of the Company as on the cut-off date mentioned overleaf.
- (xxi) 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.
- (xxii) 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.
- (xxiii) The result of Resolutions taken up at the Annual General Meeting will be declared within two working days of the AGM. Immediately after declaration, the result, along with the Scrutinizer's Report, shall be placed on the Company's website www.jaschindustries.com and also on the website of CDSL.
- (xxiv) In case you have any queries or issues regarding e-voting, they may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 29th Annual report and audited accounts of the company for the year ended 31st March 2015.

1. FINANCIAL HIGHLIGHTS (STANDALONE)

The performance of the Company during the financial year ended 31st March, 2015 has been as under:

(₹ in lakhs)

| Particulars | Current year 2014-15 | Previous Year 2013-14 |
|---|-------------------------|--------------------------|
| Gross Income | 10565.80 | 9755.99 |
| Profit Before Interest and Depreciation | 934.26 | 838.04 |
| Finance Charges | 216.38 | 241.54 |
| Gross Profit | 717.88 | 596.50 |
| Provision for Depreciation | 246.38 | 267.76 |
| Net Profit Before Tax | 471.50 | 328.74 |
| Provision for Tax (Net) | 162.41 | 137.72 |
| Net Profit After Tax | 309.09 | 191.02 |
| Balance of Profit brought forward | 1684.91 | 1493.89 |
| Balance available for appropriation | 1993.99 | 1684.91 |
| Tax on proposed Dividend | --- | --- |
| Transfer from General Reserve | --- | --- |
| Surplus carried to Balance Sheet | 1993.99 | 1684.91 |

2. Performance during the Financial Year under Report

2.1 State of Company's Affairs

Your Company has achieved Gross Sales of ₹ 105.66 crore during 2014-2015 which were 8.30% higher as compared with the sales of previous year. The sales of Synthetic Leather Division at ₹ 83.93 crore during 2014-2015 were 17.34% higher as compared with the sales of previous year. The sales of Electronic Gauging Division at ₹ 21.73 crore during the year were 16.52% lower as compared with the previous year, due to recessionary conditions in user industry, both domestic and international. The Company Operating Profit Before Interest, Depreciation, Deferred Tax increased by 11.48% to ₹ 9.34 crore during 2014-2015 as compared with ₹ 8.38 crore during the previous year despite higher cost of Power, Salary/ Wages and Freight costs. The Interest and Finance Charges decreased to ₹ 02.16 crore (previous year ₹ 02.42 crore) despite higher sales, due to effective working capital management. The Net profit after Interest, Depreciation & Taxes has increased to ₹ 03.09 crore during the year which is 61.81% higher as compared with the Net profit of ₹ 01.91 crore in the previous year. Keeping in the view weak economy resulting in stagnant sales realization and all around increase in the cost of inputs due to inflationary conditions, the management considers overall performance to be satisfactory in a difficult year. The Board has not proposed carrying of any amounts to reserves. During the year, there has not been any change in nature of business of the company. No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. The Financial Statements of the Company have been audited by Independent Statutory Auditors, who have previously subjected themselves to peer review. Their Audit Report, which is annexed, is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimer calling for comments by the Board.

2.2 Material Changes and commitments, if any, affecting the Financial Position of the Company

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Directors' Report.

3 Future Prospects

The Company is continuously upgrading its technology and modernizing plant & machinery to maintain competitive edge in the market. Despite tough competition in the market, its sales are growing every year.

For some time now, the Company has been concentrating on PU resin where completion is somewhat less. Taking a cue from the "Make in India" campaign of Government of India, the Company explored the opportunities of developing high quality, breathable and import substitution products. The Company has been successful in developing breathable PU resin using high quality resins. These products, which offer higher margins, have been well accepted by market. The Company is also in the process of modifying its production line, which promises better products and significant energy saving. These measures are expected to give some measurable boost to Company's margins.

4 Dividend

To conserve working capital, the Management has not proposed any dividend for the year ended on 31st March, 2015

5 Directors & Key Managerial Personnel

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served. The decision making process at the Company is institutionalized. Stakeholder's interests are taken into account, before making any business decision. The Chairman and Managing Director (CMD) provides overall direction and guidance to the Board. The Board has constituted three Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and is empowered to constitute additional functional Committees from time to time, depending on business needs.

For statements on composition of the Board, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and their Meetings held during the Financial Year under Report, Independent Directors, their brief resume, the declarations of Independence given them and appointment of Key Managerial Personnel, please refer to Annexure A. (Corporate Governance Report) which forms an integral part of this Report. Terms and conditions of appointment of Independent Directors can be accessed from the website of the Company at the following web link: www.jaschindustries.com/Filings & Disclosures/ Appointment & Training of IDs.

During the year under report, Shri Om Prakash Garg, Executive Director resigned w.e.f. 30-04-2014 citing his personal commitments. Dr. Ashok Kumar Mittal, Director also resigned w.e.f. 30-04-2014 stating that he is not qualified for appointment as independent director under the Companies Act, 2013. The management would like to place on record the rich contribution made by them on the Board of Directors of the Company. Shri Naresh Kumar was appointed non-executive Additional Director (Independent) w.e.f. 30-05-2014 and the members of the Company in their meeting held on 29th September, 2014 appointed him as Director. Shri Manish Garg, Director retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. On the recommendations of the Nomination & Remuneration Committee, the Board of Directors proposes to re-appoint Shri Manish Garg as Director (subject to retirement by rotation) and also re-appoints or take on record afresh the appointments of Dr. SK Khandelwal, Dr. KC Varshney, Shri Kuldeep Singal and Shri KL Khetarpaul as Independent Directors for a period of five years under the new Act (without being liable to retire by rotation). The Board recommends their (re) appointments.

6 Particulars of Employees

The Company does not have any employees whose particulars are required to be disclosed in the Directors' Report pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7 Board & Board Committee Meetings

Details of Board and Committee Meetings are given in the Corporate Governance Report, which is annexed as Annexure A ibid which forms integral part of this Report.

8 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as its Committees. This was done in accordance with the criteria suggested by the Nomination & Remuneration Committee, which includes attendance and participation at Board, Committee and General Meetings; quality of individual director's contribution to Board, relationship of an individual director with other Board members; ability to follow up the views expressed by him/her earlier; ability to contribute to and monitor the corporate governance practices; ability to restrict litigation to the minimum; ability to take unanimous decisions; ability to adopt international best practices; ability to actively participate in long-term strategic planning, ability to fulfill directors' legal obligations and fiduciary responsibilities; self-appraisal of Key Result Areas (in case of whole time directors), etc.

The Board and the Independent Directors were of the unanimous view that performance of the Board as a whole was satisfactory.

9 Remuneration Policy, Remuneration of Directors & Appointment Of Directors

For a policy on Directors' appointment, remuneration and criteria of evaluation required to be disclosed under Section 178(3) of the Companies Act, 2014 and under Clause 49 of the Listing Agreement please refer to Annexure B, which forms part of this Report.

10 Disclosure under Section 197(12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The requisite details relating to ratio of remuneration, percentage increase in remuneration, etc. of managerial personnel, as stipulated under the above Section/Rules are annexed as Annexure C to this Report, which forms part of this report.

11. Subsidiaries, Consolidated Accounts and materiality

Indev Gauging Systems Inc (INDEV), is a wholly owned subsidiary of Jasch North America Ltd (JNAC) (the latter in turn being the wholly owned subsidiary of Jasch Industries Ltd). Incorporated in the United States both these entities existed as subsidiaries of the Company at the beginning and at the end of the Financial Year under Report, during which no other entity became or ceased to become subsidiary or joint venture entity or associate company of the Company. A subsidiary company is considered as material if the holding Company's investment in the subsidiary company exceeds twenty per cent of consolidated net worth of holding company as per holding company's audited balance sheet of the previous financial year or if the subsidiary company has generated twenty per cent of the consolidated income of the holding company during the previous financial year.

Performance and financial position: JNAC does not perform any business, except supporting INDEV by way of providing share capital or investment or guarantee. Calendar year is the financial year of both these subsidiaries. Due to slump in US economy INDEV could earn a net profit of only INR 40,673 on a gross sales and other income of USD equivalent of INR 9,63,28,293. 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, which include those of its wholly owned subsidiaries, are annexed to

this report.

12. Financial Audit & Financial Auditors' Report

M/s Arora and Choudhary Associates, Chartered Accountants, who have subjected themselves to peer review, have carried out statutory audit of Company's financial accounts during the financial year 2014-15. They hold office till the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limit under Companies Act, 2013 and that they are not disqualified for re-appointment. The Directors and the Audit Committee recommend their re-appointment. Auditors' Report is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimer.

13. Secretarial Audit & Secretarial Auditors' report

During the financial year under Report, the Company subjected itself to Secretarial Audit by Independent Secretarial Auditors, M/s Mukesh Arora & Co, Company Secretaries and their report in Form MR-3 is at Annexure D, which forms part of this Report.

14. Cost Audit & Cost Record

In compliance with an order issued by the 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 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. Thereafter, the law changed and the Company was no longer required to appoint Cost Auditors. Therefore, their re-appointment for the Financial Year 2014-15 was not being put up to the Members for their approval. However, the Company was required to maintain, and maintained, cost records for the financial year under Report. For the financial year 2015-16, Audit of Cost Records has again become mandatory for the Company.

15. Internal Audit, Internal Control Systems & Their Adequacy

The Company has engaged CMA Jyoti Gandhi as its Internal Auditor. The scope of their work includes review of processes for safeguarding the assets of Company, effectiveness of systems and processes and assessing the internal control strengths in all areas. 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.

16. Vigil Mechanism :

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.jaschindustries.com under the link Filings and Disclosures / RPT, Vigil & other policies.

17. Risk management policy

A statement indicating business risks and the management policy to manage the risks, forms part of Management Discussion & Analysis Report attached with Directors' Report.

18. Extract of Annual Return

Extract of Annual Return is attached at Annexure E.

19. Deposits

The Company did not accept any deposits during the year under report. No deposits remained unpaid or unclaimed as at the end of the year. There has been no default in repayment of deposits or payment of interest thereon. All the unsecured loans from relatives of

Directors which existed at the beginning of the financial year and which, by a change in law, came to be included in the definition of "deposits", were suitably dealt with and at the end of the year there were no deposits which were not in compliance with the requirements of Chapter V of the Act.

20. Loans & Advances

During the year under Report, the Company did not give any reportable loans or advances.

21. Related Parties Transactions

On the recommendation of the Audit Committee, the Board of Directors of the Company has adopted a policy to regulate transactions between the Company and parties related to it. This Policy has been uploaded on the website of the Company at www.jaschindustries.com under the link Filings & Disclosures /RPT, Vigil and other policies.

All the related party transactions that were entered into during the financial year, were on arm's length basis and were in the ordinary course of the business. Transactions with related parties by the Company in the normal course of business were placed before the Audit Committee for its approval and the particulars of contracts entered during the year as per Form AOC-2 are enclosed as Annexure – F. There were no material significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

22. Corporate Governance Report And Certificate

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Corporate Governance Report, together with requisite certificate from the Independent Statutory Auditors of the Company, confirming compliance with the conditions of corporate governance as stipulated under the Listing Agreement is attached at Annexure - A ibid and forms an integral part of this Report.

23. Management Discussion And Analysis Report

For Management Discussion & Analysis Report, please refer to Annexure - G, which forms a part of this Report.

24. Disclosure Pursuant To Section 22 of Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013

In order to prevent sexual harassment of women at work place a new Act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified on 9th December, 2013. Under the said Act every company is required to disclose in its Annual Report, the complaints received by it relating to sexual harassment at work place of any women employee. During the Financial Year under report, no cases were filed or disposed of under that Act.

25. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

Information required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure H to this report.

26. Credit Rating & ISO Certification

The company's performance and financial position was rated by CRISIL Ltd, the premier credit rating agency in the country, which has assigned BBB Stable rating to fund based long term bank loans and P3

rating to non-fund based facilities from HDFC Bank. 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.

27. Listing

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

28. Corporate Social Responsibility

Provisions relating to Corporate Social Responsibility were not applicable to the Company during the Financial Year under Report.

29. Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors affirm that:

- (I) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation, if any, relating to material departures;
- (ii) Appropriate accounting policies had been selected and applied consistently, and judgments and estimates made were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profits of the Company for the year ended 31st March, 2014.
- (iii) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts had been prepared on a going concern basis.
- (v) Internal financial controls were laid down to be followed by the Company and such internal financial controls were adequate and were operating efficiently.
- (vi) Proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

30. Appreciation

Your directors wish to place on record their appreciation of the devoted services rendered by the workers, the staff and the executives of the Company and for the continued support from the shareholders, the lenders and other associates.

For & on behalf of the Board

(J. K. Garg)
Chairman

Place : Sonipat
Date : 31st July, 2015

ANNEXURE A TO DIRECTORS' REPORT (CORPORATE GOVERNANCE REPORT)

**CORPORATE GOVERNANCE REPORT
(Forms integral part of Directors' Report)**

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

Corporate Governance comprises of a set of systems and practices to ensure that the affairs of the Company are managed in a manner which ensures accountability, transparency and fairness in all transactions. Over the years, we have strengthened governance practices. These practices define the way business is conducted, value is generated and stakeholder's interests are taken into account, before making any business decision.

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."

1.1 Ethics and Governance Policies

In line with the Company's philosophy on Code of Governance, the Company strives to conduct its business and strengthen its relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. It has adopted various codes and policies to carry out its duties in an ethical manner. Some of these codes and policies are:

- ❖ Code of Conduct
- ❖ Code of Conduct for Prohibition of Insider Trading
- ❖ Health, Safety and Environment (HSE) Policy
- ❖ Vigil Mechanism/Whistle Blower Policy
- ❖ Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- ❖ Policy for Selection of Directors and determining Directors Independence
- ❖ Remuneration Policy for Directors, Key Managerial Personnel and other Employees

1.2 Institutionalized decision making

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served. The decision making process at the Company is institutionalized. Stakeholder's interests are taken into account, before making any business decision. The Chairman and Managing Director (CMD) provides overall direction and guidance to the Board. The Board has constituted three Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and is empowered to constitute additional functional Committees from time to time, depending on business needs.

1.3 Audits and internal checks and balances

A firm of experienced Chartered Accountants, who has subjected itself to peer review, audits the accounts of the Company as Independent Auditor. An Independent Internal Auditor, who is a Member of Institute of Cost Accountants of India, reviews internal controls, operating systems and procedures in the Company besides reporting on the

status of compliance with various statutes, such as industrial and labor laws, taxation laws, corporate and securities laws and health, safety and environment regulations. Besides this, an Independent Company Secretary in Practice, conducts secretarial audit of Company. Continuous checks are also made by the key managerial personnel to ensure that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances.

1.4 Role of the Company Secretary in overall governance process

The Company Secretary being the Chief Corporate Governance Officer, interfaces between the management and regulatory authorities for governance matters. He plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the Directors for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings.

1.5 Code of Conduct for Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

1.6 Directors' familiarization program: To familiarize the directors with their rights and responsibilities, the nature of industry in which the Company operates, the Company periodically conducts familiarization programs. Details of these programs are available at the Company's website www.jaschindustries.com/Filings & Disclosures/Appointment & Training of IDs.

1.7 Meeting of independent directors: The Company recognizes that the Independent Directors are a key constituents of the Board. They play a vital role in dispassionately reviewing the performance of non-independent directors, the Chairman and the Board as a whole, besides assessing the quality, quantity and timeliness of flow of information between the company management and the Board. During the year under report, a Meeting of Independent Directors was held on 29th September, 2014.

2. BOARD OF DIRECTORS

2.1 Board Leadership

The Board of Directors of the Company is composed of ten Directors, half of whom are Independent Directors. The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

The Company's internal guidelines for Board/Board Committee meetings facilitate the decision making process at its meeting in an informed and efficient manner. Minimum four Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case

of business exigencies or urgency of matters, resolutions are passed by circulation.

The meetings are usually held at the Registered Office & Works of the Company.

The Board is given periodic reports and presentations covering Finance, Sales, Marketing, the Company's major business segments and their operations, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

2.2 Composition, category and attendance of Directors at Board Meetings and last Annual General Meeting, Number of other boards/Committees on which he/she is a Member or Chairperson are as follows :

| Name | Category | Attendance at Board Meetings | Number of directorships/ committee member/chairmanships other than in Jasch Industries Ltd Committee~ | | | whether attended last AGM |
|--------------------------------|----------|------------------------------|---|--------|----------|---------------------------|
| | | | Directorships# | Member | Chairman | |
| Shri J.K. Garg | E&P | 6 | 1 | 0 | 0 | Yes |
| Smt Kamlesh Garg | P | 6 | 0 | 0 | 0 | No |
| Dr. S.K. Khandelwal | NE & I | 6 | 1 | 0 | 0 | Yes |
| Shri Ramnik Garg | E & P | 6 | 1 | 0 | 0 | Yes |
| Shri Manish Garg | E & P | 6 | 1 | 0 | 0 | Yes |
| Shri Navneet Garg | E & P | 6 | 0 | 0 | 0 | Yes |
| Dr. K.C. Varshney | NE & I | 6 | 2 | 1 | 1 | No |
| Shri Kuldeep Singal | NE & I | 6 | 0 | 0 | 0 | Yes |
| Shri K.L. Khetarpaul | NE & I | 6 | 2 | 2 | 0 | Yes |
| Shri Naresh Kumar ¹ | NE & I | 4 | 0 | 0 | 0 | No |
| Shri O.P. Garg ² | E | 0 | 0 | 0 | 0 | NA |
| Dr. Ashok Mittal ³ | NE & I | 1 | 1 | 1 | 0 | NA |

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.

1. Appointed w.e.f. 31-05-2014

2. Resigned w.e.f. 30-04-2014 citing increased personal commitments.

3. Resigned w.e.f. 30-04-2014 stating that he is not qualified for appointment as Independent Director under the new Act.

Relationship between directors interse [Disclosure in terms of Clause 49(VIII)(E)(2) of Listing Agreement] : Shri J.K. Garg is the spouse of Smt. Kamlesh Garg and Shri Ramnik Garg, Shri Manish Garg and Shri Navneet Garg are their sons.

2.3 Board Meetings

During the year under the report, Board Meetings were held on 30-04-2014, 31-05-2014, 26-07-2014, 08-11-2014, 02-02-2015 & 19-03-2015 (total six Board Meetings). The maximum time gap between any two Board Meetings was not more than one hundred and twenty days.

2.4 Board Process

The Chairman of the Board and the Company Secretary, in consultation with other key managerial personnel, finalize the agenda for Board meetings. The detailed agenda notes and copies of relevant documents are circulated to Directors in advance and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Matters which are placed before the Board, inter alia, include the following:

- Annual operating plans of the businesses and budgets including capital budgets and any updates
- Quarterly results of the Company and its operating divisions or business segments
- Company's annual Financial Results, Financial Statements, Auditor's Report and Board's Report
- Minutes of meetings of the Audit Committee and other Committees of the Board
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems
- Any material default in financial obligation to and by the Company, or substantial non-payment for goods sold by the company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Non-Compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others

- Appointment, Remuneration and resignation of Directors
- Formation/reconstitution of Board Committees.
- Terms of reference of Board Committees
- Minutes of Board meetings
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of Key Managerial Personnel
- Appointment of Internal Auditors and Secretarial Auditors
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Dividend declaration
- Quarterly summary of long term borrowings made, bank guarantees issued and loans and investments made
- Significant changes in accounting policies and internal controls
- Statements of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Borrowing of Monies, giving guarantees or providing security in respect of loans
- Brief on statutory developments, changes in government policies, among others with impact thereof, Director's responsibilities arising out of any such developments
- Compliance Certificates certifying compliance with all laws as applicable to the Company

2.5 Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India

The Institute of Company Secretaries of India (ICSI), one of the India's premier professional bodies, has issued secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards, as at the end of the year under Report are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

2.6 Recording minutes of proceedings at the Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

2.7 Role of Chairman & Managing Director in Execution of Board decisions

The Chairman & Managing Director (CMD) being the Chief Executive Officer of the Company, is responsible for overall implementation of the decisions taken at the Board and Committee Meetings. In the operations and functioning of the Company, the CMD is assisted by a core group of executives –three whole time directors, the company secretary and the chief financial officer.

2.8 Details of persons being appointed / re-appointed as Directors.

Name of director, his brief resume, nature of expertise in specific functional area, directorship/ committee membership held by him and in case of non-executive director, his shareholding in the company are as follows:

Shri Manish Garg

In this AGM Shri Manish Garg is proposed to be re-appointed as Director. At 42 years of age, he is a Post-Graduate in Electronics from the Indian Institute of Technology, Mumbai. He was initially appointed on 1st May, 1996 as an Engineer to head the Electronics Division of the Company. He has been on the Board as a Whole Time Director since 29th July, 2002. His field of specialization is development of plant automation equipment. He also holds Directorship on the Board of Gesco Automation Ltd, Jasch North America Co. (USA), Jasch Europe (Belgium).

In addition, the following Directors are being appointed/re-appointed through Postal Ballot:

Dr. Shiv Kumar Khandelwal

Dr Shiv Kumar Khandelwal, aged 86 years, is a Ph.D. in linguistics. Prior to joining the Company as Director in the year 1994, he was Principal of Hindu College, Sonipat. His field of specialization is general management. He is the Chairman of Shareholders' Grievance Committee & was, for a part of the year, a Member of Audit Committee and Nomination & Remuneration Committee of the Company. He also holds Directorship on the Board of System Packaging Pvt Ltd. He does not hold any other Directorships or Committee Memberships.

Shri Kuldeep Singal

Shri Kuldeep Singhal, aged 71 years, is an industrialist with industrial experience of over four decades in production, finance and management. He is the Member of Audit Committee & the Chairman of the Nomination & Remuneration Committee of the Company. Besides being a Director of Janaki Dass Rubber Industries Pvt Ltd., he is not a Director or Committee Member of any other Company.

Dr. Kailash Chander Varshney

Dr. K.C. Varshney, aged 77 years, is a Doctorate in Chemical Engineering with about four decades of experience in the field of corporate finance and development banking. He retired as Executive Director of Industrial Development Bank of India. His field of specialization is industrial

development/finance. Besides being Member of Audit Committee and Remuneration Committee of the Company, he also holds Directorship on the Board of Cheema Spintex Ltd, Bollywood Com Porta Pvt Ltd and Kalyanpur Cements Ltd. He is also the Chairman of Remuneration Committee & Member of Audit Committee of Kalyanpur Cements Ltd.

Shri Krishan Lall Khetarpaul

Shri K.L. Khetarpaul, aged 72 years, is a retired Executive Director of Reserve Bank of India. He specializes in economics, finance and banking operations. Thereafter, he worked as the Director and CEO of Punjab National Bank Institute of Information Technology. He is the Chairman of the Audit Committee of the Company. He also holds Directorship on the Board of Almonds Global Securities Ltd and Paul Merchants Ltd. He is also the Member of Audit Committee, Nomination & Remuneration Committee and Compensation Committee of Almonds Global Securities Ltd.

2.9 Appointment(s) of Key Managerial Personnel

During the year under report, Shri Mahender Paliwal, who had been previously working in the Company as Deputy General Manager, was re-designated and appointed as Chief Financial Officer of the Company w.e.f. 01st April, 2014.

3. AUDIT COMMITTEE

The Audit Committee has powers stated in Section 177 and the Listing Agreement. All the Members of this Committee (three in number) are Independent Directors, which composition is in accordance with Section 177 of the Companies Act, 2013 and the Listing Agreement. At the beginning of the financial year under report, the Audit Committee was composed of the Dr. K.C. Varshney (Chairman), Dr. S.K. Khandelwal (Member) and Shri Kuldeep Singal (Member), all being Independent Directors. During the year, the Committee was reconstituted and currently, this Committee is composed of Shri K.L. Khetarpaul (Chairman), Dr. K.C. Varshney (Member) and Shri Kuldeep Singal (Member), all being independent Directors. Shri K.L. Khetarpaul is a retired Executive Director from Reserve Bank of India. Dr. K.C. Varshney is a retired Executive Director from Industrial Development Bank of India. Shri Kuldeep Singh has been an industrialist for over four decades. As such, all of them have vast experience in banking, finance and management. The Chief Financial Officer of the Company and a representative of Statutory Auditors 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 30-04-2014, 31-05-2014, 26-07-2014 and 08-11-2014 and 02-02-2015. All the Committee Members attended all the Meetings.

4. REMUNERATION COMMITTEE/NOMINATION & REMUNERATION COMMITTEE (NRC)

4.1 Brief description of terms of reference, composition, name of members and Chairperson of the NRC

At the beginning of the year under Report, the Remuneration Committee constituted by the Board of Directors comprised of Dr. K.C. Varshney (Chairman), Shri Kuldeep Singal and Dr. S.K. Khandelwal, Members; all being independent directors. 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 to be in tune with provisions of that Act and Listing Agreement. At present, the Committee is composed of Shri Kuldeep Singal (Chairman), Dr. K.C. Varshney (Member) and Shri K.L. Khetarpaul (Member). All these members being Independent Directors, this composition is in accordance with law/listing agreement. Shri S.K. Verma, Company Secretary was the Secretary of this Committee.

During the financial year under report, the Committee held two meetings i.e. on 30-04-2014 and 31-05-2014. Both the meetings were attended by all the Members.

4.2 Remuneration Policy

In accordance with law/Listing Agreement, the NRC has framed a Remuneration Policy which has been annexed with the Directors' Report. This policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with existing industry practice. The remuneration and terms & conditions of Key Managerial Personnel have been revised to fall in tune with the Remuneration Policy. Further, the Company has devised a policy for performance evaluation of Independent Directors, Board and Committees.

4.3 Details of Remuneration to executive directors are as follow (Amount is in ₹)

| Name & Designation | Fixed Salary | Perks And Allowance | Variable Salary | Total |
|---|--------------|---------------------|-----------------|-----------|
| Sh Jai Kishan Garg, Chairman & Managing Director | 24,00,000 | 39,600 | 2,43,123 | 26,82,723 |
| Sh. Ramnik Garg, Whole Time Director | 18,00,000 | 2,00,413 | 2,43,123 | 22,43,536 |
| Sh. Manish Garg, Whole Time Director | 18,00,000 | 2,00,413 | 2,43,123 | 22,43,536 |
| Sh, Navneet Garg, Whole Time Director | 18,00,000 | 2,00,413 | 2,43,123 | 22,43,536 |

The above remuneration does not include company's contribution to gratuity fund. The employment of above directors is terminable by giving three months' notice in writing from either side.

4.4 Remuneration paid to non-executive directors as sitting fee :

(Amount is in ₹)

| | | | |
|----------------------|----------|--------------------|----------|
| Dr. S. K. Khandelwal | : 47,500 | Dr. K C Varshney | : 77,500 |
| Dr. Ashok Mittal | : 5,000 | Sh. Kuldeep Singal | : 77,500 |
| Sh. K L Khetarpaul | : 67,500 | Sh. Naresh Kumar | : 27,500 |
| Smt. Kamlesh Garg | : 37,500 | | |

Besides payment of sitting fees, no other remuneration/perks/commission/incentive/stock options were paid or payable to them.

5. SHAREHOLDERS' GRIEVANCE COMMITTEE/STAKEHOLDERS RELATIONSHIP COMMITTEE

5.1 Functions of the Committee:

The functions of the Committee are overseeing Redressal of complaints received from stakeholders.

5.2 Chairman and Compliance Officer:

Dr. S.K. Khandelwal, a Non-Independent Director, is the Chairman of the Committee. Shri S.K. Verma, Company Secretary is the Compliance Officer.

5.3 Status of complaints:

During the year under report, the company received only 4 complaints, all of which were satisfactorily resolved. No complaint was pending as on 31st March, 2015.

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 At AGM | Special Resolution passed through postal ballot |
|---------|------------|-------|--|---|
| 2011-12 | 29-08-2012 | 10 AM | 2 | 0 |
| 2012-13 | 27-09-2013 | 10 AM | 2 | 0 |
| 2013-14 | 29-09-2014 | 10 AM | 6 | 2 |

All the above Meetings were held at the Registered Office & Works of the Company at 43/5, Bahalgarh Road, Sonipat. Two items were passed through postal ballots. Shri Vipul Bhardwaj, Cost Accountant, conducted the Postal Ballot exercise. In the current financial year 2015-16, seven Resolutions are proposed to be passed through postal ballot. The procedure adopted/to be adopted for postal ballot, is attached as a separate section.

7. DISCLOSURES

7.1 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.

7.2 Details of non-compliance by the company, penalties and 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.

7.3 Whistle Blower Policy:

In terms of Clause 49(F) of the Listing Agreement, the Company has established a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. No personnel has been denied access to the Audit Committee. The details of establishment of such mechanism has been uploaded at the website of the Company www.jaschindustries.com/Filings & Disclosures /RPT, Vigil & Other Policies. The same also form part of Board's Report.

7.4 Details of compliance with mandatory and non-mandatory requirements of Clause 49 and adoption of the non-mandatory requirements thereof: All the mandatory requirements of Clause 49 of the Listing Agreement have been complied with by the Company. With regard to compliance with non-mandatory requirements, the Company has moved towards a regime of unqualified financial statements.

8. MEANS OF COMMUNICATION

The company has published its quarterly results in The Pioneer and also uploaded the same at its website www.jaschindustries.com. The Company did not release any official news. No presentations were made to institutional investors or to the analysts.

FAMILIRAZATION PROGRAMME FOR BOARD MEMBERS

The Directors are provided with necessary documents, explanatory notes and reports to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings on business and performance updates of the Company, business strategy and risks involved. Presentations are also made on business segments of the Company. Updates on important statutory changes are regularly circulated to the Directors. Plant visits are also organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programs for Independent Directors are posted on the website of the Company and can be accessed at <http://www.jaschindustries.com/Filings&Disclosures/Appointment&TrainingofIDs>.

9. GENERAL SHAREHOLDER INFORMATION

9.1 Annual General Meeting:

- Date and Time 28th September, 2015 at 10:00 AM - Venue Registered Office of the Company at: 43/5, Bahalgarh Road, Sonipat, Haryana

9.2 Financial Year = 1st April, 2014 - 31st March, 2015

Financial Quarter : Three months' period that ends on 30th June, 30th September, 31st December and 31st March in each calendar year. Publication of Quarterly Financial Results is done within 45 days of close of each Financial Quarter, except the last Quarter, publication of results for which was done within 60 days.

9.3 Book Closure Date : 21st August, 2015 to 31st August, 2015 (both days inclusive)

9.4 Dividend Payment date : Not applicable

9.5 Listing of Equity Shares : BSE Ltd. and the Calcutta Stock Exchange Ltd.

9.6 Stock Code :

- (a) Trading Symbol at : BSE Ltd. : 500220; The Calcutta Stock Exchange : 20053
(b) Demat ISIN Nos in NSDL and CDSL : INE711C01010

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

9.7 Stock market data & 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 BSE Ltd.) of the Company i. e. high/low/closing price, number of shares traded and number of trades during the financial year 2014-2015 on the BSE Ltd. was as under:

Period: Apr 2014 to Mar 2015

All Prices are in ₹

| Month | Open | High | Low | Close | No. of Shares | No. of Trades | Total Turnover | Deliverable Quantity | % Deli. Qty to Traded Qty | * Spread | |
|--------|-------|-------|-------|-------|---------------|---------------|----------------|----------------------|---------------------------|----------|------|
| | | | | | | | | | | H-L | C-O |
| Apr 14 | 7.47 | 9.28 | 7.30 | 7.70 | 26,456 | 138 | 2,08,505 | 25,422 | 96.09 | 1.98 | 0.23 |
| May 14 | 8.08 | 11.13 | 7.11 | 10.00 | 27,145 | 145 | 2,48,645 | 22,677 | 83.54 | 4.02 | 1.92 |
| Jun 14 | 10.00 | 13.50 | 9.51 | 13.50 | 36,502 | 172 | 4,08,956 | 33,625 | 92.12 | 3.99 | 3.50 |
| Jul 14 | 13.85 | 14.60 | 10.35 | 12.88 | 38,323 | 317 | 4,87,540 | 35,112 | 91.62 | 4.25 | 0.97 |
| Aug 14 | 12.12 | 13.88 | 10.73 | 12.33 | 29,938 | 394 | 3,64,636 | 25,587 | 85.47 | 3.15 | 0.21 |
| Sep 14 | 13.48 | 17.45 | 11.98 | 15.89 | 1,16,495 | 1,673 | 17,15,647 | 1,03,484 | 88.83 | 5.47 | 2.41 |
| Oct 14 | 15.55 | 18.00 | 15.00 | 17.15 | 29,285 | 366 | 4,97,690 | 28,916 | 98.74 | 3.00 | 1.60 |
| Nov 14 | 17.95 | 21.70 | 15.75 | 17.00 | 96,829 | 721 | 18,73,903 | 93,909 | 96.98 | 5.95 | 0.95 |
| Dec 14 | 16.30 | 19.95 | 14.15 | 17.45 | 57,802 | 562 | 10,07,207 | 54,566 | 94.40 | 5.80 | 1.15 |
| Jan 15 | 18.70 | 24.40 | 16.55 | 20.00 | 1,05,427 | 958 | 21,90,179 | 94,136 | 89.29 | 7.85 | 1.30 |
| Feb 15 | 19.25 | 24.60 | 18.65 | 22.95 | 1,22,870 | 1,165 | 27,02,767 | 98,131 | 79.87 | 5.95 | 3.70 |
| Mar 15 | 24.90 | 28.20 | 18.60 | 22.00 | 1,58,639 | 1,717 | 38,82,956 | 1,22,583 | 77.27 | 9.60 | 2.90 |

*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 BSE Ltd (i.e. the Mumbai Stock Exchange). The shares of the company have shown no or very little sensitivity to share price index.

9.8 REGISTRAR & SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

Pursuant to SEBI directions regarding handling of Share Transfer/demat work at one point, the Company has appointed M/s Alankit Assignments Ltd as the Registrars, whose complete address is as follows :

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

9.9 DISTRIBUTION OF SHAREHOLDING AS ON 31ST March, 2015

(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 |
|---|-------------------------|------------------------|--|--|
| Indian Promoters (Individuals / HUF) | 11 | 6245871 | 6245871 | 55.13 |
| Mutual Funds/UTI | 1 | 1100 | 0 | 0.01 |
| FII's | 1 | 1890 | 1890 | 0.01 |
| Bodies Corporate | 102 | 437611 | 399611 | 3.86 |
| i. Individual shareholders holding nominal share capital up to ₹ 1 Lakh | 8678 | 2670273 | 1397333 | 23.57 |
| ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh | 41 | 1836517 | 1735017 | 16.21 |
| NRI's | 290 | 136738 | 24438 | 1.21 |
| TOTAL | 9124 | 11330000 | 9804160 | 100.00 |

None of the aforesaid shares are reported to have been pledged.

9.10 DEMATERIALISATION OF SHARES AND LIQUIDITY

86.53% of the paid up share capital of the Company is represented in dematerialized form as on 31st March, 2015.

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 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 number is: 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(E), of the Listing Agreement the Managing Director declares 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. The Code of Conduct is available at the website of the Company by following the following link: [www.jaschindustries.com/Filings & Disclosures/Code of Conduct \(Clause 49\)](http://www.jaschindustries.com/Filings & Disclosures/Code of Conduct (Clause 49)).

9.15 CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE CONDITIONS

A certificate signed by M/s Arora & Choudhary Associated, Chartered Accountants, Statutory Auditors of the Company, is annexed.

9.16 CEO/CFO Certification

In terms of Clause 49(IX), the Managing Director and the Chief Financial Officer have given the required certificate to the Board of Directors.

For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

ANNEXURE B TO DIRECTORS' REPORT

(INCLUDES POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION AND CRITERIA OF EVALUATION)

REMUNERATION POLICY, EVALUATION CRITERIA FOR APPOINTMENT OF DIRECTORS, REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL (PRESCRIBED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2014 AND CLAUSE 49 OF LISTING AGREEMENT)

This Policy concerns the remuneration to Managing Director, Whole Time Directors, Company Secretary and Chief Financial Officer (Collectively known as Key Managerial Personnel or "KMPs") employed in Jasch Industries Ltd. The KMPs are also functional heads of the Company. This policy does not concern other executives of the Company.

1. Identification and recommendation of suitable personnel:

In accordance with provisions of law/listing agreement, the persons, who are qualified to become directors and who may be appointed in senior management, will be identified by the Nomination & Remuneration Committee constituted by the Board, which shall recommend to the Board their appointment and removal.

2. Guiding principles for remuneration

The guiding principles for fixation of remuneration of KMPs are as follows:

- 2.1 The remuneration will be based on the qualifications, experience and personality traits of the KMP.
- 2.2 The level and composition of remuneration will be reasonable and sufficient to attract, retain and motivate KMPs of the quality required to run the company successfully;
- 2.3 The Company will endeavor to match the remuneration of KMPs as per best industry standards.
- 2.4 Relationship between remuneration to performance will be clear and will meet appropriate performance benchmarks; and
- 2.5 The remuneration to KMPs will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
3. The fixed pay of KMPs shall be competitive and based on the individual executive's responsibilities and functions.
4. Variable pay, incentive schemes and relation between fixed and variable components of the remuneration and the linkage between performance and remuneration

In order to motivate the KMPs to perform their best, they will be paid incentive pay equivalent to 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 their respective fixed annual pay.

5. The principal terms of other benefits, notice of termination and severance pay

5.1 Other benefits

- 5.1.1 All KMPs will be entitled to a Special Allowance not exceeding six months' salary in a year, to cover housing, conveyance, medical, electricity, gas, water and other personal expenses.
- 5.1.2 All KMPs will be entitled to customary non-monetary benefits such as chauffeur driven car, subsidized health care insurance/medical, mobile phone and telephone at residence and gratuity as per law.
- 5.1.3 All KMPs will be entitled one month's paid leave during a financial year or encashment in lieu thereof.
- 5.1.4 All KMPs will be entitled to 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.

5.1.5 In case any KMPs has given a personal guarantee for securing financial assistance from banks/financial institutions, then such KMPs will be entitled to a guarantee commission at a rate to be determined by the Remuneration & Audit Committee.

5.1.6 In case any KMPs has provided any loan to the Company, then such director will be entitled to receive interest thereon at an annual rate 1% below the rate at which the Company has borrowed from the bank(s).

5.1.7 Appointments of KMPs will be terminable at either end, by giving three months' notice in writing.

5.1.8 To attract and retain the KMPs for longer years, all KMPs who have put in a minimum of 15 years of continuous service ("qualifying service") in the Company, will be entitled to severance pay calculated @ half month's pay for each completed year of qualifying service, on their attaining the age of superannuation or on termination of their service otherwise for misconduct. Any part of the year exceeding 182 days will be treated as full year.

5.1.9 Notwithstanding anything contained in this Remuneration Policy, the total gross emoluments of Managing Director and whole time directors shall not exceed the limits prescribed under law.

5.1.10 The remuneration will be suitably bifurcated for tax management purposes and will be subject to applicable tax deduction at source.

The remuneration will be suitably bifurcated for tax management purposes and will be subject to applicable tax deduction at source.

6. Criteria for determining qualifications, positive attributes and independence of a director

6.1 Qualifications: An independent director shall not have incurred any disqualification as contained in Section 164 of the Companies Act, 2013 and Rules made thereunder, currently in force or as may be amended from time to time.

6.2 Positive attributes: Every independent director shall be a person of integrity and possess relevant experience and expertise relating to the field of accounting, management, business, law or taxation or other field which may be of benefit to the Company.

6.3 Independence: Every independent director shall have all the qualifications as mandated in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and the provisions of Listing Agreement (or as may be amended from time to time).

7. Responsibility for adhering to this policy

It will be the responsibility of the Managing Director to adhere to this policy. He will periodically affirm to the Committee/Board that this policy is being followed.

8. Authority to decide change in/deviation from this Policy

On the recommendations of the Nomination & Remuneration Committee, the Board of Directors may change or deviate from this Policy if there are specific reasons to do so in an individual case, provided that - (1) reasons for deviation are recorded in the minutes book (2) the policy shall not be changed to the detriment of a KMP without his consent.

For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

ANNEXURE C TO DIRECTORS' REPORT

ANNEXURE C TO DIRECTORS' REPORT

PART A : Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the company in the financial year ended 31st March, 2015 was as under :

| Sr. No. | Director | Remuneration (₹ in Lakhs) | Median (₹ in Lakhs) | Ratio (1:) |
|---------|--|------------------------------|------------------------|---------------|
| 1 | Sh. J K Garg, Chairman & Managing Director | 26.83 | 02.21 | 12 |
| 2 | Sh. Ramnik Garg, Whole Time Director | 22.43 | 02.21 | 10 |
| 3 | Sh. Manish Garg, Whole Time Director | 22.43 | 02.21 | 10 |
| 4 | Sh. Navneet Garg, Whole Time Director | 22.43 | 02.21 | 10 |

2. The percentage increase in remuneration of each Director, Company Secretary & Chief Financial Officer in the financial Year ended 31st March, 2015 was as under :

| Sr. No. | Director | % Increase |
|---------|---|------------|
| 1 | Sh. J K Garg, Chairman & Managing Director | 118% |
| 2 | Sh. Ramnik Garg, Whole Time Director | 98% |
| 3 | Sh. Manish Garg, Whole Time Director | 69% |
| 4 | Sh. Navneet Garg, Whole Time Director | 133% |
| 5 | Sh. S. K. Verma, Vice President & Company Secretary | 68% |
| 6 | Sh. M. Paliwal, Chief Financial Officer | 77% |

3. Percentage increase in median remuneration of employees in the financial year ended 31st March, 2015 was as 12%.
 4. The number of permanent employees on the rolls of the company as on 31 March, 2015 was 149.
 5. The explanation on the relationship between average increase in remuneration and company performance is as follows :

A comparative table of Company's performance during the financial year 2014-15 vis a vis immediately preceding financial year is given below :

| | 2014-2015 | 2013-2014 |
|-----------------------------|-----------|-----------|
| Total Income (₹ in Lakhs) | 9516.19 | 8801.43 |
| EBIDTA (₹ in Lakhs) | 934.26 | 838.04 |
| EBIDTA as % of Total Income | 09.82 % | 09.52 % |
| PBT (₹ in Lakhs) | 471.50 | 328.74 |
| PBT as % of Total Income | 04.95 % | 03.74 % |

There has been a 43% increase in profit before tax (PBT) of the company as compared with that of the last year. Average increase of 12% in the remuneration of employees is in line with the current year's performance, market dynamics, inflation and as a measure to motivate the employees for better future performance to achieve organization's growth expectations.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.
 Over the years there has been manifold increase in the responsibilities shouldered by the Key Managerial Personnel, whether due to product innovations, increased turnover or change in law. The Nomination and Remuneration Committee (NRC), which considered the earlier remuneration of the Key Managerial Personnel (KMPs) was of the unanimous opinion that there was no relationship between remuneration and performance. Also there was no balance between fixed and incentive pay (there being no incentive pay) and the remuneration being paid to these KMPs was not sufficient to motivate them. To align the earlier remuneration of KMPs with the remuneration policy framed by NRC, their remuneration was re-fixed as a one-time measure. The average increase of 94% in remuneration of key managerial personnel against increase in PBT mentioned above is based on qualifications, industry experience, individual performances, company's performance and prevailing remuneration in industry in order to motivate them for better future performance to achieve organization's growth expectations.
7. Variations in the market capitalization of the company as at the closing date of the current financial year and the previous financial year was as under :
 The market capitalization as on 31.03.2015 was ₹ 2492.60 lakhs and as on 31.03.2014 it was ₹ 874.68 lakhs.
8. Variation in the price earnings ratio as at the closing date of the current financial year and the previous financial year was as follows :
 Price earnings ratio as on 31.03.2015 was 08.06 and as on 31.03.2014 was 04.57.
9. Percentage increase over in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer was 120 % as on 31.03.2015.

10. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

As stated in para 6 above.

11. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.
There has been 43% increase in the PBT of the Company against percentage increase in remuneration of KMPs as mentioned at sr. no. 5 above. The remuneration of KMPs has been increased to align their earlier remuneration with the remuneration policy framed by NRC as a one-time measure.
12. The key parameter for any variable component of remuneration availed by the directors : The only key factor is the profit earned by the Company.
13. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:
There were no employees who receive remuneration in excess of the highest paid director.
- 14 Affirmation : It is affirmed that the remuneration paid is as per the remuneration policy of the company.

PART B : Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employees employed throughout or part of the year and were in receipt of remuneration of not less than ₹ 60 lakhs per annum (or in excess of remuneration paid to managing director) and there shareholding : There were no such employees.

For & on behalf of the Board

Place : Sonipat
Dated : 31st July, 2015

J. K. GARG
Chairman

ANNEXURE D TO DIRECTORS' REPORT

Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
 The Members,
 Jasch Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jasch Industries Ltd (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board -process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder ;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation, 2009 (Not Applicable to the Company during the audit period);
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issued and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with the client ;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the audit period);
- vi. and other applicable laws like Factories Act, 1948, The payment of Gratuity Act, 1972.

We have also examined compliance with the applicable clauses of the following :

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (Not Applicable to the Company during the audit period);
- ii. The Listing Agreements entered into by the Company with the Calcutta Stock Exchange (CSE) and the Bombay Stock Exchange (BSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Mukesh Arora & Co.

Practising Company Secretaries
 Prop. : Mukesh Arora
 F.C.S. No. 4819
 C.P.No. 4405

New Delhi, 21st July, 2015

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

True Copy
 For & on behalf of the Board

Place : Sonipat
 Date : 31st July, 2015

J. K. GARG
 Chairman

ANNEXURE D TO DIRECTORS' REPORT (Continued)

ANNEXURE - A

To
The Members
Jasch Industries Limited
43/5, Bahalgarh Road,
Sonipat, Haryana - 131 021

Our report of even date is to be read along with this letter

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mukesh Arora & Co.

Practising Company Secretaries
Prop. : Mukesh Arora
F.C.S. No. 4819
C.P.No. 4405

New Delhi, 21st July, 2015

True Copy
For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

ANNEXURE E TO DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN
FORM MGT9

(Pursuant to Section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)
Financial Year ended on 31.03.2015

| | |
|---|---|
| I. REGISTRATION & OTHER DETAILS : | |
| i. CIN | L24302HR1985PLC022758 |
| ii. Registration Date | 11-12-1985 |
| iii. Name of the Company | JASCH INDUSTRIES LIMITED |
| iv. Category / sub- category of the Company | Company having Share Capital |
| v. Address of the Registered office Contact Details | 43/5, Bahalgarh Road, P.O. Bahalgarh, Distt. Sonipat – 131021 (Haryana) Tel : 0130 – 3053600, Fax : 0130 – 3053698 |
| vi. Whether listed company | Yes |
| vii. Name, Address & Contact Details of the Registrar & Transfer Agent, if any. | Alankit Assignments Ltd. (Unit : Jasch Industries Ltd.) 2E/21, Jhandewalan Extn. New Delhi - 110055 Tel : 011 – 51540060 – 63 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| SI No. | Name & Description of main products / services | NIC Code of the Product / services | % of total turnover of the company |
|--------|--|------------------------------------|------------------------------------|
| 1 | Synthetic Leather (PU/PVC Coated Fabric) | Group - 139 (Division 13) | 79.44 % |
| 2 | Electronic Gauges | Group - 265 (Division 26) | 20.56 % |

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES :

| SI No. | Name & Address of the Company | CIN / GLN* | HOLDING / SUBSIDIARY / ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|--------|--|---------------|----------------------------------|------------------|--------------------|
| 1 | Jasch North America Co. 5235, 26th Street, Rock Ford -IL -61109, USA | 45 - 3948230 | Subsidiary | 100 % | 2(87) |
| 2 | Indev Gauging Systems, Inc. 5235, 26th Street, Rock Ford -IL -61109, USA | 36 - 4284584 | Subsidiary | 100% | 2(87) |
| 3 | ISS Bvba, (Formerly Jasch Europa Bvba) Grote Steenweg 261, 2600 Berchem, Belgium | CGJAZ20100560 | Associate Company | 30 % | 2(6) |

* Note : All the above Companies have been incorporated abroad and CIN/GLN numbers mentioned above are foreign numbers.

For Shareholding Pattern, Please see Addendum.

IV. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in lakhs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|------------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 215.19 | 283.65 | --- | 498.84 |
| ii) Interest due but not paid | --- | --- | --- | --- |
| iii) Interest accrued but not due | 01.11 | --- | --- | 01.11 |
| Total (i+ii+iii) | 216.30 | 283.65 | --- | 499.95 |
| Change in Indebtedness during the financial year | | | | |
| ❖ Addition | 434.68 | --- | --- | 434.68 |
| ❖ Reduction | 158.12 | 10.00 | --- | 168.12 |
| Net Change | 276.56 | (10.00) | --- | 266.56 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 491.75 | 273.65 | --- | 765.40 |
| ii) Interest due but not paid | --- | --- | --- | --- |
| iii) Interest accrued but not due | 03.26 | 11.39 | --- | 14.65 |
| Total (i+ii+iii) | 495.01 | 285.04 | --- | 780.05 |

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and/or Manager :

(₹ in lakhs)

| Sl No. | Particulars of Remuneration | Name of MD / WTD / Manager | | | | Total Amount |
|--------|---|----------------------------|-----------------------|-----------------------|------------------------|--------------|
| | | Mr. J. K. Garg (CMD) | Mr. Ramnik Garg (WTD) | Mr. Manish Garg (WTD) | Mr. Navneet Garg (WTD) | |
| 1 | Gross Salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 26.43 | 20.43 | 20.43 | 20.43 | 87.72 |
| | (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 | 00.40 | 02.00 | 02.00 | 02.00 | 06.40 |
| | (c) Profit in lieu of salary under section 17(3) of Income Tax Act, 1961 | --- | --- | --- | --- | --- |
| 2 | Stock Option | --- | --- | --- | --- | --- |
| 3 | Sweat Equity | --- | --- | --- | --- | --- |
| 4 | Commission | --- | --- | --- | --- | --- |
| | - As % of Profit | --- | --- | --- | --- | --- |
| | - Others, please specify | --- | --- | --- | --- | --- |
| | Total (A) | 26.83 | 22.43 | 22.43 | 22.43 | 94.12 |

B) Remuneration to other directors :

(Amount in ₹)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | | | | Total Amount |
|----------|--|--------------------|------------------|--------------------|------------------|--------------------|------------------|-------------------|-----------------|
| | | Dr. S K Khandelwal | Dr. K C Varshney | Mr. Kuldeep Singal | Dr. Ashok Mittal | Mr. K L Khetarpaul | Mr. Naresh Kumar | Smt. Kamlesh Garg | |
| 1 | Independent Directors | | | | | | | | |
| | Fee for attending board committee meetings | 47,500 | 77,500 | 77,500 | 5,000 | 67,500 | 27,500 | --- | 3,02,500 |
| | Commission | --- | --- | --- | --- | --- | --- | --- | --- |
| | Others, please specify | --- | --- | --- | --- | --- | --- | --- | --- |
| | Total (1) | 47,500 | 77,500 | 77,500 | 5,000 | 67,500 | 27,500 | --- | 3,02,500 |
| 2 | Other Non-Executive Directors | | | | | | | | |
| | Fee for attending board committee meetings | --- | --- | --- | --- | --- | --- | 37,500 | 37,500 |
| | Commission | --- | --- | --- | --- | --- | --- | --- | --- |
| | Others, please specify | --- | --- | --- | --- | --- | --- | --- | --- |
| | Total (2) | --- | --- | --- | --- | --- | --- | 37,500 | 37,500 |
| | Total (1+2) | 47,500 | 77,500 | 77,500 | 5,000 | 67,500 | 27,500 | 37,500 | 3,40,000 |

C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

(₹ in lakhs)

| SI No. | Particulars of Remuneration | Mr. S K Verma (CS And VP) | Mr M Paliwal (CFO) | Total Amount |
|--------|---|---------------------------|--------------------|--------------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | 14.53 | 11.60 | 26.13 |
| | (b) Value of perquisites u/s 17(2) of Income -Tax Act, 1961 | 00.27 | 00.58 | 0.85 |
| | (c) Profit in lieu of salary under section 17(3) of Income Tax Act, 1961 | --- | --- | --- |
| 2 | Stock Option | --- | --- | --- |
| 3 | Sweat Equity | --- | --- | --- |
| 4 | Commission | --- | --- | --- |
| | - As % of Profit | --- | --- | --- |
| | - Others, please specify | --- | --- | --- |
| | Total (A) | 14.80 | 12.18 | 26.98 |

VI PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority (RD / NCLT / Court) | Appeal made if any (give details) |
|--------------------------------------|------------------------------|-------------------|--|-------------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty Punishment Compounding | | | None, hence not applicable. | | |
| B DIRECTORS | | | | | |
| Penalty Punishment Compounding | | | None, hence not applicable. | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty Punishment Compounding | | | None, hence not applicable. | | |

VII. FINANCIAL AND OPERATIONAL PERFORMANCE :

The Highlights of Financial Operational Performance are given below :

(₹ in lakhs)

| S. No. | Particulars | 2014-2015 | 2013-2014 |
|--------|--|----------------|-----------|
| 1 | Sales / income from operations (Net) | 9465.67 | 8772.27 |
| 2 | Other Income | 50.52 | 29.16 |
| 3 | Sub-Total | 9516.19 | 8801.43 |
| 4 | Total Expenditure (before interest) | 8828.31 | 8231.15 |
| 5 | Profit Before Interest, Tax and Exceptional Items | 687.88 | 570.28 |
| 6 | Operating Margin % | 07.27 % | 06.50 % |
| 7 | Profit After Tax | 309.09 | 191.02 |
| 8 | Return on Average Capital Employed % (Before Interest and Tax) | 18.19 % | 16.24 % |
| 9 | No. of Months Receivables (Receivables / Sales x 12) | 02.66 | 02.30 |
| 10 | Current Ratio (Current Assets / Current Liabilities) | 01.34 | 01.25 |
| 11 | Borrowings : Equity Ratio (TL / Equity) | 14.44 | 06.93 |

VIII. DISCLOSURES :**i) Related Party transaction during the year :**

(₹ in lakhs)

| S. No. | Particulars of the party | Relationship | Nature of Transactions | Amount | |
|--------|------------------------------------|-------------------------|-------------------------|---------------|-----------|
| | | | | 2014-2015 | 2013-2014 |
| A | Jasch North America Co | WOS | N. A. | Nil | Nil |
| B | Indev Gauging Systems, Inc. USA | WOS of WOS | Sales of Finished Goods | 123.21 | 157.84 |
| C | Indev Gauging Systems Ltd. Germany | One Director is Related | Sales of Finished Goods | 25.14 | Nil |

WOS denotes wholly owned subsidiary. The Company does not have any related party transactions, which may have potential conflict with its interest at large.

| S. No. | Name of Director | Relationship With other Directors |
|--------|----------------------|--|
| 1 | Mr. J. K. Garg | Related to Smt. Kamlesh Garg, Mr. Ramnik Garg, Mr. Manish Garg, & Mr. Navneet Garg |
| 2 | Mr. Ramnik Garg | Related to Sh. J K Garg, Smt. Kamlesh Garg, Mr. Manish Garg & Mr. Navneet Garg |
| 3 | Mr. Manish Garg | Related to Sh. J K Garg, Smt. Kamlesh Garg, Mr. Ramnik Garg, & Mr. Navneet Garg |
| 4 | Mr. Navneet Garg | Related to Sh. J. K. Garg, Smt. Kamlesh Garg, Mr. Ramnik Garg & Mr. Manish Garg |
| 5 | Dr. S. K. Khandelwal | None |
| 6 | Dr. K. C. Varshney | None |
| 7 | Mr. Kuldeep Singal | None |
| 8 | Mr. K. L. Khetarpaul | None |
| 9 | Mr. Naresh Kumar | None |
| 10 | Smt. Kamlesh Garg | Related to Sh. J. K Garg, Mr. Ramnik Garg, Mr. Manish Garg, & Mr. Navneet Garg |

Place : Sonipat
Date : 31st July, 2015

For & on behalf of the Board

ADDENDUM TO
ANNEXURE E (EXTRACT OF ANNUAL RETURN)

IX. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------------|-----------------|-------------------|---|----------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| 1. Indian | | | | | | | | | |
| a. Individual/HUF | 6218097 | - | 6218097 | 54.88 | 6245871 | - | 6245871 | 55.13 | 0.25 |
| b Central Govt. | - | - | - | - | - | - | - | - | - |
| c. State Govt. | - | - | - | - | - | - | - | - | - |
| d. Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e. Bank/ FI | - | - | - | - | - | - | - | - | - |
| f. Any Other | - | - | - | - | - | - | - | - | - |
| Sub- Total (A) (1) | 6218097 | - | 6218097 | 54.88 | 6245871 | - | 6245871 | 55.13 | 0.25 |
| 2. Foreign | | | | | | | | | |
| a. NRI- Individuals | - | - | - | - | - | - | - | - | - |
| b. Other-Individuals | - | - | - | - | - | - | - | - | - |
| c. Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d. Banks/ FI | - | - | - | - | - | - | - | - | - |
| e. Any Other | - | - | - | - | - | - | - | - | - |
| Sub- Total (A) (2) | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter (A)= (A) (1)+ (A) (2) | 6218097 | - | 6218097 | 54.88 | 6245871 | - | 6245871 | 55.13 | 0.25 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a. Mutual Funds | 1100 | - | 1100 | 0.01 | 1100 | - | 1100 | 0.01 | - |
| b. Bank/ FI | - | - | - | - | - | - | - | - | - |
| c. Cent. Govt. | - | - | - | - | - | - | - | - | - |
| d. State Govt. | - | - | - | - | - | - | - | - | - |
| e. Venture Capital | - | - | - | - | - | - | - | - | - |
| f. Insurance Co. | - | - | - | - | - | - | - | - | - |
| g. FIIs | - | - | - | - | 1890 | - | 1890 | 0.02 | 0.02 |
| h. Foreign Venture Capital Fund | - | - | - | - | - | - | - | - | - |
| i. Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub- Total (B) (1) | 1100 | - | 1100 | 0.01 | 2990 | - | 2990 | 0.03 | 0.02 |
| 2. Non- Institutions | | | | | | | | | |
| a. Body- Corp. | 298992 | 38000 | 336992 | 2.97 | 399611 | 38000 | 437611 | 3.86 | 0.89 |
| b. Individual | | | | | | | | | |
| i. Individual shareholders holding nominal share capital upto Rs. 1 Lakh | 1538739 | 1291540 | 2830279 | 24.98 | 1397333 | 1272940 | 2670273 | 23.57 | (1.41) |
| ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh | 1702030 | 101500 | 1803530 | 15.92 | 1735017 | 101500 | 1836517 | 16.21 | 0.29 |
| c. Others (specify) NRI | 27102 | 112900 | 140002 | 1.24 | 24438 | 112300 | 136738 | 1.21 | (0.03) |
| Sub-Total (B) (2) | 3566863 | 1543940 | 5110803 | 45.11 | 3556399 | 1524740 | 5081139 | 44.85 | (0.26) |
| Net Total B(1)+B(2) | 3567963 | 1543940 | 5111903 | 45.12 | 3559389 | 1524740 | 5084129 | 44.88 | (0.24) |
| C. Shares held by Custodians for GDRs & ADRs: NIL | | | | | | | | | |
| Grand Total (A+B+C) | 9786060 | 1543940 | 11330000 | 100 | 9805260 | 1524740 | 11330000 | 100 | - |

ii) Shareholding of Promoters

| SI. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged/encumbered to total shares | |
| 1. | Gunjan Garg | 44372 | 0.39 | - | 44472 | 0.39 | - | - |
| 2. | JK Garg Karta | 258275 | 2.28 | - | 258275 | 2.28 | - | - |
| 3. | Jai Kishan Garg | 2394491 | 21.13 | 7.94 | 2398491 | 21.17 | - | 0.04 |
| 4. | Kamlesh Garg | 605945 | 5.35 | - | 605945 | 5.35 | - | - |
| 5. | Manish Garg | 846349 | 7.47 | - | 847349 | 7.48 | - | 0.01 |
| 6. | Navneet Garg | 462575 | 4.08 | 3.53 | 466449 | 4.12 | - | 0.04 |
| 7. | Ramnik Garg | 793973 | 7.01 | 6.18 | 802573 | 7.08 | - | 0.07 |
| 8. | Ramnik Garg Karta | 90890 | 0.80 | - | 100890 | 0.89 | - | 0.09 |
| 9. | Ritu Garg | 247570 | 2.19 | - | 247670 | 2.19 | - | - |
| 10. | Shivani Garg | 423657 | 3.74 | - | 423757 | 3.74 | - | - |
| 11. | Archana Singhal | 50000 | 0.44 | - | 50000 | 0.44 | - | - |

iii) Change in Promoters' Shareholding

| SI No. | Date of Increase by transfer (purchase) | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | 01-04-2014 | 6218097 | 54.88 | 6218097 | 54.88 |
| 2. | 30-04-2014 | 1000 | 0.01 | 6219097 | 54.89 |
| 3. | 09-10-2014 | 10000 | 0.09 | 6229097 | 54.98 |
| 4. | 17-11-2014 | 1000 | 0.01 | 6230097 | 54.99 |
| 5. | 22-12-2014 | 10474 | 0.09 | 6240571 | 55.08 |
| 6. | 25-03-2015 | 300 | 0.00 | 6240871 | 55.08 |
| 5 | 30-03-2015 | 5000 | 0.05 | 6245871 | 55.13 |
| 7. | 31-03-2015 | 6245871 | 55.13 | 6245871 | 55.13 |

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| SI No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|-----------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Deepinder Singh Punia | 292171 | 2.58 | 303037 | 2.68 |
| 2. | S Sathya | 196790 | 1.74 | 200390 | 1.77 |
| 3. | Sangeetha S | 160290 | 1.42 | 167590 | 1.48 |
| 4. | Haresh Babulal Shah | 109000 | 0.96 | 109000 | 0.96 |
| 5. | Umesh Kumar Gupta | 108824 | 0.96 | 108824 | 0.96 |
| 6. | Jagdish Aggarwal | 106250 | 0.94 | 107075 | 0.95 |
| 7. | Raj Kumar Lohia | 100334 | 0.89 | 150079 | 1.33 |
| 8. | Adroit Fin Services Pvt Ltd | 83878 | 0.74 | 82878 | 0.73 |
| 9. | Swaran Lata Gupta | 81222 | 0.72 | 81222 | 0.72 |
| 10. | Sharad Kanayalal Shah | 56413 | 0.50 | 45000 | 0.40 |
| 11. | Dheeraj Kumar Lohia | Not in top 10 list | - | 58975 | 0.52 |

v) Shareholding of Directors and Key Managerial Personnel.

| SI No. | For Each of Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|-------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Jai Kishan Garg | 2394491 | 21.13 | 2398491 | 21.17 |
| 2. | Kamlesh Garg | 605945 | 5.35 | 605945 | 5.35 |
| 3. | Manish Garg | 846349 | 7.47 | 847349 | 7.48 |
| 4. | Navneet Garg | 462575 | 4.08 | 466449 | 4.12 |
| 5. | Ramnik Garg | 793973 | 7.01 | 802573 | 7.08 |
| 6. | Kailash Chander Varshney | - | - | - | - |
| 7. | Naresh Kumar | - | - | - | - |
| 8. | Krishan Lall Khetarpaul | - | - | - | - |
| 9. | Shiv Kumar Khandelwal | - | - | - | - |
| 10. | Kuldeep Singal | - | - | - | - |
| 6. | S.K. Verma | - | - | - | - |
| 7. | M. Paliwal | - | - | - | - |

Note : Date-wise change in shareholding of the Promoter/Directors has been given at sr. no. iii) above.

ANNEXURE F TO DIRECTORS' REPORT (RELATED PARTY TRANSACTIONS)**FORM AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

1. Details of contracts or arrangements or transactions not at Arm's length basis :

| Sl. No. | Particulars | Details |
|---------|---|---------|
| a) | Name(s) of the related party & nature of relationship | Nil |
| b) | Nature of contracts / arrangements / transaction | Nil |
| c) | Duration of the contracts / arrangements / transaction | Nil |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Nil |
| e) | Justification for entering into such contracts of arrangements or transactions | Nil |
| f) | Date of approval by the Board | Nil |
| g) | Amount paid as advances, if any | Nil |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Nil |

2. Details of Contracts or arrangements or transaction at Arm's length basis :

| Sl. No. | Particulars | Details | |
|---------|--|---|---|
| a) | Names(s) of the related party | Indev Gauging Systems, Inc. USA | Indev Gauging Systems Limited, Germany |
| b) | Nature of Relationship | Wholly owned Subsidiary | One common director |
| c) | Nature of contracts / arrangements / transaction | Direct sales of equipment | Direct sales of equipment |
| d) | Duration of the contracts / arrangements / transaction | Individual transaction based | Individual transaction based |
| e) | Salient terms of the contracts or arrangements or transaction | Sales of Finished Goods | Sales of Finished Goods |
| f) | Justification for entering into such contracts or arrangements or transactions | Independent transactions, at arm's length basis | Independent transactions, at arm's length basis |
| g) | Date of approval by the Board | N. A. | N.A. |
| h) | Amount incurred during the year (₹ in lakhs) | 123.21 | 25.14 |

For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

ANNEXURE G TO DIRECTORS' REPORT (MANAGEMENT DISCUSSION & ANALYSIS REPORT)**MANAGEMENT DISCUSSION & ANALYSIS REPORT
(PURSUANT TO CLAUSE - 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES)****DISCLAIMER/CAUTIONARY STATEMENT**

Statements in this Report, which describe the company's plans, projections, estimates, expectations or predictions are "forward looking Statements" in the hope that ideal conditions will exist. These are based on certain assumptions and expectations of future events which may or may not be realized. Actual results could differ materially from those expressed/implied and the Company cannot guarantee that these will be realized. 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.

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 01 - 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, 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.

Business Segment 02 -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, aluminum foil & non ferrous metal rolling industry.

(₹ in Lakhs)

| Business Distribution | 2014-15 | | 2013-14 | |
|------------------------|-----------------|---------------|---------|--------|
| | Value | % | Value | % |
| - PU/PC Coated Fabrics | 8392.97 | 79.44 | 7152.72 | 73.32 |
| - Electronic Gauges | 2172.83 | 20.56 | 2603.27 | 26.68 |
| Total | 10565.80 | 100.00 | 9755.99 | 100.00 |

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 the main raw material 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.

OPPORTUNITIES AND THREATS

Development of new types of high quality PU resins and coated fabrics, particularly breathable ones, presents fresh opportunities, because there is less competition in these fields. Obsolescence of technology of coated fabrics and cheaper imports of coated fabrics poses a threat. In the industrial gauges segment, every upward trend in economy presents opportunities to sell the gauges, these being in the nature of capital goods.

SEGMENT-WISE PERFORMANCE

During the year under Report, the segment-wise performance of the Company had been as follows :

A. COATED FABRICS/PU RESIN

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

| | (₹ lakhs) | |
|---|----------------|---------|
| | 2014-15 | 2013-14 |
| Production lakh meter | 36.24 | 32.84 |
| Segment Revenue | 8408.43 | 7170.26 |
| Segment Profits/(Loss) before interest & other common unallocable expenditure | 351.75 | 165.68 |
| Segment Assets | 5986.40 | 5353.60 |

B. ELECTRONIC GAUGES

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)

| | 2014-15 | 2013-14 |
|---|----------------|---------|
| Production (in Nos.) (Gauges + Parts) | 63+532 | 87+392 |
| Segment Revenue | 2207.89 | 2614.89 |
| Segment Profits before interest & other common Un-allocable expenditure | 336.13 | 404.59 |
| Segment Assets | 922.92 | 946.79 |

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.

OUTLOOK

The Company is continuously upgrading its technology and modernizing plant & machinery to maintain competitive edge in the market. Despite tough competition in the market, its sales are growing every year. For some time now, the Company has been concentrating on PU resin where completion is somewhat less. Taking a cue from the "Make in India" campaign of Government of India, the Company explored the opportunities of developing high quality, breathable and import substitution products. The Company has been successful in developing breathable PU resin using high quality resins. These products, which offer higher margins, have been well accepted by market. The Company is also in the process of modifying its production line, which promises better products and significant energy saving. These measures are expected to give some measurable boost to Company's margins.

RISKS AND CONCERNS

Risk is an integral part of any business and Jasch Industries Ltd is no exception. A brief evaluation of business risk of the Company, 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 Upholstery, 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. In case of a downward trend in the economy, investment in capital goods is the last priority of an enterprise.

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, in this segment.

FINANCIAL RISK

(a) Currency Fluctuation 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 50% 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 ₹ 3400.86 lakhs during the year (including capital goods of ₹ 163.24 lakhs and foreign travel of ₹ 22.20 lakh, exhibition expenses of ₹ 1.28 lakhs and sales commission of ₹ 16.15 lakhs) against exports in foreign currency were of ₹ 824.14 lakhs, 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, 2015 and to be paid later.

(b) Interest and Leverage Risk

Increase in bank interest rate impacts the profitability of the Company because this increase cannot always be passed on to customer. The management tries to contain interest cost by efficient management of inventory and working capital resources.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control Systems

In order to safeguard the assets and their usage, maintenance of proper accounting record and provision of reliable for taking business decisions, the management has put in place various internal control systems. Broadly, these systems are entity level controls, financial controls and operational controls. The internal controls provided by these systems are authority and organization matrix, standard operating procedures, risk management practices, compliance framework within the organization, ethics and fraud risk management, management information system, self-assessment of control point, business continuity and disaster recovery planning, budgeting system, etc.

Adequacy and Key elements of the Internal Control Systems

The Audit Committee of the Company, all of whose Members are Independent Directors, have reviewed the aforesaid internal control systems and found the same to be adequate and commensurate with the nature, size, complexity and the business processes followed by the Company.

The company has appointed an Independent Auditor to ensure compliance and effectiveness of the Internal Control Systems prevalent in the Company. The Audit Committee reviews the Internal Audit Reports. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for the perusal of the senior management for appropriate action as required. Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance and are supplemented by periodic risk assessments, inspections and safety audits conducted by the Company.

Discussion on Financial and Operational Performance:

The Highlights of Financial Operational Performance are given below:

(₹ in lakhs)

| S.No. | Particulars | 2014-2015 | 2013-2014 |
|-------|--|-----------|-----------|
| 1 | Sales / income from operations (Net) | 9465.67 | 8772.27 |
| 2 | Other Income | 50.52 | 29.16 |
| 3 | Sub-Total | 9516.19 | 8801.43 |
| 4 | Total Expenditure (before interest) | 8828.31 | 8231.15 |
| 5 | Profit Before Interest, Tax and Exceptional Items | 687.88 | 570.28 |
| 6 | Operating Margin % | 07.27 % | 06.50 % |
| 7 | Profit After Tax | 309.09 | 191.02 |
| 8 | Return on Average Capital Employed % (Before Interest and Tax) | 18.19 % | 16.24 % |
| 9 | No. of Months Receivables (Receivables / Sales x 12) | 02.66 | 02.30 |
| 10 | Current Ratio (Current Assets / Current Liabilities) | 01.34 | 01.25 |
| 11 | Borrowings : Equity Ratio (TL / Equity) | 14.44 | 06.93 |

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT & NUMBER OF PEOPLE EMPLOYED

The Company treats its human resources as one of its most important assets. The Company continuously invests in attraction, retention and development of talent on an ongoing basis. The welfare activities of the Company specifically dedicated to its employees, include free emergency medical care, subsidized group health insurance and subsidized canteen facilities. To enrich the skills of employees, the Company conducts focused training programs. The Company did not have any labor problem during 2014-2015. Relations with worker and staff were cordial. During the year, the Company provided direct employment to 149 persons.

For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

**ANNEXURE H TO DIRECTORS' REPORT
(CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO)**

Information on conservation of Energy, technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

A) Conservation of Energy :

| | | |
|----|---|--|
| I | The steps taken or impact on conservation of energy | Periodic preventive maintenance of machinery is done, to ensure that energy loss is minimized due to friction. Periodic energy consumption audit is also carried out and corrective action taken such a 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 firewood to reduce cost of fuel. For lighting maximum use of CFL is made. The Company has taken an independent Electricity feeder 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. Wind operated fans have been installed in ceiling of factory building for proper ventilation, which do not consume energy. |
| II | a) The steps taken by the company for utilizing alternate sources of energy b) The capital investment on energy conservation equipments; | Company has entered into a contract with Sanchay New Age Developers Pvt. Ltd, authorised channel partner of Tata Power Solar for 100 KWP PV Solar on Grid System for captive use under renewal energy project as per policy of Government of India. This will be operational by the end of Financial year 2015-2016. This project will cost approximately ₹ 92 Lakhs under the contract an option is available to the Company either to incur this cost or purchase power from the said channel partner for a period of twenty five years at a previously agreed price. |

B) Technology Absorption :

| | | |
|-----|---|--|
| I | The efforts made towards technology absorption | The Company has 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. |
| II | The benefits derived like product improvement, cost reduction, product development or import substitution | The use of technology has contributed to substantial savings 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. |
| III | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) The details of technology imported b) The year of Import c) Whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | Not applicable since five years period is over. |
| IV | The expenditure incurred on Research and Development | The major achievement by the Company due to their continuous Research and Development activities is indigenization of tools, improvements in the manufacturing process and operation procedures and development of new products. The cost of Research and Development is included in respective heads of accounts and not kept separately. |

C) Foreign Exchange Outgo and Earnings :

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are given in Note No 27 C & D of the Notes to the Standalone Financial Statements.

For & on behalf of the Board

Place : Sonipat
Date : 31st July, 2015

J. K. GARG
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Jasch Industries Limited

We have examined the compliance of conditions of Corporate Governance by Jasch Industries Limited, for the year ended on 31st March, 2015, 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 management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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

For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

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

New Delhi, May 29, 2015

CEO AND CFO CERTIFICATION

We, Jai Kishan Garg, C M D and M. Paliwal C F O responsible for the finance function certify that :

- a) We have reviewed the financial statement and cash flow statement for the year ended 31st March, 2015 and to the best of our Knowledge and belief :
 - i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Jai Kishan Garg
Chairman & Managing Director

M. Paliwal
Chief Financial Officer

Sonipat, May 29, 2015

INDEPENDENT AUDITORS' REPORT

To the Members of
Jasch Industries Limited

Report on the Financial Statements

We have audited the accompanying Standalone Financial Statements of Jasch Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act ") with respect to preparation of these Standalone 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 Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and designing, implement and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial controls relevant to the Company's preparation of the 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 whether the Company has in place an adequate Internal Financial Controls Systems over Financial Reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 2015;
- (ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and 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 it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
 - e. On the basis of written representations received from the Directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of section 164 (2) of the Act.

- f. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements,
 - ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - iii) There has been no due amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

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

New Delhi, May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- 1.1 The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- 2.1 The inventories have been physically verified at reasonable intervals by the management.
- 2.2 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.
- 2.3 In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on such physical verification.
- 3 As informed to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties mentioned in the register maintained under Section 189 of the Companies Act. Accordingly, the sub-clauses (a) and (b) of this para are not applicable to 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, 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. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act and Rules framed thereunder.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7.1 The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Central Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, State Value Added Tax, Cess and any other statutory dues with the appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- 7.2 According to the information and explanations given to us, no undisputed amount is payable in respect of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Cess as at March 31, 2015 except those whose due date has not yet come.
- 7.3 In our opinion and according to information and explanations given to us, no amounts is required to be transferred to Investor Education Protection Fund in accordance with relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
8. The Company does not have accumulated losses at the end of the financial year under audit. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
10. According to the information and explanations give to us the Company has given guarantee for loan taken by other from bank. We are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
11. The Company has raised new 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.
12. 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 of our audit.

For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary
Partner
Membership No. : 81843
New Delhi, May 29, 2015

JASCH INDUSTRIES LIMITED

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

BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹)

| | Note | As At 31st March, 2015 | As At 31st March, 2014 |
|--|-------------|--|--|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 11,33,00,000 | 11,33,00,000 |
| Reserves and Surplus | 3 | 19,93,99,439 | 16,84,90,622 |
| | | 31,26,99,439 | 28,17,90,622 |
| Share Application Money Pending Allotment | | | |
| | | - | - |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 4 | 5,83,56,875 | 4,31,01,647 |
| Deferred Tax Liability (Net) | 5 | 3,00,66,688 | 3,03,33,097 |
| | | 8,84,23,563 | 7,34,34,744 |
| Current Liabilities | | | |
| Short Term Borrowings | 6 | 8,79,30,711 | 8,63,48,740 |
| Trade Payables | 7 | 12,57,43,535 | 10,10,75,678 |
| Other Current Liabilities | 8 | 6,57,79,146 | 7,79,03,802 |
| Short Term Provisions | 9 | 1,03,56,047 | 94,91,337 |
| | | 28,98,09,439 | 27,48,19,557 |
| TOTAL | | 69,09,32,441 | 63,00,44,923 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 10 | 23,23,85,950 | 22,84,99,515 |
| Capital Work-in-Progress | | 1,51,90,299 | 25,60,195 |
| | | 24,75,76,249 | 23,10,59,710 |
| Non-Current Investments | 11 | 5,21,80,318 | 5,21,80,318 |
| Long Term Loans And Advances | 12 | 34,85,410 | 26,89,208 |
| | | 5,56,65,728 | 5,48,69,526 |
| Current Assets | | | |
| Current Investments | 13 | 27,27,599 | 21,09,063 |
| Inventories | 14 | 12,23,52,080 | 13,14,51,104 |
| Trade Receivables | 15 | 23,41,19,681 | 18,69,50,182 |
| Cash and Bank Balances | 16 | 1,52,42,462 | 1,27,37,697 |
| Short Term Loans and Advances | 17 | 83,52,077 | 59,71,077 |
| Other Current Assets | 18 | 48,96,565 | 48,96,565 |
| | | 38,76,90,465 | 34,41,15,687 |
| TOTAL | | 69,09,32,441 | 63,00,44,923 |

Significant Accounting Policies & Practices
(See accompanying notes 1 to 27 forming integral part of the financial statements)

In terms of our report attached

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary

Partner
Membership No. : 81843

New Delhi, May 29, 2015

| | | |
|-------------|---|------------------------------------|
| J. K. Garg | - | Chairman & Managing Director |
| Ramnik Garg | - | Whole Time Director |
| S. K. Verma | - | Vice President & Company Secretary |
| M. Paliwal | - | Chief Financial Officer |

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, 2015

(Amount in ₹)

| INCOME | Note | 2014-2015 | 2013-2014 |
|--|-------------|---------------------|---------------------|
| Revenue from Operations | 19 | 94,65,66,223 | 87,72,26,801 |
| Other Income | 20 | 50,52,359 | 29,16,354 |
| Total Revenue | | 95,16,18,582 | 88,01,43,155 |
| EXPENDITURE : | | | |
| Cost of Materials Consumed | 21 | 65,61,82,589 | 60,98,50,152 |
| Change in Inventories of Finished Goods & Stock-in-Process | 22 | 90,21,422 | 1,29,97,844 |
| Employee Benefits Expense | 23 | 5,86,30,028 | 4,16,80,685 |
| Finance Costs | 24 | 2,16,37,924 | 2,41,53,506 |
| Depreciation and Amortization Expense | 10 | 2,46,38,017 | 2,67,76,461 |
| Other Expenses | 25 | 13,43,58,405 | 13,18,10,118 |
| Total Expenses | | 90,44,68,385 | 84,72,68,766 |
| Profit Before Tax | | 4,71,50,197 | 3,28,74,389 |
| Tax Expenses | | | |
| Income Tax | | 1,64,16,250 | 1,43,16,500 |
| Wealth Tax | | 56,803 | — |
| Deferred Tax (+) | | 2,66,409 | 8,22,459 |
| Income Tax in respect of earlier year | | 34,736 | 2,78,732 |
| Profit for the Year | | 3,09,08,817 | 1,91,01,615 |
| Earning per equit share | 26 | | |
| Basic and Diluted | | 2.73 | 1.69 |

Significant Accounting Policies & Practices

(See accompanying notes 1 to 27 forming integral part of the financial statements)

In terms of our report attached

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary

Partner
Membership No. : 81843

New Delhi, May 29, 2015

J. K. Garg

-

Chairman & Managing Director

Ramnik Garg

-

Whole Time Director

S. K. Verma

-

Vice President & Company Secretary

M. Paliwal

-

Chief Financial Officer

JASCH INDUSTRIES LIMITED

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

CASH FLOW STATEMENT FOR THE YEAR 2014-2015

(Amount in ₹)

| | 2014-2015 | 2013-2014 |
|--|----------------------|----------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit before tax as per Statement of Profit Loss Account | 4,71,50,197 | 3,28,74,388 |
| Adjusted For : Add / (Deduct) : | | |
| -Net Prior Year Adjustment | (34,736) | (2,78,732) |
| -Loss on Sale / Discard of Assets / Vehicle | 4,48,663 | 4,31,567 |
| -Depreciation and Amortization Expense | 2,46,38,017 | 3,11,98,326 |
| -Effect of Exchange Rate Change | (6,45,651) | (11,62,124) |
| -Interest Income | (9,00,399) | (14,14,754) |
| -TUF/DD/Forefieted | (35,06,309) | (3,39,476) |
| -Finance Costs | 2,16,37,924 | 2,41,53,506 |
| -Debtors Written Off | 19,49,317 | 0 |
| | <u>4,35,86,826</u> | <u>5,25,88,313</u> |
| Operating Profit before Working Capital Changes | 9,07,37,023 | 8,54,62,701 |
| Adjusted For : Add / (Deduct) : | | |
| -Trade and Other Receivables | (5,22,96,018) | 2,33,14,458 |
| -Inventories | 90,99,024 | 1,67,79,699 |
| -Trade and Other Payables | 20,07,364 | (2,70,29,023) |
| | <u>(4,11,89,630)</u> | <u>1,30,65,134</u> |
| Cash Generated from Operations | 4,95,47,393 | 9,85,27,835 |
| Taxes Paid | (1,64,73,053) | (1,43,16,500) |
| Interest Received | 9,00,399 | 14,14,754 |
| Interest (TUF) | 35,06,309 | 3,39,476 |
| Exchange Rate Effect | 6,45,651 | 11,62,124 |
| Net Cash from Operating Activities | <u>3,81,26,699</u> | <u>8,71,27,689</u> |
| B: CASH FLOW FROM INVESTING ACTIVITIES : | | |
| -Purchase of Fixed Assets | (4,26,67,719) | (2,30,54,337) |
| -Sale of Fixed Assets & TUF | 10,65,000 | 8,85,000 |
| -Purchase of Investments | (6,18,536) | (6,29,268) |
| -Sale of Investments | 0 | 0 |
| Net Cash (used in) Investing Activities | <u>(4,22,21,255)</u> | <u>(2,27,98,605)</u> |
| C: CASH FLOW FROM FINANCING ACTIVITIES : | | |
| -Proceeds from Issue of Share Capital | 0 | 0 |
| -Proceeds form Long Term Borrowings | 4,34,68,253 | 2,12,00,000 |
| -Repayment of Long Term Borrowings | (1,68,12,979) | (4,25,04,642) |
| -Short Term Borrowings | 15,81,971 | (2,18,03,140) |
| -Dividend Paid (including dividend distribution tax) | 0 | 0 |
| -Interest Paid | (2,16,37,924) | (2,41,53,506) |
| Net Cash (used in) / from Financing Activities | <u>65,99,321</u> | <u>(6,72,61,288)</u> |
| Net Increase in Cash and Cash Equivalents | 25,04,765 | (29,32,204) |
| Opening Balance of Cash and Cash Equivalents | 1,27,37,697 | 1,56,69,901 |
| Closing Balance of Cash and Cash Equivalents | 1,52,42,462 | 1,27,37,697 |

Significant Accounting Policies & Practices
(See accompanying notes 1 to 27 forming integral part of the financial statements)

In terms of our report attached
For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

For and on behalf of the Board

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

| | | |
|-------------|---|------------------------------------|
| J. K. Garg | - | Chairman & Managing Director |
| Ramnik Garg | - | Whole Time Director |
| S. K. Verma | - | Vice President & Company Secretary |
| M. Paliwal | - | Chief Financial Officer |

New Delhi, May 29, 2015

Note to Financial Statements for the year ended 31st March, 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :**A. Basis of Preparation of Financial Statements :**

These financial statements have been prepared to comply with General Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. 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 Schedule III to the Companies Act, 2013. 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 :

- Revenues / Incomes and Cost / Expenditures are accounted for on accrual basis, as they are earned or incurred.
- 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.
- Revenue subsidies like interest subsidy (TUF) 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 of 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 cost, and any cost directly attributable to bring the assets to its working condition for the intended use and net of charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets if applicable

Depreciation

Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act, 2013.

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 :

- Transactions denominated in Foreign Currencies are recorded at the exchange rate prevailing on the date of the transaction.
- 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.
- 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 lying in bounded warehouse.

Note to Financial Statements for the year ended 31st March, 2015

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 75% 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 using the current applicable tax rates and by 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, 2015

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

(Amount in ₹)

| | As At 31 st March, 2015 | As At 31 st March, 2014 |
|--|---------------------------------------|---------------------------------------|
| 2 SHARE CAPITAL | | |
| Authorised Share Capital : | | |
| 1,40,00,000 Equity Shares of ₹ 10 each | 14,00,00,000 | 14,00,00,000 |
| | <u>14,00,00,000</u> | <u>14,00,00,000</u> |
| Issued, Subscribed and Paid up : | | |
| 1,13,30,000 Equity Shares of ₹ 10 each fully paid up | 11,33,00,000 | 11,33,00,000 |
| TOTAL | <u>11,33,00,000</u> | <u>11,33,00,000</u> |

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

2.2 Terms / rights attached to Equity Shares :

Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be 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 |
|-------------------------|---------------|--------|---------------|--------|
| Mr. Jai Kishan Garg | 23,98,491 | 21.17 | 23,94,491 | 21.13 |
| Mr. Manish Garg | 8,47,349 | 7.47 | 8,46,349 | 7.47 |
| Mr. Ramnik Garg | 8,02,573 | 7.08 | 7,93,973 | 7.01 |
| Ms. Kamlesh Garg | 6,05,945 | 5.35 | 6,05,945 | 5.35 |

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, 2015 and 2014

3 RESERVES AND SURPLUS**General Reserve**

| | | |
|---|------------------|------------------|
| Opening Balance | 30,00,000 | 30,00,000 |
| Add : Transferred from Statement of Profit And Loss | - | - |
| | <u>30,00,000</u> | <u>30,00,000</u> |

Surplus in Statement of Profit and Loss

| | | |
|---|---------------------|---------------------|
| Opening Balance | 16,54,90,622 | 14,63,89,007 |
| Add : Transfer from Surplus in Statement of Profit and Loss | 3,09,08,817 | 1,91,01,615 |
| | <u>19,63,99,439</u> | <u>16,54,90,622</u> |

Less : Appropriations

| | | |
|--------------|---------------------|---------------------|
| | - | - |
| | <u>19,63,99,439</u> | <u>16,54,90,622</u> |
| TOTAL | <u>19,93,99,439</u> | <u>16,84,90,622</u> |

4 LONG TERM BORROWINGS**Secured**

| | Non Current | Current | Non Current | Current |
|----------------------------|--------------------|--------------------|--------------------|------------------|
| Term Loans From Bank | 2,50,31,784 | 1,74,36,000 | 1,01,00,089 | 42,00,000 |
| Loans For Vehicles (Banks) | 48,21,304 | 22,11,842 | 46,36,558 | 26,92,960 |
| | <u>2,98,53,088</u> | <u>1,96,47,842</u> | <u>1,47,36,647</u> | <u>68,92,960</u> |

Unsecured

| | | | | |
|---|--------------------|--------------------|--------------------|------------------|
| Loan From Directors and their relatives | 2,85,03,787 | - | 2,83,65,000 | - |
| | <u>2,85,03,787</u> | <u>-</u> | <u>2,83,65,000</u> | <u>-</u> |
| TOTAL | <u>5,83,56,875</u> | <u>1,96,47,842</u> | <u>4,31,01,647</u> | <u>68,92,960</u> |

4.1 Term Loans From HDFC 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 are secured by hypothecation of respective vehicles.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

| | As At 31 st March, 2015 | As At 31 st March, 2014 |
|---|---|---------------------------------------|
| 5 DEFERRED TAX LIABILITY (Net) | | |
| Deferred Tax Liability | 3,03,33,097 | 3,11,55,556 |
| Deferred Tax Assets | (2,66,409) | (8,22,459) |
| TOTAL | 3,00,66,688 | 3,03,33,097 |
| 6 SHORT TERM BORROWINGS | | |
| Secured | | |
| Working Capital Loan From Bank | 8,79,30,711 | 8,63,48,740 |
| TOTAL | 8,79,30,711 | 8,63,48,740 |
| 6.1 | Working Capital Loan from HDFC 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 | 12,57,43,535 | 10,10,75,678 |
| TOTAL | 12,57,43,535 | 10,10,75,678 |
| 7.1 | 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. | |
| 7.2 | 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 supplied by them. This information has been relied upon by the auditors. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under : | |
| | Particulars | |
| | Principal amount due and remaining un paid | - |
| | 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) | 1,96,47,842 | 68,92,960 |
| Unclaimed Dividends | 9,04,484 | 9,05,084 |
| Creditors for Capital Expenditure | 23,67,962 | 11,11,809 |
| Advance From Customers | 2,30,92,595 | 2,66,67,028 |
| Sales Tax Payable | 16,43,930 | 21,05,235 |
| TDS Payable | 6,51,125 | 2,22,149 |
| Expenses Payable | 82,09,055 | 39,75,242 |
| Sundry Creditors for Others | 71,49,000 | 79,99,949 |
| Others | 21,13,153 | 2,80,24,346 |
| TOTAL | 6,57,79,146 | 7,79,03,802 |
| 9 SHORT TERM PROVISIONS | | |
| Provision for Employee Benefits : | | |
| Bonus / Gratuity Payable | 20,91,286 | 22,37,206 |
| Provisions for duties & taxes: | | |
| Excise Duty | 5,35,125 | 5,91,741 |
| Tax (NET) | 76,72,833 | 66,62,390 |
| Wealth Tax | 56,803 | - |
| TOTAL | 1,03,56,047 | 94,91,337 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 9.1 Provision of Excise Duty on finished goods lying in factory premises at March 31, 2015 aggregating to ₹ 18,60,998/- (Previous Year ₹ 14,25,148/-) has been provided at current excise rate and included in valuation of finished goods inventory and same has been charged from Cenvat Credit Receivable Input Account as on 31st March, 2015.
- 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 31.03.2015 to all eligible employees, amounting to ₹ 30,78,918/-has been made as per Actuarial Valuation by LIC of India and an amount of ₹ 21,85,695/- has been paid to LIC of India as contribution for current year up to 31.03.2015

10 FIXED ASSETS

(Amount in ₹)

| Description | Gross Block | | | | Depreciation / Amortisation | | | | Net Block | |
|-------------|---------------------|-----------|----------------------------------|---------------------|-----------------------------|-------------------|----------------------------------|--------------------|---------------------|---------------------|
| | At At 01.04.2014 | Additions | Deductions/ Adjustments (+/-) | As At 31.03.2015 | Up to 31.03.2014 | For the Period | Deductions/ Adjustments (+/-) | Upto 31.03.2015 | As At 31.03.2015 | As At 31.03.2014 |

TANGIBLE OWN ASSETS :

| | | | | | | | | | | |
|--------------------------|---------------------|--------------------|--------------------|---------------------|---------------------|--------------------|------------------|---------------------|---------------------|---------------------|
| Free Hold Land | 9,92,813 | - | - | 9,92,813 | - | - | - | - | 9,92,813 | 9,92,813 |
| General Assets | 1,06,39,832 | 4,50,931 | - | 1,10,90,763 | 57,40,412 | 21,25,545 | - | 78,65,957 | 32,24,806 | 48,99,420 |
| Factory Building | 3,40,01,690 | - | - | 3,40,01,690 | 1,40,15,124 | 8,31,204 | - | 1,48,46,328 | 1,91,55,362 | 1,99,86,566 |
| Office Building | 26,53,549 | - | - | 26,53,549 | 4,08,689 | 39,853 | - | 4,48,542 | 22,05,007 | 22,44,860 |
| Corporate Office | 65,85,356 | - | - | 65,85,356 | 4,29,658 | 1,02,218 | - | 5,31,876 | 60,53,480 | 61,55,698 |
| Plant & Mach-Printing | - | 2,01,70,783 | - | 2,01,70,783 | - | 3,53,325 | - | 3,53,325 | 1,98,17,458 | - |
| Utility | 1,81,97,288 | 22,20,754 | - | 2,04,18,042 | 62,13,658 | 12,27,564 | - | 74,41,222 | 1,29,76,820 | 1,19,83,630 |
| Gen Sets | 82,01,169 | - | - | 82,01,169 | 33,63,310 | 7,38,960 | - | 41,02,270 | 40,98,899 | 48,37,859 |
| Boilers | 1,65,44,082 | 3,25,898 | - | 1,68,69,980 | 96,42,136 | 7,32,826 | - | 1,03,74,962 | 64,95,018 | 69,01,946 |
| Vehicles | 2,32,00,522 | 32,01,803 | 30,65,091 | 2,33,37,234 | 60,39,816 | 30,14,854 | 15,51,428 | 75,03,242 | 1,58,33,992 | 1,71,60,706 |
| Pu Plant | 12,31,41,218 | 16,75,335 | - | 12,48,16,553 | 7,84,40,018 | 55,41,948 | - | 8,39,81,966 | 4,08,34,587 | 4,47,01,200 |
| Pu Plant Utility | 6,68,77,807 | 28,905 | - | 6,69,06,712 | 2,02,68,508 | 28,25,217 | - | 2,30,93,725 | 4,38,12,987 | 4,66,09,299 |
| Dry Line | 10,57,04,837 | 19,63,706 | - | 10,76,68,543 | 5,94,20,886 | 51,96,997 | - | 6,46,17,883 | 4,30,50,660 | 4,62,83,951 |
| Automation | 2,26,13,966 | - | - | 2,26,13,966 | 68,72,399 | 19,07,506 | - | 87,79,905 | 1,38,34,061 | 1,57,41,567 |
| TOTAL | 43,93,54,129 | 3,00,38,115 | 30,65,091 | 46,63,27,153 | 21,08,54,614 | 2,46,38,017 | 15,51,428 | 23,39,41,203 | 23,23,85,950 | 22,84,99,515 |
| Capital Work-in-Progress | 25,60,195 | 3,43,18,352 | 2,16,88,248 | 1,51,90,299 | - | - | - | - | 1,51,90,299 | 25,60,195 |
| TOTAL | 44,19,14,324 | 6,43,56,467 | 2,47,53,339 | 48,15,17,452 | 21,08,54,614 | 2,46,38,017 | 15,51,428 | 23,39,41,203 | 24,75,76,249 | 23,10,59,710 |
| PREVIOUS YEAR | 42,15,07,028 | 2,30,54,337 | 26,47,041 | 44,19,14,324 | 18,54,08,627 | 2,67,76,461 | 13,30,474 | 21,08,54,614 | 23,10,59,710 | 25,13,16,673 |

| | As At 31 st March, 2015 | | As At 31 st March, 2014 | |
|---|---------------------------------------|--------------------|---------------------------------------|--------------------|
| | No. Shares | Amount | No. Shares | Amount |
| 11 NON-CURRENT INVESTMENTS (Long Term Investments) | | | | |
| Trade Investments | | | | |
| In Equity Shares - Unquoted, fully paid up | | | | |
| Jasch North America Company USA | Not Specified | 5,17,20,000 | Not Specified | 5,17,20,000 |
| ISISS Bvba, Germany | 5,600 | 3,92,518 | 5,600 | 3,92,518 |
| In Equity Shares - Quoted, fully paid up | | | | |
| Standard Capital Market Ltd (Market Value As on 31.03.15 is ₹ 80,110/-) | 33,900 | 67,800 | 33,900 | 67,800 |
| TOTAL | | 5,21,80,318 | | 5,21,80,318 |
| 12 LONG TERM LOANS AND ADVANCES (Unsecured and Considered Good) | | | | |
| Security Deposit (Include Deposit with State Electricity Distribution Company ₹ 30,91,568/-) | | 34,85,410 | | 26,89,208 |
| TOTAL | | 34,85,410 | | 26,89,208 |
| 13 CURRENT INVESTMENTS Other Investments For Short Term | | 27,27,599 | | 21,09,063 |
| TOTAL | | 27,27,599 | | 21,09,063 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| | (Amount in ₹) | |
|--|---------------------------------------|---------------------------------------|
| | As At 31 st March, 2015 | As At 31 st March, 2014 |
| 14 INVENTORIES | | |
| Raw Materials | 6,27,83,896 | 5,65,37,266 |
| Consumables | 2,33,02,281 | 2,92,96,952 |
| Stock-in-Process | 1,88,15,083 | 2,56,39,893 |
| Finished Goods | 1,42,92,465 | 1,60,53,227 |
| Stores & Spares | 4,09,110 | 6,26,100 |
| Packing Material | 6,59,708 | 4,74,195 |
| Fuel | 6,51,143 | 5,03,481 |
| Goods-in-Transit | 14,38,394 | 23,19,990 |
| TOTAL | <u><u>12,23,52,080</u></u> | <u><u>13,14,51,104</u></u> |
| 15 TRADE RECEIVABLES (Unsecured and considered good) | | |
| Over six months | 3,23,15,937 | 3,58,80,342 |
| Others | 20,18,03,744 | 15,10,69,840 |
| TOTAL | <u><u>23,41,19,681</u></u> | <u><u>18,69,50,182</u></u> |
| 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 | 5,85,306 | 5,52,565 |
| Balance with Banks | 2,16,635 | 9,14,113 |
| Balance In Unpaid Dividend Account | 9,04,484 | 9,05,084 |
| Fixed Deposits with Bank | 1,35,36,038 | 1,03,65,936 |
| TOTAL | <u><u>1,52,42,462</u></u> | <u><u>1,27,37,697</u></u> |
| 17 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good) | | |
| Advance to Suppliers | 11,05,570 | 14,89,102 |
| Balance With Revenue Authorities | 51,31,378 | 34,01,628 |
| Prepaid Expenses | 5,28,788 | 4,83,235 |
| Miscellaneous Receivables | 15,86,341 | 5,97,112 |
| TOTAL | <u><u>83,52,077</u></u> | <u><u>59,71,077</u></u> |
| 18 OTHER CURRENT ASSETS | | |
| Claim Receivable | 48,96,565 | 48,96,565 |
| TOTAL | <u><u>48,96,565</u></u> | <u><u>48,96,565</u></u> |

- 18.1 The Company received an 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 lakhs. Balance claim of ₹48.97 lakhs 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 Court. There are fair chances at the balance claim of ₹48.97 lakhs 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, 2015

| | (Amount in ₹) | |
|--|---------------------------------|---------------------------------|
| | For the Year Ended 2014-2015 | For the Year Ended 2013-2014 |
| 19 REVENUE FROM OPERATIONS | | |
| Sale of Products [Refer Note No. 27E] | | |
| Synthetic Leather & Allied Products | 83,92,96,846 | 71,52,72,495 |
| Electronic Gauges | 21,48,22,968 | 25,87,17,174 |
| Income From Services | 24,60,046 | 16,09,791 |
| | <u>1,05,65,79,860</u> | <u>97,55,99,460</u> |
| Less : Excise Duty / VAT | <u>11,00,13,637</u> | <u>9,83,72,659</u> |
| TOTAL | <u><u>94,65,66,223</u></u> | <u><u>87,72,26,801</u></u> |
| 20 OTHER INCOME | | |
| Interest Income (FDR) | 9,00,399 | 14,14,754 |
| Subsidy (TUF) | - | 3,39,476 |
| Duty Drawback | 2,85,162 | - |
| Other Advance Forfeited | 32,21,147 | - |
| Exchange Fluctuation as per AS11 | 6,45,651 | 11,62,124 |
| TOTAL | <u><u>50,52,359</u></u> | <u><u>29,16,354</u></u> |
| 21 COST OF MATERIAL CONSUMED | | |
| [Refer Note No. 27F] | | |
| Raw Material | 62,86,38,237 | 58,67,82,692 |
| Consumables (Release Paper) | 2,75,44,352 | 2,30,67,460 |
| TOTAL | <u><u>65,61,82,589</u></u> | <u><u>60,98,50,152</u></u> |
| 22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS | | |
| Inventories (at Commencement) | | |
| Stock-in-Process | 2,56,39,893 | 3,81,94,826 |
| Finished Goods | 1,60,53,227 | 1,72,22,496 |
| | <u>4,16,93,120</u> | <u>5,54,17,322</u> |
| Inventories (at Close) | | |
| Stock-in-Process | 1,88,15,083 | 2,56,39,893 |
| Finished Goods | 1,42,92,465 | 1,60,53,227 |
| | <u>3,31,07,548</u> | <u>4,16,93,120</u> |
| | <u>85,85,572</u> | <u>1,37,24,202</u> |
| Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods | 4,35,850 | (7,26,358) |
| TOTAL | <u><u>90,21,422</u></u> | <u><u>1,29,97,844</u></u> |
| 23 EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages, Gratuity & Bonus | 5,52,02,587 | 3,93,31,339 |
| Contribution to P. F. & Other Funds | 13,05,673 | 9,35,541 |
| Employee Welfare Expenses | 17,59,466 | 11,88,805 |
| Directors' Sitting Fee | 3,62,302 | 2,25,000 |
| TOTAL | <u><u>5,86,30,028</u></u> | <u><u>4,16,80,685</u></u> |
| 24 FINANCE COST | | |
| Interest on Cash Credit Facility | 1,02,33,329 | 1,35,52,302 |
| Interest on Term Loan | 46,30,190 | 36,48,154 |
| Interest on Vehicle Loan | 6,45,036 | 4,31,232 |
| Other Interest | 26,94,888 | 4,87,661 |
| Bank And Other Charges | 34,34,480 | 60,34,157 |
| TOTAL | <u><u>2,16,37,924</u></u> | <u><u>2,41,53,506</u></u> |
| 25 OTHER EXPENSES | | |
| Manufacturing and Operating Cost | | |
| Power & Fuel | 4,64,16,782 | 4,38,45,209 |
| Consumables & Stores | 30,74,087 | 33,64,720 |
| Packing Material | 91,18,464 | 69,54,278 |
| Freight Inward | 2,31,52,813 | 1,73,15,529 |
| Repair & Maintenance (Plant) | 63,37,033 | 56,33,252 |
| Exchange Difference (profit) / loss | <u>(15,30,926)</u> | <u>55,69,765</u> |
| TOTAL (A) | <u><u>8,65,68,253</u></u> | <u><u>8,26,82,753</u></u> |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| | For the Year Ended 2014-2015 | For the Year Ended 2013-2014 |
|--|---------------------------------|---------------------------------|
| (Amount in ₹) | | |
| (Note 25 Cont....) | | |
| Establishment Expenses | | |
| Insurance Expenses | 9,44,391 | 11,02,401 |
| Books, Printing & Stationery | 8,02,509 | 6,47,425 |
| Postage & Telegram | 10,79,212 | 6,39,719 |
| Telephone & Communications | 25,95,247 | 24,00,810 |
| Tour & Travel Inc. Foreign Travel, Conveyance | 70,66,641 | 65,70,913 |
| Hotel, Boarding, Lodging | 57,58,954 | 66,56,530 |
| Vehicle Running & Maintenance | 32,13,167 | 29,25,851 |
| Fee & Subscription | 23,31,556 | 14,81,541 |
| Legal & Professional Charges | 9,69,820 | 48,71,144 |
| Rent, Rates and Taxes | 3,57,936 | 3,43,559 |
| Office Electricity Exp. | 1,27,578 | 1,18,745 |
| Technical Know How Fee | - | 16,58,986 |
| Charity & Donation | 6,49,255 | 7,17,000 |
| Electrical & General Repair & Maintenance | 14,12,276 | 15,70,970 |
| Statutory Auditor | | |
| - For Financial Audit | 78,652 | 56,180 |
| - For Taxation and other Matters | 22,472 | 22,480 |
| Cost Audit Fee | - | 30,000 |
| Secraterial Audit Fee | 33,708 | - |
| Loss on Sale of Vehicle / Machinery (Net) | 4,48,663 | 4,31,567 |
| Miscellaneous | 3,84,696 | 3,41,186 |
| TOTAL (B) | 2,82,76,734 | 3,25,87,007 |
| Selling and Distribution Expenses | | |
| Testing Charges | 1,70,828 | 1,36,345 |
| Discount & Rebates | 81,02,697 | 43,46,646 |
| Selling Expenses | 22,26,919 | 17,20,000 |
| Sales Commission | 28,55,305 | 41,83,406 |
| Bad Debts | 19,49,317 | - |
| Freight Outward | 16,28,007 | 16,63,888 |
| Advertising & Exhibition | 10,92,527 | 25,46,696 |
| Clearing & Forwarding (Export) | 14,87,819 | 19,43,377 |
| TOTAL (C) | 1,95,13,419 | 1,65,40,358 |
| TOTAL (A+B+C) | 13,43,58,405 | 13,18,10,118 |
| 26 EARNINGS PER SHARE (EPS) | | |
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 3,09,08,817 | 1,91,01,615 |
| Number of equity shares used as denominator for calculating EPS | 1,13,30,000 | 1,13,30,000 |
| Basic and Diluted Earnings per share | 2.73 | 1.69 |
| Face Value per equity share | 10.00 | 10.00 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount ₹ in Lakhs)

| | For the Year Ended 2014-2015 | For the Year Ended 2013-2014 |
|--|---|---|
| 27 ADDITIONAL INFORMATION PURSUANT TO PART I & II OF THE SCHEDULE III OF THE COMPANIES ACT, 2013 | | |
| A CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakhs) | | |
| (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 (\$3Lakhs@62.59) | 187.77 | 180.30 |
| b) In Respect of Others | 0 | 0 |
| (ii) Advance / Performance Guarantees (Margin Money with Bank ₹ 21.80 Lakhs) | 144.05 | 57.48 |
| (iii) Outstanding guarantees furnished to Bank in respect of Letters of Credits (Margin Money with Bank ₹ 83.76 Lakhs) | 710.73 | 668.92 |
| (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 |
| (d) Un-hedged foreign currency exposure at the year end | | |
| i) Trade receivables | 257.96 | 163.66 |
| ii) Trade Payables | 372.55 | 269.52 |
| iii) Trade Advances | 44.40 | 29.06 |
| (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 |
| B CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & CONSUMABLES | | |
| | ₹ in Lakhs % of Total Consumption | ₹ in Lakhs % of Total Consumption |
| Imported (Landed cost at Factory) | 3,301.58 49.67 | 3,046.21 48.85 |
| Indigenous | 3,346.10 50.33 | 3,189.53 51.15 |
| | 6,647.68 100.00 | 6,235.74 100.00 |
| C EXPENDITURE IN FOREIGN CURRENCY (₹ in Lakhs) | | |
| Raw Material & Consumables | 3,197.99 | 2,752.96 |
| Capital Goods | 1,63.24 | 26.11 |
| Foreign Travels | 22.20 | 28.73 |
| Technical Know How Fee | 0.00 | 16.51 |
| Exhibition Expenses | 1.28 | 14.13 |
| Sales Commission | 16.15 | 23.59 |
| | 3,400.86 | 2,862.03 |
| D EARNING IN FOREIGN CURRENCY (₹ in Lakhs) | | |
| FOB Value of Export of Goods | | |
| 1. Electronic Gauge | | |
| (Earning in US\$ - 12,39,487) | 759.07 | 850.71 |
| (Earning in EURO - 84,379) | 58.81 | 115.00 |
| | 817.88 | 965.71 |
| 2. Synthetic Leather & Allied Products | | |
| (Earning in US\$ - 10,288) | 6.26 | 15.15 |
| | 6.26 | 15.15 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

F. RAW MATERIAL CONSUMPTION

(Value ₹ in lakhs)

| Raw Materials | Unit | 2014-2015 | | | | |
|------------------------------------|-------|--------------|--------------|--------------|----------------|----------------|
| | | Opening Qty. | Receipt Qty. | Closing Qty. | Consumed Qty. | Value ₹ |
| Diop/Dop/Dinp/Kanatotol | Kgs. | 26012 | 723730 | 33936 | 715806 | 709.48 |
| PVC Resin | Kgs. | 58667 | 736700 | 41305 | 754062 | 629.03 |
| Fabrics | Mtrs. | 182906 | 1894833 | 252068 | 1825671 | 534.96 |
| Non Woven Lining | Mtrs. | 46672 | 505531 | 79820 | 472383 | 250.06 |
| Release Paper | Kgs. | 59852 | 40735 | 53005 | 47582 | 179.03 |
| Other Pigments | | | | | | 391.10 |
| Non Woven Lining | Mtrs. | 84534 | 1013403 | 114198 | 983739 | 713.68 |
| Adipic Acid | Kgs. | 7175 | 199750 | 8875 | 198050 | 226.29 |
| DMF | Kgs. | 0 | 413040 | 12000 | 401040 | 257.39 |
| MDI | Kgs. | 1350 | 174509 | 12375 | 163484 | 272.77 |
| Butane Diol | Kgs. | 13000 | 70425 | 3200 | 80225 | 107.52 |
| Fabric | Mtrs. | 36861 | 576932 | 84927 | 528866 | 353.66 |
| Pu-Additives | Kgs. | 6911 | 44224 | 18698 | 32437 | 200.94 |
| M E G | Kgs. | 1140 | 79670 | 11045 | 69765 | 52.11 |
| M E K | Kgs. | 6020 | 125400 | 7580 | 123840 | 139.45 |
| P T M E G | Kgs. | 7600 | 27000 | 800 | 33800 | 91.38 |
| Release Paper | Kgs. | 30899 | 12150 | 28110 | 14939 | 92.68 |
| Other Pigments | | | | | | 547.40 |
| X-Ray tubes | Nos. | 7 | 33 | 1 | 39 | 48.28 |
| Sources | Nos. | 18 | 41 | 12 | 47 | 84.34 |
| Ionization Chambers | Nos. | 17 | 69 | 8 | 78 | 50.25 |
| Power Supplies | Nos. | 5 | 190 | 15 | 180 | 20.93 |
| Computer & Parts | | | | | | 70.36 |
| Slide & Bearings | | | | | | 28.48 |
| Iron & Aluminum | | | | | | 215.59 |
| Electronic & Mechanical Items Etc. | | | | | | 294.67 |
| | | | | | | 6561.83 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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

(Value ₹ in Lakhs)

| S. No. | Class of Goods | Unit | Opening Balance As | Production for the Year Ended 31st March | | Turnover For The Year Ended 31st March | | | | Closing Stock As At |
|--------|----------------------------|------|--------------------|--|------------|--|---------|------------|---------|---------------------|
| | | | 01.04.14 | 2015 | 2014 | 2015 | | 2014 | | 31.03.15 |
| | | | Qty. | Qty. | Qty. | Qty. | Value | Qty. | Value | Qty. |
| 1 | PVC - Coated Fabric | Mtrs | 21801.00 | 1939758.00 | 1859153.00 | 1945207.00 | 2564.57 | 1860681.50 | 2509.05 | 16352.00 |
| 2 | PVC - C P S | Mtrs | 1545.00 | 253954.00 | 144510.50 | 248271.00 | 596.81 | 143215.50 | 343.95 | 7228.00 |
| 3 | PU - Coated Fabric | Mtrs | 6443.00 | 530890.00 | 587498.50 | 533279.50 | 1212.50 | 592851.50 | 1407.97 | 4053.50 |
| 4 | PU - N L F | Mtrs | 991.00 | 5.00 | 2288.00 | 996.00 | 0.56 | 2648.00 | 10.12 | 0.00 |
| 5 | PU - C P S | Mtrs | 9167.50 | 899144.00 | 690769.00 | 900602.00 | 3465.43 | 689872.00 | 2624.23 | 7709.50 |
| 6 | PU - Pu Resin | Kgs | 0.00 | 216133.50 | 82346.00 | 216133.50 | 500.83 | 82346.00 | 175.77 | 0.00 |
| 7 | Cut Pieces | Kgs | 3882.00 | 160265.00 | 159079.00 | 162905.00 | 13.15 | 159745.00 | 13.27 | 1242.00 |
| 8 | Bardana & Scrap | Kgs | 0.00 | | | | 35.15 | | 28.67 | 0.00 |
| 9 | Raw Material sales as such | | 0.00 | | | | 3.97 | | 7.15 | 0.00 |
| 10 | Electronic Gauge | Nos. | 3.00 | 63.00 | 87.00 | 62.00 | 1719.02 | 87.00 | 2253.41 | 4.00 |
| 11 | Electronic Gauge Parts | Nos. | 0.00 | 532.00 | 392.00 | 532.00 | 429.21 | 392.00 | 333.76 | 0.00 |
| 12 | AMC | | | | | | 24.6 | | 16.09 | |
| 13 | Others | Mtrs | 0.00 | 0.00 | 11607.50 | 0.00 | 0.00 | 13362.50 | 32.35 | 0.00 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

G. 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 segments as reportable segments viz. Synthetic Leather Cloth & Allied Products Division and Electronic Gauge Division.

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

(₹ In Lakhs)

| | Current Year (2014-2015) | | | Previous Year (2013-2014) | | |
|---|--|---------------------------|----------------|--|---------------------------|----------------|
| | Synthetic Leather Cloth & Allied Products Division | Electronic Gauge Division | Total | Synthetic Leather Cloth & Allied Products Division | Electronic Gauge Division | Total |
| REVENUE | | | | | | |
| External Sales | 8392.97 | 2172.83 | 10565.80 | 7152.72 | 2603.27 | 9755.99 |
| Less : Excise Duty | | | 1100.14 | | | 983.72 |
| Inter-segment Sales | | | --- | | | --- |
| Other Income | 15.46 | 35.06 | 50.52 | 17.54 | 11.62 | 29.16 |
| Total Revenue | | | 9516.18 | | | 8801.43 |
| RESULTS | | | | | | |
| Segment Results | 351.75 | 336.13 | 687.88 | 165.68 | 404.59 | 570.27 |
| Unallocated Corporate Expenses (Net) | | | --- | | | --- |
| Operating Profit | | | 687.88 | | | 570.27 |
| Interest Expenses | | | 216.38 | | | 241.53 |
| Income Tax / Wealth Tax – Current | | | 164.73 | | | 143.16 |
| - Deferred & Previous Year Tax(+) | | | 02.32 | | | 05.44 |
| Profit from Ordinary Activities | | | 309.09 | | | 191.02 |
| Extra Ordinary Loss | | | --- | | | --- |
| Net Profit | | | 309.09 | | | 191.02 |
| OTHER INFORMATION | | | | | | |
| Segment Assets | 5986.40 | 922.92 | 6909.32 | 5353.66 | 946.79 | 6300.45 |
| Total Assets | | | 6909.32 | | | 6300.45 |
| Segment Liabilities | 6557.08 | 352.24 | 6909.32 | 5888.42 | 412.03 | 6300.45 |
| Total Liabilities | | | 6909.32 | | | 6300.45 |
| Capital Expenditure | | | 394.66 | | | 155.28 |
| Depreciation | | | 246.38 | | | 267.76 |
| Non-cash Expenses other than Depreciation | | | 19.49 | | | 44.22 |

H. 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 S. K. Verma – Vice President & Company Secretary M. Paliwal – Chief Financial Officer |
| Relative of key management personnel | Kamlesh Garg (Mrs.) – Director |
| Enterprises owned or significantly influenced by KMP, Directors or their relatives | Indev Gauging Systems Ltd., Germany Gesco Automation Ltd. ISS, Bvba Belgium |

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 :-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | Key Management Personnel (KMP) | Total (₹ in Lakhs) |
|--|----------------------------------|--------------------|
| Sales (Indev Gauging Systems Inc.) | WOS's WOS* | 123.21 |
| Sales (Indev Gauging Systems Limited) | Whole Time Directors | 25.14 |
| Sales (ISS Bvba,) | Associated Company | 31.90 |
| Purchases | --- | --- |
| Raw Materials | --- | --- |
| Consumables/Intermediates | --- | --- |
| Finished Goods | --- | --- |
| Job Work | --- | --- |
| Purchase of fixed assets | --- | --- |
| Sale of fixed assets | --- | --- |
| Managerial remuneration | KMP | 121.12 |
| Payment to Relatives as Salary | --- | --- |
| Investment (In JNAC as WOS) | Whole Time Directors (WOS) | --- |
| Loan Given | --- | --- |
| Loan Taken (including opening balance) | Directors & Relatives | 273.65 |
| Loan Repaid | Whole Time Directors | 10.00 |
| Balance outstanding as at the year | Whole Time Directors & Relatives | 285.04 |

*Wholly Owned Subsidiary

I. REMUNERATION TO AUDITOR

(₹ In Lakhs)

| Particulars | 2014-2015 | 2013-2014 |
|------------------------------|-----------|-----------|
| For Financial Audit | 00.79 | 00.57 |
| For Taxation & Other Matters | 00.22 | 00.22 |

J. As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in Accounting Standard are given below :

Defined Contribution Plan

Contribution to Defined Contribution Plan recognized as expenses for the year as under :

(₹ In Lakhs)

| Particulars | 2014-2015 | 2013-2014 |
|---|-----------|-----------|
| Employer's Contribution to Provident Fund | 08.63 | 05.12 |
| Employer's Contribution to ESI | 04.07 | 03.88 |

K. Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up to final obligation.

1. Investment Details :-

| | % Invested as at 31st March 2015 | % Invested as at 31 st March 2014 |
|-------|----------------------------------|--|
| L I C | 100 % | 100 % |

2. Actuarial Assumptions :

| | Gratuity (Funded) 2014 - 2015 | Gratuity (Funded) 2013-2014 |
|--|-------------------------------|-----------------------------|
| Mortality Table (LIC) 1994-96 | | |
| Discount rate (per annum) | 08.00 % | 08.00 % |
| Expected rate of return on plan assets (per annum) | 09.00 % | 08.75 % |
| Rate of escalation in salary (per annum) | 10.00 % | 08.00 % |
| Average past service (actual) | 12.92 % | 11.62 % |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.



CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JASCH INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Jasch Industries Limited ("the Company"), its subsidiaries (collectively referred to as "The Group") which comprise of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of the adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken in to account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conduct our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 misstatements.

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 assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the consolidated financial statements.

Opinion

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 aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31st March, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that.

Other Matters

We have relied on the unaudited financial statements / consolidated financial statements of certain subsidiaries whose financial statements / consolidated financial statements reflect total asset of ₹ 1302.41 Lakhs, total revenue of ₹ 00.42 Lakhs, cash flows amounting to ₹ 89.22 Lakhs for the year ended. These unaudited financial statements / consolidated financial statements as approved by the respective board of directors of these companies have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such approved unaudited financial statements / consolidated financial statements. Since audit of these foreign subsidiaries is not a mandatory legal requirement in the country where these subsidiaries have been incorporated.

Our report is not qualified in respect of this matter.

For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary
Partner
Membership No. : 81843
New Delhi, May 29, 2015

JASCH INDUSTRIES LIMITED

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹)

| | Note | As At 31 st March, 2015 | As At 31 st March, 2014 |
|--|------|---------------------------------------|---------------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 11,33,00,000 | 11,33,00,000 |
| Reserves and Surplus | 3 | 21,32,04,059 | 17,67,90,220 |
| | | 32,65,04,059 | 29,00,90,220 |
| Share Application Money Pending Allotment | | | |
| | | - | - |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 4 | 7,33,54,695 | 8,38,92,704 |
| Deferred Tax Liability (Net) | 5 | 3,00,66,688 | 3,03,33,097 |
| Other Long Term Liabilities | 6 | 1,13,89,648 | 27,98,247 |
| | | 11,48,11,031 | 11,70,24,048 |
| Current Liabilities | | | |
| Short Term Borrowings | 7 | 10,10,74,779 | 9,20,58,221 |
| Trade Payables | 8 | 13,66,61,811 | 10,48,25,004 |
| Other Current Liabilities | 9 | 7,12,48,580 | 8,27,97,638 |
| Short Term Provisions | 10 | 1,11,19,530 | 1,05,92,125 |
| | | 32,01,04,700 | 29,02,72,988 |
| TOTAL | | 76,14,19,790 | 69,73,87,256 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | | | |
| Capital Work-in-Progress | | 1,51,90,299 | 25,60,195 |
| Intangible Assets | | 5,01,37,735 | 5,21,53,404 |
| Non-Current Investments | 12 | 4,60,318 | 4,60,318 |
| Long Term Loans And Advances | 13 | 34,85,410 | 26,89,208 |
| | | 32,70,07,358 | 31,18,57,817 |
| Current Assets | | | |
| Current Investments | 14 | 27,27,599 | 21,09,063 |
| Inventories | 15 | 14,22,08,510 | 15,89,80,058 |
| Trade Receivables | 16 | 24,30,79,929 | 19,57,42,422 |
| Cash and Bank Balances | 17 | 2,42,10,786 | 1,75,72,126 |
| Short Term Loans and Advances | 18 | 88,31,023 | 62,29,205 |
| Other Current Assets | 19 | 1,33,54,585 | 48,96,565 |
| | | 43,44,12,432 | 38,55,29,439 |
| TOTAL | | 76,14,19,790 | 69,73,87,256 |

Significant Accounting Policies & Practices

(See accompanying notes 1 to 28 forming integral part of the financial statements)

In terms of our report attached

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary

Partner
Membership No. : 81843

New Delhi, May 29, 2015

| | | |
|-------------|---|------------------------------------|
| J. K. Garg | - | Chairman & Managing Director |
| Ramnik Garg | - | Whole Time Director |
| S. K. Verma | - | Vice President & Company Secretary |
| M. Paliwal | - | Chief Financial Officer |

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, 2015

| | | (Amount in ₹) | |
|--|------|-----------------------|---------------------|
| INCOME | Note | 2014-2015 | 2013-2014 |
| Revenue from Operations | 20 | 1,04,28,94,516 | 97,81,40,203 |
| Other Income | 21 | 50,52,359 | 29,16,354 |
| Total Revenue | | 1,04,79,46,875 | 98,10,56,557 |
| EXPENDITURE : | | | |
| Cost of Materials Consumed | 22 | 66,90,77,208 | 62,49,80,400 |
| Change in Inventories of Finished Goods & Stock-in-Process | 23 | 1,28,54,416 | 85,99,194 |
| Employee Benefits Expense | 24 | 10,73,49,238 | 9,36,94,915 |
| Finance Costs | 25 | 2,33,55,838 | 2,56,50,337 |
| Depreciation and Amortization Expense | 11 | 3,00,04,749 | 3,17,40,594 |
| Other Expenses | 26 | 15,81,14,557 | 16,13,26,668 |
| Total Expenses | | 1,00,07,56,005 | 94,59,92,108 |
| Profit Before Tax | | 4,71,90,870 | 3,50,64,449 |
| Tax Expenses | | | |
| Incomet Tax | | 1,64,16,250 | 1,43,16,500 |
| Wealth Tax | | 56,803 | - |
| Deferred Tax (+) | | 2,66,409 | 8,22,459 |
| Income Tax in respect of earlier year | | 34,736 | 2,78,732 |
| Profit for the Year | | 3,09,49,490 | 2,12,91,675 |
| Earning per equit share | 27 | 2.73 | 1.88 |
| Basic And Diluted | | | |

Significant Accounting Policies & Practices
(See accompanying notes 1 to 28 forming integral part of the financial statements)

In terms of our report attached

For and on behalf of the Board

For Arora & Choudhary Associates

Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary

Partner
Membership No. : 81843

New Delhi, May 29, 2015

| | | |
|-------------|---|------------------------------------|
| J. K. Garg | - | Chairman & Managing Director |
| Ramnik Garg | - | Whole Time Director |
| S. K. Verma | - | Vice President & Company Secretary |
| M. Paliwal | - | Chief Financial Officer |

JASCH INDUSTRIES LIMITED

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2014-2015

(Amount in ₹)

| INCOME | 2014-2015 | 2013-2014 |
|--|----------------------|----------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit before tax as per Statement of Profit Loss Account | 4,71,90,870 | 3,50,64,449 |
| Adjusted For : Add / (Deduct) : | | |
| -Net Prior Year Adjustment | (34,736) | (2,78,732) |
| -Loss on Sale / Discard of Assets / Vehicle | 4,48,663 | 4,31,567 |
| -Depreciation and Amortization Expenses | 3,00,04,749 | 36,162,459 |
| -Effect of Exchange Rate Change | (30,16,344) | (17,97,673) |
| -Interest Income | (9,00,399) | (14,14,754) |
| -TUF/DD/Forfeited | (35,06,309) | (3,39,476) |
| -Finance Costs | 2,33,55,838 | 25,650,337 |
| -Debtors Written Off | (19,49,317) | 0 |
| | <u>4,44,02,145</u> | <u>5,84,13,728</u> |
| Operating Profit before Working Capital Changes | 9,15,93,015 | 9,34,78,177 |
| Adjusted For : Add / (Deduct) : | | |
| -Trade and Other Receivables | (6,35,67,809) | 2,43,57,782 |
| -Inventories | 1,67,71,548 | 57,62,092 |
| -Trade and Other Payables | 2,94,06,555 | (3,33,90,790) |
| | <u>(1,73,89,706)</u> | <u>(32,70,916)</u> |
| Cash Generated from Operations | 7,42,03,309 | 9,02,07,261 |
| Taxes Paid | (1,64,73,053) | (1,43,16,500) |
| Interest Received | 9,00,399 | 14,14,754 |
| Interest (TUF) | 35,06,309 | 3,39,476 |
| Exchange Rate Effect | 6,45,651 | 17,97,673 |
| Net Cash from Operating Activities | <u>6,27,82,615</u> | <u>7,94,42,664</u> |
| B: CASH FLOW FROM INVESTING ACTIVITIES : | | |
| -Purchase of Fixed Assets | (4,27,61,918) | (2,77,90,320) |
| -Sale of Fixed Assets & TUF | 10,65,000 | 8,85,000 |
| -Purchase of Investments | (6,18,536) | (6,29,268) |
| -Sale of Investments | 0 | 0 |
| Net Cash (used in) Investing Activities | <u>(4,23,15,454)</u> | <u>(2,75,34,588)</u> |
| C: CASH FLOW FROM FINANCING ACTIVITIES : | | |
| -Proceeds from Issue of Share Capital | 0 | 0 |
| -Proceeds form Long Term Borrowings | 4,34,68,253 | 2,12,00,000 |
| -Repayment of Long Term Borrowings | (4,29,57,474) | (3,91,97,243) |
| -Short Term Borrowings | 90,16,558 | (1,60,93,659) |
| -Dividends Paid (including dividend distribution tax) | 0 | 0 |
| -Interest Paid | (2,33,55,838) | (2,56,50,337) |
| Net Cash (used in) / from Financing Activities | <u>(1,38,28,501)</u> | <u>(5,97,41,239)</u> |
| Net Increase in Cash and Cash Equivalents | 66,38,660 | (78,33,163) |
| Opening Balance of Cash and Cash Equivalents | 1,75,72,126 | 2,54,05,289 |
| Closing Balance of Cash and Cash Equivalents | 2,42,10,786 | 1,75,72,126 |

Significant Accounting Policies & Practices
(See accompanying notes 1 to 28 forming integral part of the financial statements)

In terms of our report attached
For Arora & Choudhary Associates
Chartered Accountants
(FRN 003870N)

CA. Vijay K. Choudhary
Partner
Membership No. : 81843
New Delhi, May 29, 2015

For and on behalf of the Board

| | | |
|-------------|---|------------------------------------|
| J. K. Garg | - | Chairman & Managing Director |
| Ramnik Garg | - | Whole Time Director |
| S. K. Verma | - | Vice President & Company Secretary |
| M. Paliwal | - | Chief Financial Officer |

1. Significant Accounting Policies on Consolidated Accounts

A. Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provision of the Companies Act, 2013.

B. 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 (Wholly owned) :

| Name | Country | Ownership (%) | Remarks |
|--|---------|---------------|-------------------|
| Jasch North America Company (WOS) | USA | 100% | Approved by Board |
| Indev Gauging Systems, Inc. (WOS's Subsidiary) | USA | 100% | Approved by Board |

- 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 both these foreign subsidiaries is the calendar year, consolidated figures include figures of these subsidiaries for the period ended on 31-12-2014.

C. Other Significant Accounting Policies

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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

(Amount in ₹)

| | As At 31 st March, 2015 | As At 31 st March, 2014 |
|--|---------------------------------------|---------------------------------------|
| 2 SHARE CAPITAL | | |
| Authorised Share Capital : | | |
| 1,40,00,000 Equity Shares of ₹ 10 each | 14,00,00,000 | 14,00,00,000 |
| | <u>14,00,00,000</u> | <u>14,00,00,000</u> |
| Issued, Subscribed and Paid up : | | |
| 1,13,30,000 Equity Shares of ₹ 10 each fully paid up | 11,33,00,000 | 11,33,00,000 |
| TOTAL | <u>11,33,00,000</u> | <u>11,33,00,000</u> |

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

2.2 Terms / rights attached to Equity Shares :

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be 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 |
|-------------------------|---------------|--------|---------------|--------|
| Mr. Jai Kishan Garg | 23,98,491 | 21.17 | 23,94,491 | 21.13 |
| Mr. Manish Garg | 8,47,349 | 7.47 | 8,46,349 | 7.47 |
| Mr. Ramnik Garg | 8,02,573 | 7.08 | 7,93,973 | 7.01 |
| Ms. Kamlesh Garg | 6,05,945 | 5.35 | 6,05,945 | 5.35 |

2.4 There were no instance of shares issued, on which there were any calls remingun unpaid or instances of any forfeitures during the years ended March 31, 2015 and 2014

3 RESERVES AND SURPLUS**General Reserve**

Opening Balance

30,00,000

30,00,000

Add : Transferred from Statement of Profit And Loss

-

-

30,00,000

30,00,000

Surplus in Statement of Profit and Loss

Opening Balance

16,83,83,769

15,38,44,258

Add : Transfer from Surplus in Statement of Profit and Loss

3,09,49,490

2,12,91,676

Less : Transfer to Foreign Currency Translation Reserve

-

67,52,165

Less : Appropriations

-

-

19,93,33,259

16,83,83,769

Foreign Currency Translation Reserve

Opening Balance

54,06,451

(7,10,165)

Add : Transfer From Surplus

-

67,52,165

Amount transferred on account of resulting exchange difference on conversion of a non-integral subsidiary

54,64,349

(6,35,549)

1,08,70,800

54,06,451

TOTAL

21,32,04,059

17,67,90,220

4 LONG TERM BORROWINGS**Secured**

Term Loans From Bank

4,00,29,604

1,78,89,783

2,47,46,651

46,34,822

Loans For Vehicles (Banks)

48,21,304

22,11,842

46,36,558

26,92,960

4,48,50,908

2,01,01,625

2,93,83,209

73,27,782

Unsecured

Loan From Directors and their relatives

2,85,03,787

2,83,65,000

-

Loan From Others

-

2,61,44,495

-

2,85,03,787

5,45,09,495

-

TOTAL

7,33,54,695

2,01,01,625

8,38,92,704

73,27,782

4.1 Term Loans From HDFC 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) ₹ 149.98 Lakhs secured by first mortgage by deposit of title deed of the Company's immovable property at USA only.

4.3 Loans for Vehicles are secured by hypothecation of respective Vehicle.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| | As At 31 st March, 2015 | As At 31 st March, 2014 |
|---|---------------------------------------|---------------------------------------|
| (Amount in ₹) | | |
| 5 DEFERRED TAX LIABILITY (Net) | | |
| Deferred Tax Liability | 3,03,33,097 | 3,11,55,556 |
| Deferred Tax Assets | (2,66,409) | (8,22,459) |
| TOTAL | 3,00,66,688 | 3,03,33,097 |
| 6 OTHER LONG TERM LIABILITIES | | |
| Advance Against Project | 1,13,89,648 | 27,98,247 |
| Other Liability | - | - |
| TOTAL | 1,13,89,648 | 27,98,247 |
| 7 SHORT TERM BORROWINGS | | |
| Secured | | |
| Working Capital Loan From Bank | 10,10,74,779 | 9,20,58,221 |
| TOTAL | 10,10,74,779 | 9,20,58,221 |
| 7.1 Working Capital Loan from HDFC 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 ₹ 131.44 Lakhs is secured by corporate guarantee provide by Jash Industries Ltd. | | |
| 8 TRADE PAYABLES | | |
| Trade Payables | 13,66,61,811 | 10,48,25,004 |
| TOTAL | 13,66,61,811 | 10,48,25,004 |
| 8.1 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. | | |
| 8.2 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 provided by them. This information has been relied upon by the auditors. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under : | | |
| Particulars | | |
| Principal amount due and remaining unpaid | - | - |
| 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) | 2,01,01,625 | 73,27,782 |
| Unclaimed Dividends | 9,04,484 | 9,05,084 |
| Creditors for Capital Expenditure | 23,67,962 | 11,11,809 |
| Advance From Customers | 2,30,92,595 | 2,66,67,028 |
| Sales Tax Payable | 16,49,062 | 21,05,235 |
| TDS Payable | 6,51,125 | 2,22,149 |
| Expenses Payable | 82,09,055 | 68,32,716 |
| Sundry Creditors for Others | 71,49,000 | 79,99,949 |
| Others | 71,23,672 | 2,96,25,886 |
| TOTAL | 7,12,48,580 | 8,27,97,638 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11 FIXED ASSETS

(Amount in ₹)

| Description | Gross Block | | | | Depreciation / Amortisation | | | | Net Block | |
|---------------------------------|---------------------|--------------------|----------------------------------|---------------------|-----------------------------|--------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | At At 01.04.2014 | Additions | Deductions/ Adjustments (+/-) | As At 31.03.2015 | Up to 31.03.2014 | For the Period | Deductions / Adjustments (+/-) | Upto 31.03.2015 | As At 31.03.2015 | As At 31.03.2014 |
| A. TANGIBLE OWN ASSETS : | | | | | | | | | | |
| Free Hold Land | 33,11,263 | - | 96,090 | 34,07,353 | - | - | - | - | 34,07,353 | 29,66,175 |
| General Assets | 1,06,39,832 | 4,50,931 | - | 1,10,90,763 | 57,40,412 | 21,25,545 | - | 78,65,957 | 32,24,806 | 48,99,420 |
| Factory Building | 3,40,01,690 | - | - | 3,40,01,690 | 1,40,15,124 | 8,31,204 | - | 1,48,46,328 | 1,91,55,362 | 1,99,86,566 |
| Office Building | 26,53,549 | - | - | 26,53,549 | 4,08,689 | 39,853 | - | 4,48,542 | 22,05,007 | 22,44,860 |
| Corporate Office | 65,85,356 | - | - | 65,85,356 | 4,29,658 | 1,02,218 | - | 5,31,876 | 60,53,480 | 61,55,698 |
| Plant & Mach-Printing | - | 2,01,70,783 | - | 2,01,70,783 | - | 3,53,325 | - | 3,53,325 | 1,98,17,458 | - |
| Utility | 1,81,97,288 | 22,20,754 | - | 2,04,18,042 | 62,13,658 | 12,27,564 | - | 74,41,222 | 1,29,76,820 | 1,19,83,630 |
| Gen Sets | 82,01,169 | - | - | 82,01,169 | 33,63,310 | 7,38,960 | - | 41,02,270 | 40,98,899 | 48,37,859 |
| Boilers | 1,65,44,082 | 3,25,898 | - | 1,68,69,980 | 96,42,136 | 7,32,826 | - | 1,03,74,962 | 64,95,018 | 69,01,946 |
| Vehicles | 2,32,00,522 | 32,01,803 | 30,65,091 | 2,33,37,234 | 60,39,816 | 30,14,854 | 15,51,428 | 75,03,242 | 1,58,33,992 | 1,71,60,706 |
| Pu Plant | 12,31,41,218 | 16,75,335 | - | 12,48,16,553 | 7,84,40,018 | 55,41,948 | - | 8,39,81,966 | 4,08,34,587 | 4,47,01,200 |
| Pu Plant Utility | 6,68,77,807 | 28,905 | - | 6,69,06,712 | 2,02,68,508 | 28,25,217 | - | 2,30,93,725 | 4,38,12,987 | 4,66,09,299 |
| Dry Line | 10,57,04,837 | 19,63,706 | - | 10,76,68,543 | 5,94,20,886 | 51,96,997 | - | 6,46,17,883 | 4,30,50,660 | 4,62,83,951 |
| Automation | 4,80,33,962 | 94,199 | 8,05,862 | 4,89,34,023 | 88,77,749 | 31,80,053 | 1,09,054 | 1,21,66,856 | 3,67,67,167 | 3,92,63,382 |
| TOTAL | 46,70,92,575 | 3,01,32,314 | 39,67,043 | 49,50,61,750 | 21,28,59,964 | 2,59,10,564 | 16,60,482 | 23,73,28,154 | 25,77,33,596 | 25,39,94,692 |
| Capital Work-in-Progress | 25,60,195 | 3,43,18,352 | 2,16,88,248 | 1,51,90,299 | - | - | - | - | 1,51,90,299 | 25,60,195 |
| B. INTANGIBLE ASSETS : | | | | | | | | | | |
| Goodwill on Consolidation | 5,95,95,246 | - | 30,64,467 | 6,26,59,713 | 76,79,761 | 40,94,185 | 7,48,032 | 1,25,21,978 | 5,01,37,735 | 52,153,404 |
| TOTAL | 52,92,48,016 | 6,44,50,666 | 2,87,19,758 | 57,29,11,762 | 22,05,39,725 | 3,00,04,749 | 24,08,514 | 24,98,50,132 | 32,30,61,630 | 308,708,291 |
| PREVIOUS YEAR | 50,37,51,625 | 2,81,43,432 | 26,47,041 | 52,92,48,016 | 19,01,29,605 | 3,17,40,594 | 13,30,474 | 22,05,39,725 | 30,87,08,291 | 313,622,020 |

| | As At 31 st March, 2015 | As At 31 st March, 2014 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| 10 SHORT TERM PROVISIONS | | |
| Provision for Employee Benefits : | | |
| Bonus / Gratuity Payable | 20,91,286 | 33,37,994 |
| Provisions for duties & taxes : | | |
| Excise Duty | 12,98,608 | 5,91,741 |
| Tax (NET) | 76,72,833 | 66,62,390 |
| Wealth Tax | 56,803 | - |
| TOTAL | 1,11,19,530 | 1,05,92,125 |

- 10.1 Provision of Excise Duty on finished goods lying in factory premises at March 31, 2015 aggregating to ₹ 18,60,998/- (Previous Year ₹ 14,25,148/-) has been provided at current excise rate and included in valuation of finished goods inventory and same has been charged from Cenvat Credit Receivable Input Account as on 31st March, 2015
- 10.2 There are no undisputed liabilities or over dues to Government Departments and /or Financial Institution and Banks, other than in the normal course of business or whose due date has not yet come.
- 10.3 Provision for retirement gratuity liability as at 31.03.2015 to all eligible employees, amount of ₹ 30,78,918/- has been made as per actuarial valuation by LIC of India and an amount of ₹ 21,85,695/- has been paid to LIC of India as contribution for current year up to 31.03.2015

12 NON-CURRENT INVESTMENTS

(Long Term Investments)

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

ISISS Bvba, Germany

5,600

3,92,518

5,600

3,92,518

In Equity Shares - Quoted, fully paid up

Standard Capital Market Ltd

(Market Value As on 31.03.15 is ₹ 80,110)

33,900

67,800

33,900

67,800

TOTAL

4,60,318

4,60,318

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| | As At 31 st March, 2015 | (Amount in ₹) As At 31 st March, 2014 |
|--|---------------------------------------|--|
| 13 LONG TERM LOANS AND ADVANCES (Unsecured and considered good) | | |
| Security Deposit (Includes Deposit with State Electricity Distribution Company. ₹ 30,91,568/-) | 34,85,410 | 26,89,208 |
| TOTAL | <u>34,85,410</u> | <u>26,89,208</u> |
| 14 CURRENT INVESTMENTS Other Investments | | |
| For Short Term | 27,27,599 | 21,09,063 |
| TOTAL | <u>27,27,599</u> | <u>21,09,063</u> |
| 15 INVENTORIES | | |
| Raw Materials | 7,82,88,388 | 7,58,81,288 |
| Consumables | 2,33,02,281 | 2,92,96,952 |
| Stock-in-Process | 2,31,67,021 | 3,06,99,635 |
| Finished Goods | 1,42,92,465 | 1,91,78,417 |
| Stores & Spares | 4,09,110 | 6,26,100 |
| Packing Material | 6,59,708 | 4,74,195 |
| Fuel | 6,51,143 | 5,03,481 |
| Goods-in-Transit | 14,38,394 | 23,19,990 |
| TOTAL | <u>14,22,08,510</u> | <u>15,89,80,058</u> |
| 16 TRADE RECEIVABLES (Unsecured and considered good) | | |
| Over six months | 3,23,15,937 | 3,58,80,342 |
| Others | 21,07,63,992 | 15,98,62,080 |
| TOTAL | <u>24,30,79,929</u> | <u>19,57,42,422</u> |
| 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 | 5,85,306 | 5,52,565 |
| Balance with Banks | 91,84,958 | 57,48,541 |
| Balance in Unpaid Dividend Account | 9,04,484 | 9,05,084 |
| Fixed Deposits with Bank | 1,35,36,038 | 1,03,65,936 |
| TOTAL | <u>2,42,10,786</u> | <u>1,75,72,126</u> |
| 18 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good) | | |
| Advance to Suppliers | 11,05,570 | 14,89,102 |
| Balance With Revenue Authorities | 51,31,378 | 34,01,628 |
| Prepaid Expenses | 6,25,553 | 5,76,149 |
| Miscellaneous Receivables | 19,68,522 | 7,62,326 |
| TOTAL | <u>88,31,023</u> | <u>62,29,205</u> |
| 19 OTHER CURRENT ASSETS | | |
| Claim Receivable & Others | 1,33,54,585 | 48,96,565 |
| TOTAL | <u>1,33,54,585</u> | <u>48,96,565</u> |

19.1 The Company received an insurance claim of ₹ 86.03 lakhs 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 lakhs. Balance claim of ₹ 48.97 lakhs 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 Court. There are fair chances at the balance claim of ₹ 48.97 lakhs 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, 2015

(Amount in ₹)

| | For the Year Ended 2014 - 2015 | For the Year Ended 2013-2014 |
|--|-----------------------------------|---------------------------------|
| 20 REVENUE FROM OPERATIONS | | |
| Sale of Products | | |
| Synthetic Leather & Allied Products | 83,92,96,846 | 71,52,72,495 |
| Electronic Gauges | 29,13,04,584 | 34,36,85,565 |
| Income From Services | 2,23,06,723 | 1,75,54,802 |
| | <u>1,15,29,08,153</u> | <u>1,07,65,12,862</u> |
| Less : Excise Duty / VAT | 11,00,13,637 | 9,83,72,659 |
| TOTAL | <u><u>1,04,28,94,516</u></u> | <u><u>97,81,40,203</u></u> |
| 21 OTHER INCOME | | |
| Interest Income (FDR) | 9,00,399 | 14,14,754 |
| Subsidy (TUF) | - | 3,39,476 |
| Duty Drawback | 2,85,162 | - |
| Other Advance Forefitted | 32,21,147 | - |
| Exchange Fluctuation as per AS11 | 6,45,651 | 11,62,124 |
| TOTAL | <u><u>50,52,359</u></u> | <u><u>29,16,354</u></u> |
| 22 COST OF MATERIAL CONSUMED | | |
| Raw Material | 64,15,32,856 | 60,19,12,940 |
| Consumables (Release Paper) | 2,75,44,352 | 2,30,67,460 |
| TOTAL | <u><u>66,90,77,208</u></u> | <u><u>62,49,80,400</u></u> |
| 23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS | | |
| Inventories (at Commencement) | | |
| Stock-in-Process | 3,06,99,635 | 1,99,66,536 |
| Finished Goods | 1,91,78,417 | 3,92,37,068 |
| | <u>4,98,78,052</u> | <u>5,92,03,604</u> |
| Inventories (at Close) | | |
| Stock-in-Process | 2,31,67,021 | 3,06,99,635 |
| Finished Goods | 1,42,92,465 | 1,91,78,417 |
| | <u>3,74,59,486</u> | <u>4,98,78,052</u> |
| | 1,24,18,566 | 93,25,552 |
| Add/(Less) : Variation in provision for Excise Duty on Opening and Closing Stock of Finished Goods | 4,35,850 | (7,26,358) |
| TOTAL | <u><u>1,28,54,416</u></u> | <u><u>85,99,194</u></u> |
| 24 EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages, Gratuity & Bonus | 9,88,09,648 | 8,59,60,631 |
| Contribution to P. F. & Other Funds | 13,05,673 | 9,35,541 |
| Employee Welfare Expenses | 65,95,561 | 65,73,743 |
| Directors' Sitting Fee | 6,38,356 | 2,25,000 |
| TOTAL | <u><u>10,73,49,238</u></u> | <u><u>9,36,94,915</u></u> |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

| | For the Year Ended 2014 -2015 | For the Year Ended 2013 -2014 |
|---|----------------------------------|----------------------------------|
| 25 FINANCE COST | | |
| Interest on Cash Credit Facility | 1,02,33,329 | 1,35,52,302 |
| Interest on Term Loan | 61,74,190 | 46,32,703 |
| Interest on Vehicle Loan | 6,45,036 | 4,31,232 |
| Other Interest | 26,94,888 | 8,74,062 |
| Bank And Other Charges | 36,08,394 | 61,60,038 |
| TOTAL | 2,33,55,838 | 2,56,50,337 |
| 26 OTHER EXPENSES | | |
| Manufacturing and Operating Cost | | |
| Power & Fuel | 4,64,16,782 | 4,38,45,209 |
| Consumables & Stores | 31,15,618 | 34,22,423 |
| Packing Material | 91,18,464 | 69,54,278 |
| Freight Inward | 2,35,52,232 | 1,90,31,720 |
| Repair & Maintenance (Plant) | 63,85,373 | 56,33,252 |
| Exchange Difference (profit) / loss | (15,30,926) | 55,69,765 |
| TOTAL (A) | 8,70,57,543 | 8,44,56,647 |
| Establishment Expenses | | |
| Insurance Expenses | 13,70,250 | 28,47,673 |
| Books, Printing & Stationery | 8,02,509 | 6,47,425 |
| Postage & Telegram | 11,17,798 | 6,60,556 |
| Telephone & Communications | 42,88,377 | 39,95,643 |
| Tour & Travel Inc. Foreign Travel, Conveyance | 1,35,49,306 | 1,20,63,814 |
| Hotel, Boarding, Lodging | 78,27,149 | 79,01,313 |
| Vehicle Running & Maintenance | 32,13,167 | 29,25,851 |
| Fee & Subscription | 26,19,341 | 21,13,692 |
| Legal & Professional Charges | 15,14,614 | 61,33,501 |
| Rent, Rates and Taxes | 32,31,657 | 43,03,680 |
| Office Electricity Exp. | 1,27,578 | 1,18,745 |
| Technical Know How Fee | - | 16,58,986 |
| Charity & Donation | 6,49,255 | 7,17,000 |
| Electrical & General Repair & Maintenance | 22,84,422 | 34,32,391 |
| Statutory Auditor | | |
| - For Financial Audit | 78,652 | 56,180 |
| - For Taxation and Other Matters | 22,472 | 22,480 |
| Cost Audit Fee | - | 30,000 |
| Secraterial Audit Fee | 33,708 | - |
| Loss on Sale of Vehicle / Machinery (Net) | 4,48,663 | 4,31,567 |
| Miscellaneous | 22,91,553 | 23,94,834 |
| TOTAL (B) | 4,54,70,472 | 5,24,55,331 |
| Selling and Distribution Expenses | | |
| Testing Charges | 1,70,828 | 1,36,345 |
| Discount & Rebates | 81,02,697 | 43,46,646 |
| Selling Expenses | 23,54,579 | 19,01,351 |
| Sales Commission | 31,92,704 | 78,94,112 |
| Bad Debts | 19,49,317 | - |
| Freight Outward | 48,99,061 | 22,24,255 |
| Advertising & Exhibition | 34,29,538 | 59,68,604 |
| Clearing & Forwarding (Export) | 14,87,819 | 19,43,377 |
| TOTAL (C) | 2,55,86,543 | 2,44,14,690 |
| TOTAL (A+B+C) | 15,81,14,557 | 16,13,26,668 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

| | For the Year Ended 2014 - 2015 | For the Year Ended 2013 -2014 |
|--|-----------------------------------|----------------------------------|
| 27 EARNINGS PER SHARE (EPS) | | |
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 3,09,49,490 | 2,12,91,675 |
| Number of equity shares used as denominator for calculating EPS | 1,13,30,000 | 1,13,30,000 |
| Basic and Diluted Earnings per share | 2.73 | 1.88 |
| Face Value per equity share | 10.00 | 10.00 |
| 28 ADDITIONAL INFORMATION PURSUANT TO PART I & II OF THE SCHEDULE III OF THE COMPANIES ACT, 2013 | | |
| A. CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakhs) | | |
| (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 Lakhs @ 62.59) | 187.77 | 180.30 |
| b) In Respect of Others | 0 | 0 |
| (ii) Advance / Performance Guarantees (Margin Money with Bank ₹ 21.80 Lakhs) | 144.05 | 57.48 |
| (iii) Outstanding guarantees furnished to Bank in respect of Letters of Credits (Margin Money with Bank ₹ 83.76 Lakhs) | 710.73 | 668.92 |
| (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 |
| (d) Un-hedged foreign currency exposure at the year end | | |
| i) Trade receivables | 257.96 | 163.66 |
| ii) Trade Payables | 372.55 | 269.52 |
| iii) Trade Advances | 44.40 | 29.06 |
| (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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**B. 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 segments as reportable segments viz. Synthetic Leather Cloth & Allied Products Division and Electronic Gauge Division. The financial information about these business segments is presented in the table below :-

(Amount ₹ in lakhs)

| | Current Year (2014-2015) | | | Previous Year (2013-2014) | | |
|---|--|---------------------------|-----------------|--|---------------------------|----------------|
| | Synthetic Leather Cloth & Allied Products Division | Electronic Gauge Division | Total | Synthetic Leather Cloth & Allied Products Division | Electronic Gauge Division | Total |
| REVENUE | | | | | | |
| External Sales | 8392.97 | 2913.05 | 11306.02 | 7152.72 | 3436.86 | 10589.58 |
| Less : Excise Duty | | | 1100.14 | | | 983.73 |
| Inter-segment Sales | | | | | | |
| Other Income | 15.46 | 258.13 | 273.59 | 29.16 | 175.55 | 204.71 |
| Total Revenue | | | 10479.47 | | | 9810.56 |
| RESULTS | | | | | | |
| Segment Results | 351.75 | 353.72 | 705.47 | 165.68 | 441.46 | 607.14 |
| Unallocated Corporate Expenses (Net) | | | --- | | | --- |
| Operating Profit | | | 705.47 | | | 607.14 |
| Interest Expenses | | | 233.56 | | | 256.50 |
| Income Tax – Current | | | 165.08 | | | 143.16 |
| - Deferred & Previous Year Tax (Net) (+) | | | 02.66 | | | 05.44 |
| Profit from Ordinary Activities | | | 309.49 | | | 212.92 |
| Extra Ordinary Loss | | | --- | | | --- |
| Net Profit | | | 309.49 | | | 212.92 |
| OTHER INFORMATION | | | | | | |
| Segment Assets | 5986.40 | 1627.80 | 7614.20 | 5353.66 | 1620.21 | 6973.87 |
| Total Assets | | | 7614.20 | | | 6973.87 |
| Segment Liabilities | 6557.08 | 1057.12 | 7614.20 | 5888.42 | 1085.45 | 6973.87 |
| Total Liabilities | | | 7614.20 | | | 6973.87 |
| Capital Expenditure | | | 395.60 | | | 177.04 |
| Depreciation | | | 259.11 | | | 279.20 |
| Non-cash Expenses other than Depreciation | | | 60.43 | | | 82.43 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Form AOC-1

[Pursuant to first proviso to sub-section [3] of section 129 read with rule 5 of Companies [Accounts] Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

[Information in respect of each subsidiary to be presented with amounts in ₹ Lakhs]

| Sr.No. | Particulars | Jasch North America Co. (WOS of JIL) | Indev Gauging Systems, Inc. (Subsidiary of JNAC) |
|--------|---|--------------------------------------|--|
| 1 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 01-01-14 to 31-12-14 | 01-01-14 to 31-12-14 |
| 2 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | US\$ 1 US\$ = INR 62.5908 | US\$ 1 US\$ = INR 62.5908 |
| 3 | Share Capital | 00.63 | 00.63 |
| 4 | Reserve & Surplus | 29.34 | 35.48 |
| 5 | Total Assets | 263.07 | 636.61 |
| 6 | Total Liabilities | 888.98 | 1137.99 |
| 7 | Investments | 625.91 | --- |
| 8 | Turnover | 11.26 | 1025.97 |
| 9 | Profit before taxation | 00.41 | 04.58 |
| 10 | Provision for taxation | --- | 00.75 |
| 11 | Profit after taxation | 00.41 | 03.83 |
| 12 | Proposed Dividend | --- | --- |
| 13 | % of shareholding | 100 % | 100% |

Notes :

- Names of subsidiaries which are yet to commence operations : None
- Name of subsidiaries which have been liquidated or sold during the year : None
- During the year company had no associates / joint ventures, hence Part B of this report is not applicable.

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
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: _____

BLANK

JASCH INDUSTRIES LIMITED

(CIN : L24302HR1985PLC022758)

Registered Office : 43/5, Bahalgarh Road
P. O. Bahalgarh-131021, Distt. Sonipat (HARYANA)**ATTENDANCE SLIP**

| | |
|---------------|--|
| D P No. | |
| Demat A/c No. | |

| | |
|---------------|--|
| L. F. No. | |
| No. of Shares | |

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 SHAREHOLDER / PROXY | |

Tear Here

FORM NO. MGT-11 (PROXY FORM)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2014]

| | |
|-------------------------|--|
| CIN | L24302HR1985PLC022758 |
| Name of the Company | JASCH INDUSTRIES LTD |
| Registered Office | 43/5 Bahalgarh Road, Sonipat, Haryana 131021 |
| Name of the Shareholder | |
| Registered Address | |
| Email ID | |
| Folio No./Client ID | |
| DP ID | |

I/We being the shareholders of _____ shares of the above named company, hereby appoint :

| | |
|---|-----------|
| 1 | Name |
| | Address |
| | Email ID |
| | Signature |

Or failing him

| | |
|---|-----------|
| 2 | Name |
| | Address |
| | Email ID |
| | Signature |

Or failing him

| | |
|---|-----------|
| 3 | Name |
| | Address |
| | Email ID |
| | Signature |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the _____th Annual General Meeting of the Company to be held on _____ day the _____ of _____ at _____ hours at the Registered Office of the Company at 43/5, Bahalgarh Road, Sonipat, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below :

| Resolution No. | Subject matter of Resolution | Voted For or against (please tick) | |
|----------------|--|------------------------------------|---------|
| | | For | Against |
| 1 | Adoption of Annual Accounts for the Financial Year 2014-15 | | |
| 2 | Re-appointment of Auditors | | |
| 3 | Re-appointment of Shri Manish Garg as Director | | |

Signed this _____ day of _____ 2015.

Signature of shareholder :

NOTE : This form of proxy in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

| |
|--|
| Please Affix ₹ 1/ Revenue Stamp and sign across it |
|--|