

# JASCH INDUSTRIES LTD.

**Regd. Office & Works** : 43/5, Bahalgarh Road,  
P.O. Bahalgarh-131021, Distt. Sonapat, (Haryana) INDIA  
CIN NO.: L24302HR1985PLC022758  
Phone : 91-130-3053600, 6451517, 6451518  
FAX : 91-130-3053697, 3053698  
Website: www.jaschindustries.com  
E-mail : info@jasch.biz / accounts@jasch.biz

# **JASCH**

J/SE/N

Date: 4<sup>th</sup> October, 2016

✓ The BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

✓ The Calcutta Stock Exchange Ltd,  
7, Lyons Range,  
Kolkata - 700001

## Re: Annual Report 2015-2016

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the copy of Annual Report for the financial year 2015-2016 as approved and adopted in 30<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2016.


This is for your information and record please.

Thanking you

Yours faithfully,  
**For Jasch Industries Limited**

  
**S.K. Verma**  
**Vice President & Company Secretary**

Encl: A/a



**30<sup>th</sup> Annual Report  
2015-2016**

***JASCH***

**JASCH INDUSTRIES LIMITED**



# Jasch Industries Limited

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

30<sup>TH</sup> ANNUAL REPORT 2015-2016

## Inside this Report

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#### Annual General Meeting

Date : September 28, 2016 at 10:00 A.M.

Venue : Registered Office of the Company



# JASCH INDUSTRIES LTD.

(CIN : L24302HR1985PLC022758)

[An ISO 9001:2008 Company]

30<sup>TH</sup> ANNUAL REPORT 2015-2016

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## BOARD OF DIRECTORS

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J. K. GARG	CHAIRMAN & MANAGING DIRECTOR
MANISH GARG	EXECUTIVE DIRECTOR
RAMNIK GARG	EXECUTIVE DIRECTOR
NAVNEET GARG	EXECUTIVE 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

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## VICE PRESIDENT & COMPANY SECRETARY

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S. K. VERMA

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## CHIEF FINANCIAL OFFICER

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M. PALIWAL

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## AUDITORS

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

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## SECRETARIAL AUDITORS

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

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## BANKERS

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HDFC BANK  
ATLAS ROAD, MODEL TOWN, SONIPAT

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## REGISTRARS

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

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## REGISTERED OFFICE AND WORKS

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

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## CORPORATE OFFICE

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

**NOTICE OF 30<sup>th</sup> ANNUAL GENERAL MEETING**

To

The Members,

NOTICE is hereby given that the 30th Annual General Meeting of Members of JASCH INDUSTRIES LIMITED will be held on Wednesday, the 28<sup>th</sup> September, 2016 at 10:00 AM at Registered Office of the Company at 43/5, Bahalgarh Road, P.O., Bahalgarh, Distt. Sonapat-131021, Haryana, to transact the following business :

**ORDINARY BUSINESS**

**ITEM NO. 1 :** To receive, consider and adopt the audited Stand-alone and Consolidated Financial Statements of the Company for the year ended 31st March, 2016 and the Reports of the Directors and the Auditors thereon.

**ITEM NO. 2 :** To appoint a Director in place of Shri Ramnik Garg (DIN : 00188843), a non-independent director, who retires by rotation and being eligible, offers himself for re-appointment as non-independent director.

**ITEM NO. 3 :** To re-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 re-appointment, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, on a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors, plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties."

**SPECIAL BUSINESS**

**ITEM NO. 4 :** To re-appoint Shri Jai Kishan Garg as Managing Director and to fix his remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, re-appointment of Shri Jai Kishan Garg (DIN: 00596709), as Managing Director of the Company, made by the Board for a further period of three years from 01-05-2016 to 30-04-2019 be and is hereby approved and notwithstanding any loss or inadequacy of profit in any financial year, the fixed part of his remuneration be and is hereby approved at Rs. 3,50,000 per month, plus other monetary and non-monetary benefits and on such terms and conditions as are contained in the Remuneration Policy of the Company earlier framed by the Nomination & Remuneration Committee and approved by the Board."

**ITEM NO. 5 :** To re-appoint Shri Ramnik Garg as Executive Director and to fix his remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, re-appointment of Shri Ramnik Garg (DIN: 00188843) as Executive Director of the Company, made by the Board for a further period of three years from 01-07-2016 to 30-06-2019 be and is hereby approved and, notwithstanding any loss or inadequacy of profit in any financial year, the fixed part of his remuneration be and is hereby approved at Rs. 2,50,000 per month, plus other monetary and non-monetary benefits and on such terms and conditions as are contained in the Remuneration Policy of the Company earlier framed by the Nomination & Remuneration Committee and approved by the Board."

**ITEM NO. 6 :** To re-appoint Shri Navneet Garg as Executive Director and to fix his remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, re-appointment of Shri Navneet Garg (DIN: 00176350) as Executive Director of the Company, made by the Board for a further period of three years from 01-05-2016 to 30-04-2019 be and is hereby approved and, notwithstanding any loss or inadequacy of profit in any financial year, the fixed part of his remuneration be and is hereby approved at Rs. 2,50,000 per month, plus other monetary and non-monetary benefits and on such terms and conditions as are contained in the Remuneration Policy of the Company earlier framed by the Nomination & Remuneration Committee and approved by the Board."

**NOTICE OF 30<sup>th</sup> ANNUAL GENERAL MEETING**

**ITEM NO. 7 :** To ratify remuneration of Cost Auditors for the financial year 2016-17 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 remuneration of M/s Vipul Bhardwaj & Co, Management Accountants, who were appointed by the Board of Directors as Cost Auditors for the Financial Year 2016-17 on the recommendations of the Audit Committee for an annual remuneration of Rs. 33,000 plus service tax, as applicable, plus out of pocket expenses, be and is hereby ratified."

**ITEM NO. 8 :** To fix fee for providing copies and/or delivery of documents to a member in a particular mode and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"RESOLVED** that in Regulation 61 of the Articles of Association of the Company, the words "Rupee one" be and are hereby substituted with the words ", unless such a fee is fixed by the Act or the Rules, Rupee one hundred plus out of pocket expenses incurred by the Company".

**"RESOLVED FURTHER** that pursuant to proviso to Section 20(2) of the Companies Act, 2013, unless such a fee is fixed by the Act or the Rules, a fee of rupees one hundred plus out of pocket expenses, be and is hereby fixed for delivery of any documents requested by a member to be delivered through a particular mode."

By Order of the Board of Directors  
For JASCH INDUSTRIES LTD

Place : Sonipat  
Date : 30-07-2016

S.K. VERMA  
COMPANY SECRETARY

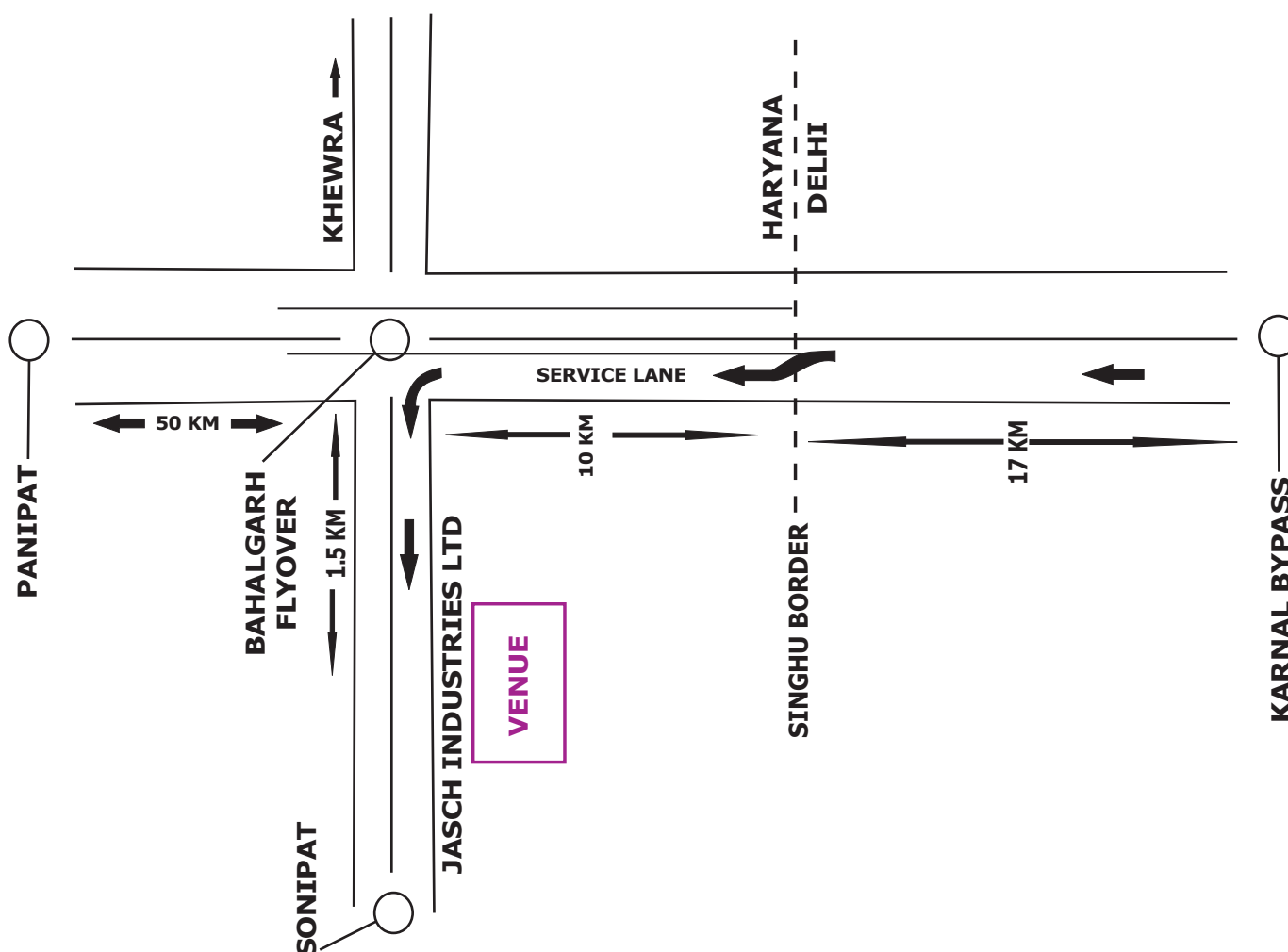
**NOTES**

1. **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.**
2. The business set out in the Notice will also be available for transaction through remote electronic voting system (e-voting) and the Company is providing the facility for the same. Instructions and other information relating to remote e-voting are attached. The facility for voting, either through e-voting system or polling paper, shall also be made available at the meeting. The 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. Although the Members who have already cast their vote by remote e-voting prior to the meeting, may attend the meeting, but they shall not be entitled to cast their vote again.
3. 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.
4. 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.
5. 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 22-08-2016 to 31-08-2016 (both days inclusive) in connection with the Annual General Meeting.
6. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent/the Company.
7. **Under Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven 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.**

**NOTES**

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 Listing Agreement/Listing Regulations) and the same form part of the notice. The Director(s) have furnished the requisite declarations for their appointment/re-appointment.
9. Electronic copies of the notice and the Annual Report 2016 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 2016 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 2016 will also be available on the Company's website [www.jaschindustries.com](http://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](mailto:skverma@jasch.biz).
12. Explanatory Statement under section 102 of the Companies Act, 2013 relating to items of special business is attached and forms part of this notice.
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.

**Route Map**





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Explanatory Statement in respect of Item Nos. 4 to 6 : (Re-appointment of Managing Director and Executive Director)**

At the Annual General Meeting of the Company held on 30th September, 2011, Shri Jai Kishan Garg (DIN: 00596709) & Shri Navneet Garg (DIN: 00176350) were re-appointed as Managing Director and Whole Time Director respectively for a period of five years i.e. from 1st May, 2011 to 30th April, 2016. At the Annual General Meeting held on 27th September, 2013, Shri Ramnik Garg (DIN: 00188843) was re-appointed as Whole Time Director for a period of three years i.e. from 1st July, 2013 to 30th June, 2016.

After expiry of the aforesaid period, a performance evaluation of the above Directors was done by the Nomination & Remuneration Committee, which recommended to the Board re-appointment of these directors as Managing/Whole Time Directors for a further period of three years. Accepting these recommendations, the Board of Directors of the Company in their Meeting held on 21<sup>st</sup> May, 2016 had reappointed (subject to the shareholders passing a Special Resolution at this Annual General Meeting) Shri Jai Kishan Garg as Managing Director; Shri Navneet Garg, as Whole Time Director (to be designated as Executive Director) and Shri Ramnik Garg as Whole Time Director (to be designated as Executive Director), for further period of three years commencing from the day immediately following the last day of their aforesaid term [i.e. from 1<sup>st</sup> May, 2016 to 30<sup>th</sup> April, 2019 in case of Shri Jai Kishan Garg and Shri Navneet Garg; and from 1<sup>st</sup> July, 2016 to 30<sup>th</sup> June, 2019 in case of Shri Ramnik Garg], on the remuneration as recommended by the Nomination & Remuneration Committee and as mentioned in the proposed Special Resolution.

Details of monetary and non-monetary benefits and other terms and conditions, as referred to in the proposed Special Resolution and contained in the Remuneration Policy, are as under :

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

Additional information pursuant to Section II of Schedule V of the Companies Act, 2013 and applicable Secretarial Standard is as follows:

<b>I. General Information:</b>	
(a) Nature of Industry	Technical Textiles & Electronic Gauges
(b) Date or expected date of commencement of commercial production	Not Applicable as the Company is already into commercial production
(c) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(d) Financial performance based on given indicators	Financial Year 2015-2016 Gross Revenue: Rs. 9893.72 lakh Operating Profit: Rs. 868.21 lakh Profit after tax: Rs. 410.62 lakh Earnings per share of face value of Rs. 10 : 3.62
(e) Foreign investment or collaborations, if any	The Company has not made any foreign investments during the year. It has entered into a technical collaboration with a Korean Company, details of which have been elsewhere in this Annual Report.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**II. Information about the appointees :****1. Name : Shri Jai Kishan Garg**

(a) Remuneration : Rs. 3,50,000 plus perks\*

(b) **Background details, job profile, suitability & past remuneration :** Born on 04-05-1946, \*\*Shri Jai Kishan Garg had his seventieth birthday on 04-05-2016. He is a Mechanical Engineer with more than 40 years' of experience in the field of Production of Synthetic Leather and management function. He has been associated with the Company as Chairman and Whole Time Director since its inception i.e. 11th December, 1985 and has thorough knowledge about the affairs of the Company and the industry in which it operates. Hence, it is proposed to continue to keep him in-charge of the affairs of the Company, even beyond the age of seventy years. His last re-appointment as Managing Director for a period of five years w.e.f. 1st May, 2011 was approved by the Board in its Meeting held on 30th April, 2011, and it came to an end on 30th April, 2016. As Managing Director, he is the Chief Executive Officer of the Company and overall in charge of the affairs of the Company. He is also the Chairman of the Company and is on the Board of Jasch Automation Ltd., Gesco Automation Ltd. & Jasch Footwears Pvt Ltd. He is the Chairman of the Finance Committee, Re-organisation Committee & Corporate Social Responsibility Committee of the Company. His immediate past annual remuneration was Rs. 2,00,000 per month (fixed part) plus perks\*. Shri Jai Kishan Garg holds 6,43,310 shares in the Company as on 31st March, 2016. He has attended all (6) Board Meetings held in the Financial Year 2015-2016.

**2. Name : Shri Navneet Garg**

(a) Remuneration : Rs. 2,50,000 plus perks\*

(b) **Background details, job profile, suitability & past remuneration:** \*\*Shri Navneet Garg, aged 41 years, is a Mechanical Engineer with more than 20 years' of experience in the field of Production of Synthetic Leather and management. He specializes in the field of production of synthetic leathers and synthetic adhesives. He has been associated with the Company as its Whole Time Director since 1st May 2006. His last re-appointment for a period of five years w.e.f. 1st May, 2011 was approved by the Board in its Meeting held on 30th April, 2011 and it came to an end on 30th April, 2016. He is the functional head of the PU Coated Fabrics Division of the Company, looking after production, maintenance, and purchase functions of that Division. His immediate past annual remuneration was Rs. 1,50,000 per month plus perks. He holds 9,66,449 shares in the Company as on 31st March, 2016. He has attended all (6) Board Meetings held in Financial Year 2015-2016.

**3. Name : Shri Ramnik Garg**

(a) Remuneration : Rs. 2,50,000 plus perks\*

(b) **Background details, job profile, suitability & past remuneration:** \*\*Shri Ramnik Garg, aged 45 years, a Graduate Polymer Engineer started his career as Production Manager of the Jasch Plastics India Ltd, and later he was elevated to the post of Whole Time Director in that Company, where he served for over 10 years. He specializes in the field of PVC Coated Fabrics division and looks after the production, maintenance, and purchase functions of that Division. He has been associated with the Company as Whole Time Director since 1st July, 2003. His last re-appointment for a period of three years was approved by the Board in its Meeting held on 25th May, 2013, the appointment was for a period of three years w.e.f. 1st July, 2013 to 30th June, 2016. He is the functional head of the PVC Coated Fabrics Division of the Company, looking after production, maintenance, and purchase functions of that Division. He is also on the Board of Jasch Automation Ltd. & Gesco Automation Ltd. He is the Member of the Finance Committee of the Company. His immediate past annual remuneration was Rs. 1,50,000 per month plus perks. He holds 11,15,698 shares in the Company as on 31st March, 2016. He has attended all (6) Board Meetings held in Financial Year 2015-2016.

Notes (applicable to all the above appointees):

- \*Details of monetary and non-monetary benefits as contained in the Remuneration Policy are described elsewhere in this Explanatory Statement and form part of this "Additional Information".
- \*\*Disclosure about inter se relationship: Shri Jai Kishan Garg is the spouse of Smt. Kamlesh Garg and Shri Ramnik Garg, Shri Manish Garg and Shri Navneet Garg are their sons.

**III : OTHER INFORMATION :**

- Reasons for loss or inadequate profits : During the year under report, the Company earned an operating profit of Rs. 868.21 lakh (net profit Rs. 410.62 lakh), after paying the existing remuneration to all the whole time directors. There continues to be tough competition from coated fabrics being imported from China and also from coated fabrics being produced by un-organised sector/small players who are not liable to pay Excise Duty. Instead of appointing non-directors as functional heads in each division (whose remuneration does not attract provisions of law relating to 'managerial remuneration'), the Company has made these appointments at director level, to ensure continuity and sense of belongingness, which is the crux of the Remuneration Policy recommended by the Nominations & Remuneration Committee and adopted by the Board.
- Steps taken or proposed to be taken for improvement: The Company proposes to concentrate more on PU coated fabrics segment where margins are high. Moreover, steps are being taken to expand the market size. New products development, innovations and setting up of balancing equipment are also on the anvil, which will enable the Company to produce quality products at higher speed and low cost and higher profit margin.
- Expected increase in productivity and profits in measurable terms: The Management has budgeted a sales figure of Rs. 125 crores for the next financial year 2016-17. With fixed costs remaining nearly the same, it is expected that the profits will be adequate next year.

**IV : Disclosures :**

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

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Board of Directors recommends the resolutions set out at item no. 4 to 6 in relation to the re-appointment of Shri Jai Kishan Garg as Managing Director, Shri Navneet Garg as Whole Time Director & Shri Ramnik Garg as Whole Time Director (to be designated as Executive Directors) for the approval of the shareholders of the Company as special resolutions.

Except the proposed appointees, Kamlesh Garg and Shri Manish Garg (being their relatives), none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in resolutions set out at item no. 4 to 6.

#### **Explanatory Statement in respect of Item No. 7: Ratification of Remuneration of Cost Auditors**

On the recommendations of the Audit Committee, the Board has appointed M/s. Vipul Bhardwaj & Co., Cost & Management Accountants as the Cost Auditors of the Company for the Financial Year 2016-2017 for a remuneration of Rs. 33,000/- (Rupees Thirty Three Thousand only) plus service tax. Under provisions of Rule 14 of Companies (Audit & Auditors) Rules, 2014, this remuneration is subject to ratification by the shareholders.

The Board of Directors recommends the resolution set out at item no. 7 for ratification of the shareholders of the Company as an ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in resolution set out at item no. 7.

#### **Explanatory Statement in respect of Item No. 8 : Amendment in Articles of Association / Determination of Fee**

At present, Regulation 61 of the Articles of Association of the Company, provides for a fee of only Rupee one to be charged by the Company from the members who request for supply of printed copies of Memorandum & Articles of Association and other documents referred to in the Companies Act, 2013. The cost of printed copies of Memorandum & Articles of Association and/or the cost of effort involved in extracting and photocopying these documents far exceeds rupee one. All the important current and past documents i.e. Annual Reports, quarterly financial statements, shareholding pattern, corporate governance reports, list of directors and key managerial personnel, etc are already available at the website of the Company for the members and general public to download free of cost. Yet some members may insist on printed copies of the same. By amending the aforesaid Regulation, it is proposed to fix an amount of rupee one hundred plus actual out of pocket expenses incurred/to be incurred by the Company in acceding to such request.

Proviso to Section 20(2) of the Companies Act, 2013, provides for determination of fee by the annual general meeting for delivery of any document requested by a member through a particular mode. All the important current and past documents i.e. Annual Reports, quarterly financial statements, shareholding pattern, corporate governance reports, list of directors and key managerial personnel etc are already available at the website of the Company for the members and general public to download free of cost. Yet some members may insist on printed copies of the same. It is proposed to fix a fee of Rs. 100 plus actual out of pocket expenses incurred/to be incurred by the Company in acceding to a member's request for delivery of any document in a particular mode chosen by such member.

In both the above cases, if the Act or the Rules prescribe any specific fee then, notwithstanding any resolution passed by the members, the fee so prescribed by law shall prevail.

The Board of Directors recommends the resolution set out at item no. 8 for the approval of the shareholders of the Company as special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in resolution set out at item no. 8.

**INSTRUCTIONS FOR REMOTE E-VOTING**

The instructions for Shareholders voting through remote electronic mode (e-voting) are as under:

- (i) The e-voting period begins at 10:00 hours on 25-09-2016 and ends at 17:00 hours on 27-09-2016. 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 21-09-2016, 2016 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 at the Meeting venue.
- (iii) For e-voting, you should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) and click on "Shareholders" tab.
- (iv) Now Enter your User ID. Your user id is :
  - a. For CDSL: your 16 digits beneficiary ID,
  - b. For NSDL: your 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) Password : If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier occasion (in respect of any Company whatsoever), then you are to use your existing password. However, 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"> <li>• If you have not updated 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.</li> <li>• In case the sequence number is less than 8 digit 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<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"> <li>• If both the details are not recorded with the depository or the company, please enter the user id in the Dividend Bank details field as mentioned in instruction no. (iv) above.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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 also to be 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.
- (ix) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) Click on the **EVS No. 160730005** for Jasch Industries Ltd.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If you have forgotten your previously used password, you should enter your User ID and the image verification code and then click on Forgot Password & enter the details as prompted by the system.

### INSTRUCTIONS FOR REMOTE E-VOTING

(xvii) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. HUF, Companies, Trusts etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com) with a copy to the Scrutinizer whose email id is [contact@vipulbhardwaj.com](mailto: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](mailto: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.
- (xviii) 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.
- (xix) 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.
- (xx) 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 favor or against, if any, forthwith to the Chairman of the Company.
- (xxi) 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](http://www.jaschindustries.com) and also on the website of CDSL.
- (xxii) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 30th Annual report and audited accounts of the company for the year ended 31st March 2016.

**1. FINANCIAL HIGHLIGHTS**

The performance of company on stand-alone basis during the financial year ended 31st March, 2016 has been as under :

(₹ in lakh)

Particulars	Current Year 2015-16	Previous Year 2014-15
Gross Income	11021.36	10565.80
Profit before interest and depreciation	1126.08	934.26
Financial Charges	225.50	216.38
Gross Profit	900.58	717.88
Provision for Depreciation	257.88	246.38
Net profit before Tax	642.70	471.50
Provision for Tax (Net) & CSR	232.08	162.41
Net Profit after Tax	410.62	309.09
Balance of profit brought forward	1993.99	1684.91
Balance available for appropriation	2404.61	1993.99
Amount proposed to be carried to any Reserve	—	—
Transfer from General Reserve	—	—
Surplus carried to Balance Sheet	2404.61	1993.99

**2. Performance during the financial year under Report**

**2.1 State of Company's Affairs**

Your company has achieved gross sales of Rs. 110.21 crore during 2015-2016, which were 4.31% higher as compare with the sales of the previous year. The sales of Synthetic Leather Division were almost stagnant at Rs. 83.21 crore as compared with sales of Rs. 83.93 crore during the previous year due to sluggish market conditions. Further with the general decline in the prices of some of the raw materials, selling price of Synthetic Leather was also marginally reduced resulting in stagnant sales. The sales of Electronic Gauge Division at Rs. 26.99 crore were 24.2% higher as compared with previous year due to higher inflow of orders both from Domestic and International market, particularly during the second half of the year.

The company's operating profit before interest, depreciation, income tax and provision for corporate social responsibility increased by 20.5% to Rs. 11.26 crore during 2015-16 as compared with Rs. 9.34 crore during the previous year due to lower raw material prices and reduced power & fuel. The interest and finance charges have marginally increased to Rs. 2.26 crore as compared with Rs. 2.16 crore during the previous year.

The net profit after interest, depreciation, income tax and write back of deferred tax of Rs. 5.61 lakh and provision for corporate social responsibility have increased to Rs. 4.11 crore, which were 32.68% higher as compared with the previous year. Keeping in view prevailing sluggish market conditions resulting in stagnant sales, the management considers overall performance to be satisfactory. The Board has not proposed appropriation 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 commitment, if any affecting the financial position of the company**

As the members are aware, at present the Company has two business segments: (1) manufacture of PU resins and PU/PVC coated fabrics and

(2) manufacturing of industrial gauges. The manufacture of industrial gauges requires a dedicated focus and business strategies to develop its growth potential in the business market relevant to it. To do so and thus create value for all of its stakeholders, the management proposes its demerger from rest of the business of the Company and vest it in a newly incorporated wholly subsidiary Company viz Jasch Automation Ltd. In consultation with professionals in the field, the management had prepared a draft Scheme of Demerger and also obtained "Fairness Opinion" from a Category-I Merchant Banker and also had "Share Entitlement Ratio" determined by a Chartered Account in practice. A copy of the draft Scheme of Demerger, obtained Fairness Opinion, calculation of Share Entitlement Ratio and other related documents are available at the website of the Company [www.jaschindustries.com](http://www.jaschindustries.com) under the tab "Demerger".

The proposed Scheme envisages allotment in proportion of seventy-two equity shares of Jasch Industries Ltd and twenty-eight equity shares of Jasch Automation Ltd (both of Rs. ten each and fully paid up), in exchange of existing one hundred equity shares (fully paid up) of Jasch Industries Ltd held by the shareholders on a date, which is yet to be determined. Since it is proposed to have the equity shares of Jasch Automation Ltd listed on BSE Ltd, this would also help its shareholders to unlock the value of their shares.

As required by law, the Company had filed an application with BSE Ltd (Mumbai Stock Exchange) "with a draft Scheme of Demerger and has received "observation letter" dated 23<sup>rd</sup> June, 2016 from it. The proposed Scheme will be subject to approval of the Hon'ble Punjab & Haryana High Court, the shareholders of the Company and its creditors.

Besides the above, no material changes and commitment 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 Director's Report.

**3. Future prospects**

The company is continuously upgrading its technology and modernizing plant and machinery to maintain competitive edge in the market. The company is also concentrating on PU Resin where competition is somewhat less and surplus capacity is available after meeting internal requirements for production of PU Synthetic Leather. The company is availing the services of Foreign Technical Experts for developing new Products of PU Leather with potential of higher realization.

**4. Dividend**

The management has not proposed any dividend for the year ended on 31<sup>st</sup> March, 2016 so as to conserve resources for Capex and augmenting working capital.

**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 & 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](http://www.jaschindustries.com/Filings%20&%20Disclosures/Appointment%20&%20Training%20of%20IDs).

During the financial year under report, no new Director was appointed or re-appointed. However, appointment of Dr. SK Khandelwal, Dr. KC Varshney, Shri Kuldeep Singal and Shri KL Khetarpaul as Independent Directors which was previously made under the old Companies Act of 1956, was re-confirmed for a period of five years by means of Postal Ballot. During the period intervening between the close of the financial year under report and the date of this notice, on the recommendations of the Nomination & Remuneration Committee, Shri Jai Kishan Garg, Shri Ramnik Garg and Shri Navneet Garg, whose tenure as Managing Director, Whole Time Director and Whole Time Director respectively, came to an end, were re-appointed for a further period of three years, subject to approval by this Annual General Meeting. Shri Ramnik 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 him as Director (subject to retirement by rotation). The Board recommends these (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. Evaluation of Board, its Committees and Individual Directors**

Pursuant to the provisions of the Companies Act, 2013 and Listing Agreement/Listing Regulations, the Board carries out periodic evaluation of its own performance, that of the directors individually as well as that of its Committees as per 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.

#### **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 the Listing Agreement /Listing Regulations, 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 Section/Rules mentioned in the above sub-heading, 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. On 16th February, 2016, a new Company i.e. Jasch Automation Ltd was incorporated as a wholly owned subsidiary to receive the demerged business of Automation Division 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. Although calendar year is the financial year of both these subsidiaries but financial statement of JNAC has been obtained for the fifteen month period ended on 31-03-2016 and consolidated with the financial statements of the Company for the financial year ended on that date. During this fifteen month period, JNAC achieved a gross sales and other income of USD equivalent of INR 14,45,61,390 and incurred a loss of USD equivalent of INR 1,19,50,518. The loss is largely attributable to the quarter 01-01-2016 to 31-05-2016, which is a lean period in USA. 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 2015-16. 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. There is no matter reportable under section 143(12) of the Companies Act, 2013.

#### **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**

During the year, the Company was mandated to maintain cost records and also appoint cost auditors in respect of its products falling under CETA heading 3909 and 3921 (Plastics and Polymers). Accordingly, the Company duly maintained cost records and subjected these to cost audit which was conducted by Vipul Bhardwaj & Company, Cost & Management Auditors. Their report, the due date of which is one hundred and eighty days from the close of the financial year, is not yet due.

#### **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](http://www.jaschindustries.com) under the link Filings & 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 neither had any deposits at the beginning of the year, nor did it accept any deposits during the year under report. Therefore, there was no occasion for any deposits to remain unpaid or unclaimed or in default for repayment of principal or interest thereon.

#### **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](http://www.jaschindustries.com) under the link Filings & Disclosures/RPT, Vigil & Other Policies.

All the related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of the business. The Audit Committee has granted omnibus approval to certain transactions. Transactions with related parties are placed before the Audit Committee on Quarterly basis for its approval or modification and the particulars of contracts entered during the year as per Form AOC-2 are enclosed as Annexure - F. There were no material 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 & 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/Listing Regulations is attached 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 accordance with the Sexual Harassment of Women at Workplace

(Prevention, Prohibition & Redressal) Act, 2013, the Company has a policy on prevention of, and affirmative action for, sexual harassment of women, about which all the employees are communicated periodically. For this purpose, the Company has also constituted an Internal Complaints Committees. At the beginning of the financial year under report, no cases were pending and during the year, 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,

#### **26. Credit Rating & ISO Certification**

The financial facilities availed by the Company from HDFC Bank were got rated by CRISIL, a Premier credit rating agency, which has awarded long term rating "BBB/Stable" and short term rating "CRISIL A3+" to these facilities. As per Credit Rating Scales available at the website of CRISIL, instruments with these ratings have moderate degree of safety/credit risk regarding timely servicing/payment of financial obligations. The Company has also obtained ISO 9001:2000 Quality Certificates for its Synthetic Leather and Electronic Gauge Divisions respectively.

#### **27. Listing**

The Shares of the Company are listed on Stock Exchanges at Mumbai and Kolkata. The Company has filed an application with the Calcutta Stock Exchange for delisting of its shares therefrom. No response has yet been received from Calcutta Stock Exchange.

#### **28. Corporate Social Responsibility**

Provisions relating to Corporate Social Responsibility were not applicable to the Company during the Financial Year under Report. However, these have subsequently become applicable w.e.f. 01-04-2016 and the Company has taken necessary steps to comply with the same.

#### **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, 2016 and of the profits of the Company for the year ended 31st March, 2016;
- (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; and
- (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



## ANNEXURE A TO DIRECTORS' REPORT (CORPORATE GOVERNANCE REPORT)

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

## CORPORATE GOVERNANCE DISCLOSURE PURSUANT TO REGULATION 27 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS") AND/OR 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 and 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 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](http://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 29-05-2015.

**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 by giving appropriate notice. Additional Board meetings are convened 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*			Attendance at last AGM
			Directorships#	Member	Chairman	
Shri J.K. Garg	P&E	6	2	0	0	Yes
Smt. Kamlesh Garg	P&NE	6	0	0	0	Yes
Shri Ramnik Garg	P&E	6	2	0	0	Yes
Shri Manish Garg	P&E	4	2	0	0	Yes
Shri Navneet Garg	P&E	6	0	0	0	Yes
Dr. S.K. Khandelwal	I&NE	6	0	0	0	Yes
Shri Naresh Kumar	I&NE	6	0	0	0	Yes
Dr. K.C. Varshney	I&NE	6	1	2	0	Yes
Shri K.L. Khetarpaul	I&NE	4	2	2	0	Yes
Shri Kuldeep Singal	I&NE	5	0	0	0	Yes

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

\*Committee means Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee only.

#Directorships in Indian Public Limited Companies only.

The Independent Directors have given requisite declarations U/s 149(6) of the Companies Act, 2013 regarding their independence.

Disclosure in terms of Part C of Schedule V of Listing Regulations/Clause 49(VIII)(E)(2) of Listing Agreement: Inter se relationship between directors is as follows : 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 29-05-2015, 31-07-2015, 28-09-2015, 31-10-2015, 11-01-2016 and 23-02-2016 (total six Board Meetings). The maximum time gap between any two Board Meetings was not more than one hundred and twenty days.

**2.4 Number of shares and convertible instruments held by non-executive directors**

None of the non-executive directors of the Company holds any shares except Smt. Kamlesh Garg who holds 2,50,000 shares of the Company. The Company doesn't have any convertible instruments.

**2.5 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, a mention is made in the Agenda that such document will be tabled during the Meeting. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with permission of the Chair and consent of majority Directors/Committee Members present. 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

## **2.6 Adherence to 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. The Company adheres to these standards.

## **2.7 Recording minutes of proceedings at the Board and Committee meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to all the Directors/Committee Members within 15 days of the Meeting. In light of observations, if any received from them, the same are finalized and entered in the Minutes Book within 30 days from the conclusion of the meeting.

## **2.8 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.

## **2.9 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 them are as follows:

### **Shri Jai Kishan Garg**

Shri Jai Kishan Garg, aged 70 years, is a Mechanical Engineer with more than 40 years of experience in the field of Production of Synthetic Leather and management function. He has been associated with the Company as Chairman and Whole Time Director since its inception in the year 1985. Now, he is the Chairman & Managing Director of the Company. He also holds Directorship on the Board of Gesco Automation Ltd, Jasch Footwears Pvt. Ltd. & Jasch Automation Ltd.

### **Shri Ramnik Garg**

Shri Ramnik Garg, aged 45 years, a Graduate Polymer Engineer started his career as Production Manager of the Company, and later he was elevated to the post of Whole Time Director in the Company, where he served for over 10 years. He specializes in the field of PVC Coated Fabrics division and looks after the production, maintenance, and purchase functions of that Division. He has been associated with the Company as Whole Time Director since 1st July, 2003. He also holds Directorships on the Board of Gesco Automation Ltd. and Jasch Automation Ltd.

### **Shri Navneet Garg**

Shri Navneet Garg, aged 41 years, is a Mechanical Engineer with more than 20 years of experience in the field of Production of Synthetic Leather and management. He specializes in the field of production of synthetic leathers and synthetic adhesives. He has been associated with the Company as Whole Time Director of the Company since 1st May 2006.

## **2.10 Appointment(s) of Key Managerial Personnel**

During the year under report, there were no fresh appointments of Key Managerial Personnel in the Company.

## **3. AUDIT COMMITTEE**

The powers and functions of the Audit Committee are in alignment with those mentioned in Section 177 of the Companies Act, 2013 and the Listing Regulations/ Agreement and include examination of financial statements and the auditors' report thereon, approval and subsequent modification of transactions of the Company with the Related Parties, evaluation of internal financial controls and risk management systems. 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 Regulations/Agreement. The Audit 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 Singal 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.

The dates on which the Audit Committee Meetings were held during the year under report and the attendance of Committee Members (presence is marked as ✓) was as follows.

Name/Meeting dates	29-05-2015	31-07-2015	31-10-2015	11-01-2016	23-02-2016
Shri K.L. Khetarpaul	✓	✓	✓	✗	✗
Dr. K.C. Varshney	✓	✓	✓	✓	✓
Shri Kuldeep Singal	✓	✗	✓	✓	✓

#### 4. THE NOMINATION & REMUNERATION COMMITTEE (NRC)

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

The functions/powers of the Nomination & Remuneration Committee are in tune with provisions of the Companies Act, 2013 and the Listing Regulations/Agreement and include recommendation to the Board appointment and removal of Directors and evaluation of their performance and recommendation/approval of remuneration of key managerial personnel. The NRC 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. Shri S.K. Verma, Company Secretary is the Secretary of this Committee.

During the financial year under report, the NRC meeting was held on 29-05-2015, which was attended by all the Members.

##### 4.2 The Remuneration Policy and Policy for Performance Evaluation of Independent Directors, Board and Committees

The Remuneration Policy of the Company 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 are 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 follows:

(Amount is in ₹)

Name & Designation	Fixed Salary	Perks and Allowance	Variable Salary	Total
Sh. Jai Kishan Garg, Chairman & Managing Director	30,00,000	15,00,000	3,20,000	48,20,000
Sh. Ramnik Garg, Whole Time Director	21,60,000	12,47,613	3,20,000	37,27,613
Sh. Manish Garg, Whole Time Director	21,60,000	12,47,613	3,20,000	37,27,613
Sh. Navneet Garg, Whole Time Director	21,60,000	12,47,613	3,20,000	37,27,613

The above remuneration does not include company's contribution to gratuity fund and perk in respect of car. 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 during the financial year under report was as follows:

(Amount is in ₹)

Dr. S. K. Khandelwal :	75,000	Dr. K C Varshney :	97,500
Sh. Kuldeep Singal :	82,500	Smt. Kamlesh Garg :	45,000
Sh. K L Khetarpaul :	67,500	Sh. Naresh Kumar :	82,500

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

#### 5. THE STAKEHOLDERS' RELATIONSHIP COMMITTEE

##### 5.1 Functions of the Committee:

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

**5.2 Chairman and Compliance Officer:**

Dr. S. K. Khandelwal, Independent Director is the Chairman of the Committee. Shri S.K. Verma, Company Secretary is a Member as well as its Compliance Officer.

**5.3 Status of complaints:**

The Company believes in promptly disseminating statutory information to the members, promptly dealing with requests for share transfer/transmission/issue of duplicate share certificates/other queries of shareholders and keeping its website updated at all times. There was no investor complaint pending with the Company at the beginning or end of the year under report and none was received or disposed of during the year.

**6. GENERAL BODY MEETINGS**

Details of the last three Annual General Meetings of the Company and Special Resolutions passed thereat, are as follows:

<b>Year</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolutions passed at AGM</b>	<b>Special Resolutions passed through postal ballot</b>
2012-2013	27-09-2013	10 A.M.	2	0
2013-2014	29-09-2014	10 A.M.	6	2
2014-2015	28-09-2015	10 A.M.	0	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, wherein out of the 6449245 votes polled, 6449225 (100.00%) were cast in favour and 20 (0.00%) votes were cast against. Shri Vipul Bhardwaj, Cost & Management Accountant, conducted the Postal Ballot exercise. At present, there is no proposal to pass any Special Resolution through Postal Ballot.

**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 Listing Agreement/Listing Regulations, 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 have 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](http://www.jaschindustries.com/Filings & Disclosures /RPT, Vigil & Other Policies). The same also forms part of Board's Report.

7.4 Details of compliance with mandatory and discretionary (non-mandatory) requirements of Listing Regulations/Clause 49 of the Listing Agreement and adoption of the non-mandatory requirements thereof.

All the mandatory requirements of Clause 49 of the Listing Agreement/Regulation 27(1) of the Listing Regulations have been complied with by the Company. With regard to compliance with non-mandatory requirements, the Company is into a regime of unqualified financial statements. The internal auditors report directly to the Audit Committee.

**8. MEANS OF COMMUNICATION**

The company has published its quarterly results in The Pioneer (both Hindi and English Editions) and also uploaded the same at its website [www.jaschindustries.com](http://www.jaschindustries.com). The Company did not release any official news. No presentations were made to institutional investors or to the analysts.

**FAMILIARISATION 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 and explained 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 & Training of Ids>.

**9. GENERAL SHAREHOLDER INFORMATION**

**9.1 Annual General Meeting:**

Date and Time : 28<sup>th</sup> September, 2016 at 10:00 AM

Venue : Registered Office of the Company at : 43/5, Bahalgarh Road, Sonipat, Haryana

**9.2 Financial Year = 1st April, 2015 - 31st March, 2016**

Financial Quarter: A Financial quarter is the 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 : 22-08-2016 to 31-08-2016 (both days inclusive)**

**9.4 Dividend Payment date : Not applicable**

**9.5 Listing of Equity Shares : The Equity Shares of the Company are listed on:**

The BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  
The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata - 700 001

The Company has made application to the Calcutta Stock Exchange (CSE) afresh for delisting its equity shares from CSE. The Company has not received any response from CSE.

**9.6 Stock Code & ISIN No.:**

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

Note: There has been no or insignificant trading in company's shares at The Calcutta Stock Exchange Ltd 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 Rs. 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 2015-2016 on the BSE Ltd was as under (All prices are in Rs.) :

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 15	20.75	26.00	19.60	20.50	1,09,136	859	24,23,594	93,209	85.41	6.40	-0.25
May 15	20.50	23.75	18.85	19.30	9,784	155	1,94,672	9,001	92.00	4.90	-1.20
Jun 15	20.25	23.50	17.50	19.40	44,575	318	8,67,319	35,654	79.99	6.00	-0.85
Jul 15	20.50	24.00	18.00	23.00	65,507	360	14,30,044	62,314	95.13	6.00	2.50
Aug 15	22.00	38.80	22.00	25.80	7,96,103	2,797	2,54,17,901	5,67,092	71.23	16.80	3.80
Sep 15	25.35	30.00	22.75	26.45	1,18,962	607	30,80,813	85,342	71.74	7.25	1.10
Oct 15	25.85	33.00	25.85	30.00	1,06,577	492	32,49,315	88,951	83.46	7.15	4.15
Nov 15	30.80	47.50	24.00	46.00	6,47,295	2,292	2,65,82,904	5,13,338	79.31	23.50	15.20
Dec 15	47.95	51.40	41.80	43.70	6,57,663	3,267	3,05,72,772	4,12,643	62.74	9.60	-4.25
Jan 16	44.35	68.00	41.20	51.10	10,19,799	5,018	5,89,70,321	7,37,465	72.31	26.80	6.75
Feb 16	52.80	53.65	31.30	33.50	1,99,227	1,461	80,21,713	1,51,458	76.02	22.35	-19.30
Mar 16	33.70	40.00	33.60	38.55	2,33,697	982	88,60,406	1,98,118	84.78	6.40	4.85

\*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 Bombay Stock Exchange). The shares of the company have shown no or very little sensitivity to share price index.

**9.8 REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM**

Pursuant to SEBI directions regarding handling of Share Transfer/demat work at one point, the Company has appointed M/s Alankit Assignments Ltd as the Registrars, whose complete address is 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, 2016**

(Equity shares of face value of Rs. 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)	10	6251471	6251471	55.18
Mutual Funds/UTI	1	1100	0	0.01
FIIIs	0	0	0	0.00
Bodies Corporate	133	415371	384571	3.67
i. Individual shareholders holding nominal share capital up to Rs 2 lakh	9284	3105901	1821461	27.41
ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	13	1410860	138586	12.45
NRIIs	306	145297	34297	1.28
<b>TOTAL</b>	<b>9747</b>	<b>11330000</b>	<b>8630386</b>	<b>100.00</b>

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

**9.10 DEMATERIALISATION OF SHARES AND LIQUIDITY**

76.17% of the paid up share capital of the Company is represented in dematerialized form as on 31st March, 2016.

**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 Schedule V of the Listing Regulations, a certificate signed by the Managing Director and Chief Financial Officer to the effect 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 is attached. 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](http://www.jaschindustries.com/Filings & Disclosures/Code of Conduct).**9.15 CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE CONDITIONS**

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

**9.16 CEO/CFO Certification**

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer have given the required certificate (attached) to the Board of Directors regarding the accuracy of financial statements.

Sonipat  
30-07-2016

For &amp; on behalf of the Board

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 (AS PRESCRIBED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013 AND LISTING AGREEMENT/LISTING REGULATIONS**

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. Fixed pay**

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 Nomination & Remuneration 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.

**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/ Listing Regulations.

**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.

True copy of the Policy  
For & on behalf of the Board

Place : Sonipat  
Date : 30-07-2016

(J.K.GARG)  
Chairman



## ANNEXURE C TO DIRECTORS' REPORT

**PART A : Disclosure under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. The percentage increase in remuneration of each Director, Company Secretary & Chief Financial Officer and, in case of directors, ratio of remuneration of each director to the median remuneration of the employees of the company in the financial year ended 31st March, 2016 was as under:

Sr. No.	Director	Increase in remuneration (%)	Ratio (1:)
1	Sh. J K Garg, Chairman & Managing Director	80	21
2	Sh. Ramnik Garg, Whole Time Director	66	16
3	Sh. Manish Garg, Whole Time Director	66	16
4	Sh. Navneet Garg, Whole Time Director	66	16
5	Sh. S. K. Verma, Vice President & Company Secretary	41	NA
6	Sh. M. Paliwal, Chief Financial Officer	31	NA

2. Percentage increase in median remuneration of employees in the financial year ended 31st March, 2016 was 12%.
3. The number of permanent employees on the rolls of the company as on 31st March, 2016 was 155.
4. The explanation on the relationship between average increase in remuneration and company performance is as follows: There has been a 36.31% 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' performance, market dynamics, inflation and as a measure to motivate the employees for better future performance to achieve organization's growth expectations. The above increase in remuneration of KMPs also includes reimbursement of personal expenses like electricity, telephone, etc, which had been sanctioned to the KMPs, but which the above KMPs were previously voluntarily not claiming fully. A comparative table of Company's performance during the financial year 2015-16 vis a vis immediately preceding financial year is given below:

	2015-2016	2014-2015
Total Income(net) (Rs in Lakh)	9893.73	9516.19
EBIDTA (Rs in Lakh)	1057.25	866.52
EBIDTA as % of Total Income	10.69	9.11
PBT (Rs in Lakh)	642.70	471.50
PBT as % of Total Income	6.50	04.95

5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company: Remuneration of Key Managerial personnel is based on qualifications, industry experience, individual performances, company's performance (as mentioned at sr. no. 4 above), prevailing remuneration in industry and is within the limits prescribed under the Companies Act, 2013, the limits in turn being based on the effective capital of the Company.
6. Variations in the market capitalization of the company as at the closing date of the current financial year and the previous financial year: The market capitalization as on 31.03.2016 was Rs 4367.72 lakh and as on 31.03.2015 it was Rs. 2492.60 lakh.
7. Variation in the price earnings ratio as at the closing date of the current financial year and the previous financial year: Price earnings ratio as on 31.03.2016 was 10.34 and as on 31.03.2015 was 8.06.
8. 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 285.50 % as on 31.03.2016.
9. 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 1 to 8 above.
10. Comparison of each remuneration of the Key Managerial Personnel against the performance of the company. There has been 36.31% increase in the PBT of the Company against percentage increase in remuneration of KMPs as mentioned at sr. no. 4 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.
11. The key parameter for any variable component of remuneration availed by the directors : The only key factor is the profit earned by the Company.
12. 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 the year and were in receipt of remuneration of not less than Rs. 102 lakh per annum or, if employed for a part of the year, were in receipt of remuneration at a rate of not less than Rs. 8.5 lakh per month (or in excess of remuneration paid to managing director) and their shareholding: There were no such employees.

For and on behalf of the Board

Place: Sonipat  
Dated: 30-07-2016

J K Garg  
Chairman

## ANNEXURE D TO DIRECTORS' REPORT — SECRETARIAL AUDIT REPORT

**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016**  
[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,  
43/5, BAHALGARH ROAD,  
SONIPAT, HARYANA 131 021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jasch Industries Limited (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, 2016 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes 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, 2016 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-law framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the company as there were no transactions under FEMA or Rules made thereunder during the financial year under review);
- (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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable as the company did not issue any security during the financial year under review.);
  - (d) The Securities and Exchange Board of India (Employee Stock

Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable as the company has not granted any options to its employees during the financial year under review);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable as the company has not issued any debt securities during the financial year under review);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable as the company has not bought back any of its securities during the financial year under review);
- (vi) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards-1(Meeting of the Board of Directors) & Secretarial Standards-2 (General Meetings)
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchanges(CSE) and Bombay Stock Exchange (BSE).
- (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

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 the 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.

Practicing Company Secretaries  
Mukesh Arora  
F.C.S No. 4819  
C.P No. 4405

New Delhi, 05<sup>th</sup> April, 2016

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.

**Annexure A to Secretarial Audit Report**

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 process 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.  
COMPANY SECRETARIES

Date : 05<sup>th</sup> April, 2016  
Place : New Delhi

PROP.  
(Mukesh Arora)  
Practicing Company Secretary  
Membership No. 4819  
Certificate Of Practice No. 4405

CERTIFIED TO BE A TRUE COPY  
For & On behalf of the Board

Sonipat  
30-07-2016

J.K. GARG  
CHAIRMAN

**ANNEXURE E TO DIRECTORS' REPORT (EXTRACT OF ANNUAL RETURN)****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 31.03.2016**

<b>I. REGISTRATION &amp; OTHER DETAILS :</b>	
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 : 011 – 66173923
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.

<b>SI No.</b>	<b>Name &amp; Description of main products / services</b>	<b>NIC Code of the Product / services</b>	<b>% of total turnover of the company</b>
1	Synthetic Leather (PU/PVC Coated Fabric)	Group-139 (Division 13)	75.50%
2	Electronic Gauges	Group-265 (Division 26)	24.50%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES :**

<b>SI No.</b>	<b>Name &amp; Address of the Company</b>	<b>CIN / GLN*</b>	<b>HOLDING / SUBSIDIARY / ASSOCIATE</b>	<b>% OF SHARES HELD</b>	<b>APPLICABLE SECTION</b>
1*	Jasch North America Co. 5235, 26 <sup>th</sup> Street, Rock Ford-IL-61109, USA	45-3948230	Subsidiary	100 %	2(87)
2*	Indev Gauging Systems, Inc. 5235, 26 <sup>th</sup> Street, Rock Ford-IL-61109, USA	36-4284584	Subsidiary	100 %	2(87)
3	Jasch Automation Ltd., 43/5, Bahalgarh Road, Sonipat -131021 Haryana	U29221HR2016PLC058228	Subsidiary	100 %	2(87)

\*These Companies have been incorporated abroad and CIN/GLN numbers mentioned above are foreign numbers.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity Capital)****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	
<b>A. Promoter</b>									
<b>1. Indian</b>									
a. Individual/HUF	6245871	-	6245871	55.13	6251471	-	6251471	55.18	0.05
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>	6245871	-	6245871	55.13	6251471	-	6251471	55.18	0.05
<b>2. Foreign</b>									
a. NRI- Individuals	-	-	-	-	-	-	-	-	-
b. Other-Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Banks/ FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A) (1)+ (A) (2)</b>	6245871	-	6245871	55.13	6251471	-	6251471	55.18	0.05
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
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)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	1890	1100	2990	0.03	-	1100	1100	0.01	(0.02)
<b>2. Non -Institutions</b>									
a. Bodies-Corporate	399611	38000	437611	3.86	382160	30800	412960	3.64	(0.22)
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	1397333	1272940	2670273	23.57	1664497	1231940	2896437	25.56	1.99
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1735017	101500	1836517	16.21	1542824	77500	1620324	14.30	(1.91)
c. Others (specify) NRI	24438	112300	136738	1.21	36708	111000	147708	1.30	0.09
<b>Sub-Total (B) (2)</b>	3556399	1524740	5081139	44.85	3626189	1451240	5077429	44.81	(0.04)
<b>Net Total B(1)+B(2)</b>	3558289	1525840	5084129	44.88	3626189	1452340	5078529	44.82	(0.02)
<b>A. Shares held by Custodians for GDRs &amp; ADRs: NIL</b>									
<b>Grand Total (A+B+C)</b>	9804160	1525840	11330000	100	9877660	1452340	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			
		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	% change in shareholding during the year
1.	Gunjan Garg	44472	0.39	-	544472	4.81	-	4.42
2.	JK Garg Karta	258275	2.28	-	0	0.00	-	(2.28)
3.	Jai Kishan Garg	2398491	21.17	-	643310	5.68	-	(15.49)
4.	Kamlesh Garg	605945	5.35	-	250000	2.21	-	(3.14)
5.	Manish Garg	847349	7.48	-	1291969	11.40	-	3.92
6.	Navneet Garg	466449	4.12	-	966449	8.53	-	4.41
7.	Ramnik Garg	802573	7.08	-	1115698	9.85	-	2.77
8.	Ramnik Garg Karta	100890	0.89	-	359165	3.17	-	2.28
9.	Ritu Garg	247670	2.19	-	606651	5.35	-	3.16
10.	Shivani Garg	423757	3.74	-	423757	3.74	-	-
11.	Archana Singhal	50000	0.44	-	50000	0.44	-	-

\*Increase/Decrease in the shares is due to inter-se transfer between promoters as gift.

## (iii) Change in Promoters' Shareholding

SI No.	Date of Increase by transfer (purchase)	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	01-04-2015	6245871	55.13	6245871	55.13
2.	01-12-2015	3800	0.03	6249671	55.16
3.	08-12-2015	200	0.00	6249871	55.16
4.	02-01-2016	1600	0.02	6251471	55.18

## (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 / at the end of the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Deepinder Singh Punia	303037	2.68	302972	2.67
2.	S Sathya	200390	1.77	200390	1.77
3.	Sangeetha S	167590	1.48	166390	1.45
4.	Hareesh Babulal Shah	109000	0.96	92250	0.81
5.	Umesh Kumar Gupta	108824	0.96	108824	0.96
6.	Jagdish Aggarwal	107075	0.95	107075	0.95
7.	Raj Kumar Lohia	150079	1.33	Not in Top 10 list	-
8.	Adroit Fin Services Pvt Ltd	82878	0.73	74779	0.66
9.	Swaran Lata Gupta	81222	0.72	81222	0.72
10.	Dheeraj Kumar Lohia	58975	0.52	213929	1.89
11.	Abans Finance Private Limited	Not in Top 10 list	-	62369	0.55

**(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	2398491	21.17	643310	5.68
2.	Kamlesh Garg	605945	5.35	250000	2.21
3.	Manish Garg	847349	7.48	1291969	11.40
4.	Navneet Garg	466449	4.12	966449	8.53
5.	Ramnik Garg	802573	7.08	1115698	9.85

Note : Date-wise change in shareholding of the Promoter/Directors has been given at sr. no. iii) above. Other Directors and KMPs did not hold any shares either at beginning or at end of the year.

**V. INDEBTEDNESS :**

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

**(₹ in lakh)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	<b>491.75</b>	273.65	---	765.40
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	<b>03.26</b>	11.39	---	14.65
<b>Total (i+ii+iii)</b>	<b>495.01</b>	<b>285.04</b>	---	<b>780.05</b>
Change in Indebtedness during the financial year				
• Addition	<b>106.85</b>	---	---	106.85
• Reduction	<b>216.51</b>	11.39	---	227.90
Net Change	<b>(109.66)</b>	(11.39)	---	(121.05)
Indebtedness at the end of the financial year				
i) Principal Amount	<b>385.35</b>	273.65	---	659.00
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	<b>02.63</b>	19.93	---	22.56
<b>Total (i+ii+iii)</b>	<b>387.98</b>	<b>293.58</b>	---	<b>681.56</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

**(₹ in lakh)**

SI 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	48.20	35.60	35.60	35.60	155.00
	(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	---	---	---	---	---
	<b>Total</b>	48.60	37.60	37.60	37.60	161.40

**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	Mr. K L Khetarpaul	Mr. Naresh Kumar	Smt. Kamlesh Garg	
<b>1</b>	<b>Independent Directors</b>							
	Fee for attending board committee meetings	75,000	97,500	82,500	67,500	82,500	---	4,05,000
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
	<b>Total (1)</b>	<b>75,000</b>	<b>97,500</b>	<b>82,500</b>	<b>67,500</b>	<b>82,500</b>	<b>---</b>	<b>4,05,000</b>
<b>2</b>	<b>Other Non Executive Directors</b>							
	Fee for attending board committee meetings	---	---	---	---	---	45,000	45,000
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
	<b>Total (2)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>45,000</b>	<b>45,000</b>
	<b>Total (1+2)</b>	<b>75,000</b>	<b>97,500</b>	<b>82,500</b>	<b>67,500</b>	<b>82,500</b>	<b>45,000</b>	<b>4,50,000</b>

**C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD :****(₹ in lakh)**

Sl No.	Particulars of Remuneration	Name of KMP		Total Amount
		Mr. S. K. Verma (VP & CS)	Mr M Paliwal (CFO)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	20.59	15.68	36.27
	(b) Value of perquisites u/s 17(2) of Income-Tax Act, 1961	00.34	00.22	00.56
	(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	---	---	---
	<b>Total</b>	<b>20.93</b>	<b>15.90</b>	<b>36.83</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES AGAINST THE COMPANY, DIRECTORS AND OFFICERS IN DEFAULT : NIL**



**VIII. FINANCIAL AND OPERATIONAL PERFORMANCE:**

The Highlights of Financial Operational Performance are given below:

(₹ in lakh)

S. No.	Particulars	2015-2016	2014-2015
1	Sales / income from operations (NET)	9842.26	9465.66
2	Other Income	51.46	50.52
3	Sub-Total	9893.72	9516.18
4	Total Expenditure (before interest)	9094.35	8896.05
5	Profit Before Interest, Tax and Exceptional Items	868.21	687.88
6	Operating Margin %	08.78	07.27
7	Profit After Tax	410.62	309.09
8	Return on Average Capital Employed % (Before Interest and Tax)	19.27	16.42
9	No. of Months Receivables (Receivables / Sales x 12)	02.60	02.66
10	Current Ratio (Current Assets / Current Liabilities)	01.42 : 1	01.31 : 1
11	Borrowings: Equity Ratio (TL / Equity)	00.81 : 1	01.02 : 01

**IX. DISCLOSURES:**

i) Related Party transaction during the year:

(₹ in lakh)

S. No.	Particulars of the party	Relationship	Nature of Transactions	Amount	
				2015-2016	2014-2015
A	Jasch North America Co	WOS	N. A.	Nil	Nil
B	Indev Gauging Systems, Inc.	WOS of WOS	Sales of Finished Goods	134.52	123.21
C	Indev Gauging Systems, Inc. Germany	One Director is Related	Sales of Finished Goods	Nil	25.14
D	Jasch Automation Ltd	WOS	Incorporation Expenses	09.97	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. Names of Directors and their relatives-directors are as under:

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	Smt. Kamlesh Garg	Related to Sh. J. K. Garg, Mr. Ramnik Garg, Mr. Manish Garg, & Mr. Navneet Garg

Note : None of the other directors is related to any director.

For &amp; on behalf of the Board

Sonipat  
30-07-2016J.K. GARG  
CHAIRMAN

**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 transactions 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 paid as advance (₹ in lakh)	nil	nil

For & on behalf of the Board

Sonipat  
30-07-2016

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 / REGULATION 34(2) OF THE LISTING REGULATIONS)****DISCLAIMER / CAUTIONARY STATEMENT**

Statement 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 happen. Therefore 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 garment as lining material and in automobiles as seat cover. 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. Business distribution of these segments is as under:

(₹ in Lakh)

Business Distribution	2015-16		2014-15	
	Value	%	Value	%
PU / PVC Coated Fabric	8321.46	75.50%	8392.97	79.44%
Electronic Gauges	2699.90	24.50%	2172.83	20.56%
<b>Total</b>	<b>11021.36</b>	<b>100%</b>	<b>10565.80</b>	<b>100%</b>

**INDUSTRY STRUCTURE AND DEVELOPMENT**

Synthetic Leather Industry in India is mostly in small and medium scale sector and somewhat concentrated in Northern India & Western India. It 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 and availability of local raw material at very competitive price.

Your company has been able to withstand competition from both domestic and abroad, as it is also 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. It has also started manufacturing PU Resin using surplus capacity available for selling to outside parties for adhesive & coating applications.

**OPPORTUNITIES AND THREATS**

Development of new types of high quality PU resins and coated fabric, particularly breathable ones, presents fresh opportunities, because there is less competition in these fields. Obsolescence of technology of

coated fabrics poses a threat but through foreign technical experts, the company is continuously upgrading its technology. Most of Artificial Leather Units in India manufacture only PVC Leather and Jasch Industries Limited is the only significant manufacturer of PU Synthetic Leather. The fortune of Electric Gauge Division are linked with the revival of domestic and International economies. 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.

**SEGMENT - WISE PERFORMANCE**

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

**A. COATED FABRICS / PU RESIN**

(₹ in lakh)

	2015-16	2014-15
Production lakh meter	36.62	36.24
Segment Revenue	8321.46	8392.97
Segment profits/(loss) before interest and other common un-allocable expenditures	412.22	351.75
Segment assets	5118.96	5671.80

**B. ELECTRONIC GAUGES**

	2015 -16	2014 -15
Production in Nos. (Gauge + Parts)	75+513	63+532
Segment Revenue	2699.90	2172.83
Segment profits/(loss) before interest and other common un -allocable expenditures	455.99	336.13
Segment assets	1867.46	1237.52

**OUT LOOK**

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 and PU Synthetic Leather, where completion in somewhat less. The company has recently modified its PU Synthetic production line, which has resulted in development of a new product with significant saving in power and fuel. These measures are expected to give some measurable boost to Company's profit 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: -

**Business Segment Risk****A . User Industry concentration**

PVC /PU Synthetic Leather is used across a wide spectrum of industries . Till recently the company's products were 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 resulted significant impact on the company. With vigorous efforts, the Company has now been able to diversify usage of its products in other industries such as automobile & general purpose upholstery, Sports Goods and Garment Industries to the extent of 40%.

Electronic 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 & Electronics Gauges and further efforts are underway to enlarge presence in eastern and 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 product/ applications. The company's technical collaboration agreement with DUKSUNG COMPANY LTD., Korea 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, in this segment there is no threat of obsolescence in near future.

## **FINANCIAL RISK**

### **(a) Currency Fluctuation Risk**

The currency risk emerges from the potential or downward fluctuation 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 has incurred foreign currency expenditure of Rs. 3163.63 lakh during the year (including capital goods of Rs. 69.26 lakh and foreign travel of Rs. 29.03 lakhs, exhibition expenses of Rs. 2.56 lakh and sales commission of Rs. 1.67 lakh) and technical know how fee of Rs. 6.44 lakh against exports in foreign currency were of Rs. 589.44 lakh, which provides some hedge against adverse fluctuation in foreign currency for the . The company's foreign currency transactions are on current account basis and there are no deferred liabilities in terms of foreign exchange except amount due in respect of raw material imported on deferred payment basis after 31st March, 2016 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 system. Broadly, these systems are entity level controls, financial controls, and operational controls. The internal controls provided by these system 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 Internal 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 supplement by periodic risk assessments, inspections and safety conducted by the Company.

**Discussion on Financial and Operational Performance :**  
Please refer to Part A of this Report.

## **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, subsidized canteen facilities and need-based soft loans. To enrich the skills of employees, the Company conducts focused training programs. The Company did not have any labor problem during 2015-2016. Relations with worker and staff were cordial. At the end of the financial year, 155 persons were directly on the rolls of the Company.

For & on behalf of the Board

Place : Sonipat  
Date : 30-07-2016

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 energy consumption audit is carried out and corrective action is taken such as replacement of higher HP Motors by lower HP Motors, without affecting operational efficiency. The Company has installed capacitors to improve power factor resulting in lower power cost/ consumption. The Company has switched over from furnace oil/ LDO to Petro-Coke and firewood to reduce cost of fuel. For lighting maximum use of CFL / LED is made. The Company has taken an independent Electricity feeder from Haryana Vidyut Prasaran Nigam Ltd. 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.
II	a) The steps taken by the company for utilizing alternate sources of energy b) The capital investment on energy conservation equipments	The 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. However the work on the Project is yet to make much progress.

**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 May, 2015 valid for a period of three years. The absorption of New Technology is under progress.
II	The benefits derived like product improvement, cost reduction, product development or import substitution	The use of technology will contribute to substantial savings in foreign exchange for the country, as many products being developed by the company are imported at present. The Company will develop 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	Technology for Manufacture of No Sew PU Synthetic Leather.  2015-2016 Absorption is in progress.  Absorption of technology will be completed over three year period of technology transfer.
IV	The expenditure incurred on Research and Development	The major achievement by the Company through inhouse Research and Development is indigenization of raw material, improvements in the manufacturing process and operation efficiency 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 Earnings and Outgo :**

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are given in Note No. 26 (C) & (D) of the Notes to the Financial Statements.

### 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, 2016, as stipulated in Clause 49 of Listing Agreements of the company with stock exchanges in India and/or in SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

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 Agreement/Regulations.

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, 30-07-2016

### CEO AND CFO CERTIFICATION

We, Jai Kishan Garg, Chairman & Managing Director and M. Paliwal Chief Financial Officer responsible for the finance function certify that :

- a) We have reviewed the financial statement and cash flow statement for the year ended 31st March, 2016 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 transaction entered into by the Company during the year ended 31st March, 2016 is fraudulent, illegal or violative of 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.
  - iv) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

Jai Kishan Garg  
Chairman & Managing Director

M. Paliwal  
Chief Financial Officer

Sonipat, 1<sup>st</sup> July, 2016

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Jasch Industries Limited**

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Jasch Industries Limited ("the Company"), which comprise of the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the 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 ("the Rules"). This responsibility also includes 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 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 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 standalone 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 sub-section 10 of Section 143 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. An audit also includes evaluating the appropriateness of the 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 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, of the state of affairs of the Company as at 31 March 2016 and its profit and its 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, 2016 ("the Order"), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of Section 143 of the Act, we enclose in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by sub-section 3 of Section 143 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 purposes 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with in 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 Rules.
  - (e) On the basis of the written representations received from the Directors as on 31 March 2016 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2016 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

- 1 The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
- 2 In our opinion and as per the information and explanations provided 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
- 3 There has been no due amount, required to be transferred, to the Investor Education and Protection Fund by the Company as at Balance Sheet date.

**For Arora and Choudhary Associates**

Chartered Accountants : (FRN 003870N)

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

New Delhi, July 30, 2016



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT - 31<sup>st</sup> MARCH, 2016**

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 10 to the standalone financial statements, are held in the name of the Company.
- (ii) The inventory, except goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) (a), (b) (c) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- (vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Value added tax, Service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Annexure I to this report.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank in regard with loans or borrowings to them.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, but 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.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Arora and Choudhary Associates**

Chartered Accountants : (FRN 003870N)

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

New Delhi, July 30, 2016

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT - 31<sup>st</sup> MARCH, 2016****ANNEXURE I**

(Amount ₹ In Lakh)

Name of Status	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty including interest & penalty, if applicable	3.98	3.98	1998-1999	Chief Commissioner Excise (Appeals)
The Haryana Value Added Tax Act, 2003	VAT Tax including interest, if applicable	100.32	73.79	2011-2012	Jt. Excise and Taxation Commissioner (Appeals) / Excise & Taxation Commissioner Haryana
The Central Sales Tax Act, 1956	Central Sales Tax including interest, if applicable	196.52	119.02	2011-2012	Jt. Excise and Taxation Commissioner (Appeals) / Excise & Taxation Commissioner Haryana
The Haryana Value Added Tax Act, 2003	VAT Tax including interest, if applicable	80.06	63.47	2012-2013	Jt. Excise and Taxation Commissioner (Appeals) / Excise & Taxation Commissioner Haryana
The Central Sales Tax Act, 1956	Central Sales Tax including interest, if applicable	174.21	135.54	2012-2013	Jt. Excise and Taxation Commissioner (Appeals) / Excise & Taxation Commissioner Haryana
The Income Tax Act, 1961	Income Tax demand under section 143(3)	1.25	---	2012-2013 (A/Y)	Commissioner of Income Tax (Appeals), Delhi
The Income Tax Act, 1961	Income Tax demand under section 271(1)(c)	1.50	---	2012-2013 (A/Y)	Commissioner of Income Tax (Appeals), Delhi

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT - 31<sup>st</sup> MARCH, 2016**

(Referred to in our report of even date)

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT**

We have audited the internal financial controls over financial reporting of Jasch Industries Limited ("the Company") as of 31 March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting record and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the ACT").

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing a material weakness exists and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

**For Arora and Choudhary Associates**

Chartered Accountants : FRN 003870N

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

New Delhi, July 30, 2016

**JASCH INDUSTRIES LIMITED**

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

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

**(Amount in ₹)**

	<b>Note</b>	<b>As At 31<sup>st</sup> March, 2016</b>	<b>As At 31<sup>st</sup> March, 2015</b>	
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	2	<b>11,33,00,000</b>	11,33,00,000	
(b) Reserves and Surplus	3	<b>24,04,61,338</b>	19,93,99,439	
		<b>35,37,61,338</b>		31,26,99,439
<b>(2) Non-Current Liabilities</b>				
(a) Long Term Borrowings	4	<b>4,50,50,138</b>	5,72,18,088	
(b) Deferred Tax Liability (Net)	5	<b>2,95,05,505</b>	3,00,66,688	
		<b>7,45,55,643</b>		8,72,84,776
<b>(3) Current Liabilities</b>				
(a) Short Term Borrowings	6	<b>7,63,85,058</b>	8,79,30,711	
(b) Trade Payables	7	<b>10,54,53,371</b>	12,57,43,535	
(c) Other Current Liabilities	8	<b>7,16,38,579</b>	6,69,17,932	
(d) Short Term Provisions	9	<b>1,69,16,299</b>	1,03,56,047	
		<b>27,03,93,307</b>		29,09,48,225
<b>TOTAL</b>		<b>69,87,10,288</b>		<b>69,09,32,440</b>
<b>II ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Fixed Assets	10			
(i) Tangible Assets		<b>24,54,70,424</b>	23,23,85,950	
(ii) Capital Work-in-Progress		<b>46,04,333</b>	1,51,90,299	24,75,76,249
(b) Non-Current Investments	11	<b>5,49,35,897</b>	5,45,15,399	
(c) Long Term Loans & Advances	12	<b>34,85,410</b>	34,85,410	
(d) Other Non-Current Assets	13	<b>48,96,565</b>	48,96,565	6,28,97,374
<b>(2) Current Assets</b>				
(a) Inventories	14	<b>12,57,94,209</b>	12,23,52,080	
(b) Trade Receivables	15	<b>23,81,75,648</b>	23,41,19,681	
(c) Cash and Cash Equivalents	16	<b>1,35,13,935</b>	1,52,42,462	
(d) Short Term Loans and Advances	17	<b>78,33,867</b>	87,44,595	
		<b>38,53,17,659</b>		38,04,58,817
<b>TOTAL</b>		<b>69,87,10,288</b>		<b>69,09,32,440</b>

Significant Accounting Policies & Practices

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**

Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
(DIN : 00596709)

Ramnik Garg  
Whole Time Director  
(DIN : 00188843)

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

S. K. Verma  
Vice President & Company Secretary  
(Membership No : FCS2293)

M. Paliwal  
Chief Financial Officer

New Delhi, July 30, 2016

**JASCH INDUSTRIES LIMITED**

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

<b>PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016</b>		<b>(Amount in ₹)</b>	
	<b>Note</b>	<b>2015-2016</b>	2014-2015
<b>I Revenue from Operations (Net)</b>	18	98,42,26,239	94,65,66,223
<b>II Other Income</b>	19	51,46,319	50,52,359
<b>III Total Revenue</b>		<b>98,93,72,558</b>	<b>95,16,18,582</b>
<b>IV EXPENSES :</b>			
Cost of Materials Consumed	20	65,81,25,163	65,61,82,589
Change in Inventories of Finished Goods & Stock-in-Process	21	8,56,266	90,21,422
Employee Benefits Expense	22	7,22,69,583	5,82,67,726
Finance Costs	23	2,25,50,399	2,16,37,924
Depreciation and Amortization Expense	10	2,57,87,984	2,46,38,017
Other Expenses	24	14,55,12,799	13,47,20,707
<b>Total Expenses</b>		<b>92,51,02,194</b>	<b>90,44,68,385</b>
<b>V Profit Before Tax</b>		6,42,70,364	4,71,50,197
<b>VI Tax Expenses</b>			
(a) Current Income Tax		<b>(2,30,31,800)</b>	(1,64,16,250)
(b) Deferred Tax Credit		<b>5,61,183</b>	2,66,409
(c) Income Tax of earlier year / Wealth Tax		<b>(22,020)</b>	(91,539)
(d) Provision for C S R		<b>(7,15,828)</b>	-
<b>VII Profit for the Year</b>		<b>4,10,61,899</b>	<b>3,09,08,817</b>
<b>VIII Earning Per Equity Share</b>	25		
Basic and Diluted		<b>3.62</b>	<b>2.73</b>

Significant Accounting Policies & Practices 1  
The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**

Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
(DIN : 00596709)

Ramnik Garg  
Whole Time Director  
(DIN : 00188843)

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

S. K. Verma  
Vice President & Company Secretary  
(Membership No : FCS2293)

M. Paliwal  
Chief Financial Officer

New Delhi, July 30, 2016

**JASCH INDUSTRIES LIMITED**

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

**CASH FLOW STATEMENT FOR THE YEAR 2015-2016**

	2015-2016	2014-2015
<b>A: CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before tax as per Statement of Profit Loss Account</b>	<b>6,42,70,364</b>	<b>4,71,50,197</b>
Adjusted For : Add / (Deduct) :		
-Net Prior Year Adjustment	(22,020)	(34,736)
-Loss on Sale / Discard of Assets / Vehicle	15,701	4,48,663
-Depreciation and Amortization Expense	2,57,87,984	2,46,38,017
-Effect of Exchange Rate Change	(11,28,214)	(6,45,651)
-Interest Income	(14,16,865)	(9,00,399)
-Duty Drawback/forfeit	(26,01,240)	(35,06,309)
-Finance Costs	2,25,50,399	2,16,37,924
-Bad debts written off	58,67,915	19,49,317
	<b>4,90,53,660</b>	<b>4,35,86,826</b>
<b>Operating Profit before Working Capital Changes</b>	<b>11,33,24,024</b>	<b>9,07,37,023</b>
Adjusted For : Add / (Deduct) :		
-Trade and Other Receivables	(90,13,155)	(5,22,96,018)
-Inventories	(33,73,501)	90,99,024
-Trade and Other Payables	(1,10,46,822)	20,07,364
	<b>(2,34,33,478)</b>	<b>(4,11,89,630)</b>
<b>Cash Generated from Operations</b>	<b>8,98,90,546</b>	<b>4,95,47,393</b>
-Taxes Paid	(2,30,31,800)	(1,64,73,053)
-Interest Received	14,16,865	9,00,399
-Duty Draw Back/Forefitt	26,01,240	35,06,309
-Exchange Rate Effect	11,28,214	6,45,651
Net Cash from Operating Activities	<b>7,20,05,065</b>	<b>3,81,26,699</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES :</b>		
-Purchase of Fixed Assets	(2,84,53,193)	(4,26,67,719)
-Sale of Fixed Assets	1,51,000	10,65,000
-Purchase of Investments	(4,20,498)	(6,18,536)
-Sale of Investments	0	0
Net Cash (used in) Investing Activities	<b>(2,87,22,691)</b>	<b>(4,22,21,255)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES :</b>		
-Proceeds from Issue of Share Capital	0	0
-Proceeds form Long Term Borrowings	1,06,84,675	4,34,68,253
-Repayment of Long Term Borrowings	(2,15,99,524)	(1,68,12,979)
-Short Term Borrowings	(1,15,45,653)	15,81,971
-Dividends Paid (including dividend distribution tax)	0	0
-Interest Paid	(2,25,50,399)	(2,16,37,924)
Net Cash (used in) / from Financing Activities	<b>(4,50,10,901)</b>	<b>65,99,321</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(17,28,527)</b>	<b>25,04,765</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,52,42,462</b>	<b>1,27,37,697</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,35,13,935</b>	<b>1,52,42,462</b>

Significant Accounting Policies & Practices

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**  
Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
(DIN : 00596709)

Ramnik Garg  
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**CA. Vijay K. Choudhary**  
Partner : Membership No. : 81843

S. K. Verma  
Vice President & Company Secretary  
(Membership No : FCS2293)

M. Paliwal  
Chief Financial Officer

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**Notes to Financial Statements for the year ended 31st March, 2016**


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**1. SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES****1.1 Basis of Preparation of Financial Statements :**

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, the extent applicable. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. These financial statements are presented in Indian rupees rounded off to the nearest rupee.

**1.2 Use of Estimates :**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

**1.3 Recognition of Revenue / Income and Expenditure :**

- a) Revenues / Incomes and Cost / Expenditures are accounted for on accrual basis, as they are earned or incurred.
- b) Turnover comprises of sale of goods and services. Sales are recorded when supply of goods takes place in accordance with the terms of sales. Turnover includes Excise Duties, VAT and Service Tax stated as Gross revenue from operations.
- c) Revenue subsidies like interest subsidy (TUF) is reflected in "other incomes" when actually received.
- d) Income from Export incentives such as duty draw back are recognized on accrual basis.
- e) Income from services rendered is recognized based on agreements / arrangements with the customers as the service is performed using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and is recognized net of service tax, as applicable.

**1.4 Fixed Assets and Depreciation :****Tangible Assets**

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

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

Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the Statement of Profit and Loss.

**Intangible Assets**

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

**Depreciation**

Depreciation is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013

**1.5 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.

**1.6 Deferred Revenue Expenditure :**

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

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**Notes to Financial Statements for the year ended 31st March, 2016**


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**1.7 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.

**1.8 Foreign Currency Transactions :**

- a) Transactions denominated in Foreign Currencies are recorded in Indian Rupees at the exchange rate prevailing on the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year-end are stated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of contract is recognized as exchange difference and premium paid on forward contracts is recognized over the life of contract.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in Statement of Profit and Loss, except in case of the long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

**1.9 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 has no effect on net profits. Excise Duty / Service Tax is accounted on the basis of payment made in respect of goods cleared / services provided.

**1.10 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.

**1.11 Investments :**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost. A provision for diminutions is made to recognize a decline, other than temporary, separately for each individual long term investments.

Investments that are readily realizable and are intended to be held for not one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Long-term investments".

Investment in land and building that are not intended to be used in the operations of the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on the building component of the investment property is provided in line with the policy on tangible assets.

**1.12 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.

**1.13 Trade Receivables and Loans and advances :**

Trade receivables and Loans & Advances are stated after making adequate provisions for doubtful balances or written off in respective account, if any.

**1.14 Research & Development Expenditure :**

R & D 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.

**1.15 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 31<sup>st</sup> March, as per actuarial valuation made by LIC of India and premium calculated on the same is paid to LIC of India through JIL Employees Group Gratuity Trust.

**1.16 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.

**1.17 Income Taxes :**

Tax expense for the year comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid to or (recovered from) the taxation authorities using the applicable tax rate and tax laws.



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**Notes to Financial Statements for the year ended 31st March, 2016**


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Deferred tax is recognized for all the timing differences, subject to the rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. The carrying amount deferred tax assets is reviewed at each Balance Sheet date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

**1.18 Segment reporting :**

The accounting policies adopted for segment reporting are in conformity with the accounting with the accounting policies adopted for the Company. Further, revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Un-allocated corporate expenses net of un-allocated income".

**1.19 Government Grants :**

Government grants and subsidies received are recognized after fulfilling the conditions attached to them. Government grants are of the nature of promoters' contribution and are credited to Capital Subsidy which is treated as part of Reserves and Surplus.

**1.20 Cash and cash equivalents and Cash Flow Statement :**

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks, balances in current account with bank. The Cash Flow Statement is prepared under the "Indirect Method" as set out in the Accounting Standard 3(AS-3), "Cash Flow Statements".

**1.21 Earnings per share :**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the number of equity shares outstanding at the end of the period. For the purpose of calculating diluted earnings per shares, the net profit for the period attributable to equity shareholders and the number of shares outstanding at the end of the period is adjusted for the effects of all dilutive potential equity shares.

**1.22 Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. These are reviewed at each year-end date and adjusted to reflect the best current estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed in the financial statements.

**1.23 Re-grouping/Re-Classification of previous year's figures**

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>(Amount in ₹)</b>		
<b>2 SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
1,40,00,000 Equity Shares of ₹ 10 each	<u>14,00,00,000</u>	<u>14,00,00,000</u>
	<u>14,00,00,000</u>	<u>14,00,00,000</u>
<b>Issued, Subscribed and Paid up :</b>		
1,13,30,000 Equity Shares of ₹10 each fully paid up	<u>11,33,00,000</u>	<u>11,33,00,000</u>
<b>TOTAL</b>	<u>11,33,00,000</u>	<u>11,33,00,000</u>

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

2.2 Terms / rights attached to Equity Shares :

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be 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. Manish Garg	12,91,969	11.403	8,47,349	7.47
Mr. Ramnik Garg	11,15,698	9.847	8,02,573	7.08
Mr. Navneet Garg	9,66,449	8.530	-	-
Mr. Jai Kishan Garg	6,43,310	5.678	23,98,491	21.17
Ms. Ritu Garg	6,06,651	5.354	-	-
Ms. Kamlesh Garg	2,50,000	2.207	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, 2016 and 2015.

### 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	19,63,99,439	16,54,90,622
Add : Transfer from Surplus in Statement of Profit and Loss	4,10,61,899	3,09,08,817
	<u>23,74,61,338</u>	<u>19,63,99,439</u>

#### Less : Appropriations

	-	23,74,61,338	-	19,63,99,439
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#### TOTAL

	<u>24,04,61,338</u>	<u>19,93,99,439</u>
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### 4 LONG TERM BORROWINGS

#### Secured

	Current	Non Current	Current	Non Current
Term Loans From Bank	1,84,09,324	1,28,12,754	1,74,36,000	2,50,31,784
Loans For Vehicles (Banks)	24,91,619	48,72,384	22,11,842	48,21,304
	<u>2,09,00,943</u>	<u>1,76,85,138</u>	<u>1,96,47,842</u>	<u>2,98,53,088</u>

#### Unsecured

Loan From Directors and their relatives	-	2,73,65,000	-	2,73,65,000
	-	<u>2,73,65,000</u>	-	<u>2,73,65,000</u>

#### TOTAL

	<u>2,09,00,943</u>	<u>4,50,50,138</u>	<u>1,96,47,842</u>	<u>5,72,18,088</u>
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4.1 Term Loans from HDFC Bank Ltd. are 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 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>5 DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability	3,00,66,688	3,03,33,097
Deferred Tax Assets	(5,61,183)	(2,66,409)
<b>TOTAL</b>	<b>2,95,05,505</b>	<b>3,00,66,688</b>
<b>6 SHORT TERM BORROWINGS</b>		
Secured		
Working Capital Loan From Bank	7,63,85,058	8,79,30,711
<b>TOTAL</b>	<b>7,63,85,058</b>	<b>8,79,30,711</b>
<b>6.1</b>	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.	
<b>7 TRADE PAYABLES</b>		
Trade Payables	10,54,53,371	12,57,43,535
<b>TOTAL</b>	<b>10,54,53,371</b>	<b>12,57,43,535</b>
<b>7.1</b>	Accounts balances of the suppliers, in whose case(s) confirmation / reconciliation is not received have been 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.	
<b>7.2</b>	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 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	-
<b>8 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt (Refer Note No. 4)	2,09,00,943	1,96,47,842
Unclaimed Dividends	9,04,284	9,04,484
Creditors for Capital Expenditure	17,09,074	23,67,962
Advance From Customers	2,49,77,329	2,30,92,595
Sales Tax Payable	20,10,720	16,43,930
TDS Payable	9,30,210	6,51,125
Expenses Payable	75,72,377	82,09,055
Interest Payable	22,56,322	11,38,787
Sundry Creditors for Others	74,55,807	71,49,000
Others	29,21,513	21,13,152
<b>TOTAL</b>	<b>7,16,38,579</b>	<b>6,69,17,932</b>
<b>9 SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits :		
Bonus Payable	34,92,106	20,91,286
Provisions For Duties & Taxes :		
Excise Duty	14,15,158	5,35,125
Tax (NET)	1,12,93,207	76,72,833
Wealth Tax	-	56,803
C S R	7,15,828	-
<b>TOTAL</b>	<b>1,69,16,299</b>	<b>1,03,56,047</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

- 9.1** Provision of Excise Duty on finished goods lying in factory premises at March 31, 2016 aggregating to ₹ 21,16,625/- (Previous Year ₹ 18,60,998/-) 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 up to balance available as on 31st March, 2016.
- 9.2** There are no undisputed liabilities or overdues 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 31.03.2016 to all eligible employees, amounting to ₹ 15,39,039/- has been made as per Actuarial Valuation by LIC of India and an amount of ₹ 15,39,039/- has been paid to LIC of India as contribution for current year up to 31.03.2016.

**10 FIXED ASSETS****(Amount in ₹)**

Description	Gross Block				Depreciation / Amortisation			Net Block		
	At At 01.04.2015	Additions	Deductions / Adjustments (+/-)	As At 31.03.2016	Up to 31.03.2015	For the Period	Deductions / Adjustments (+/-)	31.03.2016	31.03.2016	As At 31.03.2015
<b>TANGIBLE OWN ASSETS :</b>										
Free Hold Land	9,92,813	-	-	9,92,813	-	-	-	-	9,92,813	9,92,813
General Assets	1,10,90,763	11,46,118	-	1,22,36,881	78,65,957	26,04,481	-	1,04,70,438	17,66,443	32,24,806
Factory Building	3,40,01,690	-	-	3,40,01,690	1,48,46,328	8,31,204	-	1,56,77,532	1,83,24,158	1,91,55,362
Office Building	26,53,549	1,88,08,086	-	2,14,61,635	4,48,542	41,485	-	4,90,027	2,09,71,608	22,05,007
Corporate Office	65,85,356	-	-	65,85,356	5,31,876	1,02,218	-	6,34,094	59,51,262	60,53,480
Building Factory Automation	-	81,71,245	-	81,71,245	-	1,41,075	-	1,41,075	80,30,170	-
Plant & Mach-Printing	2,01,70,783	-	-	2,01,70,783	3,53,325	12,80,951	-	16,34,276	1,85,36,507	1,98,17,458
Utility	2,04,18,042	8,60,123	-	2,12,78,165	74,41,222	13,20,475	-	87,61,697	1,25,16,468	1,29,76,820
Gen Sets	82,01,169	-	-	82,01,169	41,02,270	6,41,355	-	47,43,625	34,57,544	40,98,899
Boilers	1,68,69,980	26,625	-	1,68,96,605	1,03,74,962	7,45,094	-	1,11,20,056	57,76,549	64,95,018
Vehicles	2,33,37,234	41,74,483	7,96,513	2,67,15,204	75,03,242	29,27,757	6,29,812	98,01,187	1,69,14,017	1,58,33,992
Pu Plant	12,48,16,553	42,53,472	-	12,90,70,025	8,39,81,966	57,17,566	-	8,96,99,532	3,93,70,493	4,08,34,587
Pu Plant Utility	6,69,06,712	-	-	6,69,06,712	2,30,93,725	28,26,710	-	2,59,20,435	4,09,86,277	4,38,12,987
Dry Line	10,76,68,543	13,31,435	-	10,89,99,978	6,46,17,883	53,52,397	-	6,99,70,280	3,90,29,698	4,30,50,660
Automation	2,26,13,966	2,67,572	-	2,28,81,538	87,79,905	12,55,216	-	1,00,35,121	1,28,46,417	1,38,34,061
<b>TOTAL</b>	<b>46,63,27,153</b>	<b>3,90,39,159</b>	<b>7,96,513</b>	<b>50,45,69,799</b>	<b>23,39,41,203</b>	<b>2,57,87,984</b>	<b>6,29,812</b>	<b>25,90,99,375</b>	<b>24,54,70,424</b>	<b>23,23,85,950</b>
Capital Work-in-Progress	1,51,90,299	2,11,69,720	3,17,55,686	46,04,333	-	-	-	-	46,04,333	1,51,90,299
<b>TOTAL</b>	<b>48,15,17,452</b>	<b>6,02,08,879</b>	<b>3,25,52,199</b>	<b>50,91,74,132</b>	<b>23,39,41,203</b>	<b>2,57,87,984</b>	<b>6,29,812</b>	<b>25,90,99,375</b>	<b>25,00,74,757</b>	<b>24,75,76,249</b>
<b>PREVIOUS YEAR</b>	<b>44,19,14,324</b>	<b>6,43,56,467</b>	<b>2,47,53,339</b>	<b>48,15,17,452</b>	<b>21,08,54,614</b>	<b>2,46,38,017</b>	<b>15,51,428</b>	<b>23,39,41,203</b>	<b>24,75,76,249</b>	<b>23,10,59,710</b>

	As At 31 <sup>st</sup> March, 2016		As At 31 <sup>st</sup> March, 2015	
	No. of Shares	Value	No. of Shares	Value
<b>11 NON-CURRENT INVESTMENTS</b>				
(Long Term Investments)				
<b>Trade Investments</b>				
<b>In Equity Shares - Unquoted, fully paid up</b>				
Jasch North America Company USA	Not Specified	5,17,20,000	Not Specified	5,17,20,000
Jasch Automation Limited	10,000	1,00,000	-	-
<b>In Equity Shares - Quoted, fully paid up</b>				
Standard Capital Market Ltd (Market Value As on 31.03.16 is ₹ 91530/-)	33,900	67,800	33,900	67,800
<b>Other Non-Current Investments</b>				
Investment in Property		30,38,097		27,27,599
JIL Employees Group Gratuity Trust		10,000		-
<b>TOTAL</b>		<b>5,49,35,897</b>		<b>5,45,15,399</b>
<b>12 LONG TERM LOANS AND ADVANCES</b>				
(Unsecured and Considered Good)				
Security Deposit (Include Deposit with State Electricity Distribution Company ₹ 30,91,568/-)		34,85,410		34,85,410
<b>TOTAL</b>		<b>34,85,410</b>		<b>34,85,410</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>13 OTHER NON-CURRENT ASSETS</b>		
Claim Receivable	48,96,565	48,96,565
<b>TOTAL</b>	<b>48,96,565</b>	<b>48,96,565</b>

**13.1** 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 lakh. Balance claim of ₹ 48.97 lakh has been shown as receivable. A petition against Insurance Company for payment of balance amount with interest has been filed and admitted by the Delhi High Court. There are fair chances at the balance claim of ₹ 48.97 lakh will be allowed by the Court in favour of the Company. Final adjustment of Insurance Claim in the accounts will be made after settlement of claim by the Court.

**14 INVENTORIES**

Raw Materials	5,78,24,025	6,27,83,896
Consumables	2,42,30,641	2,33,02,281
Stock-in-Process	1,62,51,226	1,88,15,083
Finished Goods	1,62,55,683	1,42,92,465
Stores & Spares	3,86,100	4,09,110
Packing Material	5,87,389	6,59,708
Fuel	5,00,248	6,51,143
Goods-in-Transit	97,58,897	14,38,394
<b>TOTAL</b>	<b>12,57,94,209</b>	<b>12,23,52,080</b>

**15 TRADE RECEIVABLES**

(Unsecured and considered good)

Over six months due	3,92,94,744	3,23,15,937
Others	19,88,80,904	20,18,03,744
<b>TOTAL</b>	<b>23,81,75,648</b>	<b>23,41,19,681</b>

**15.1** Account balances of the customers, in whose case(s) confirmation / reconciliation has not been received have been taken as per the balance appearing in the books. Any differences arising on account of such reconciliations, which are not likely to be material, have been accounted for as and when these reconciliations are completed.

**16 CASH AND CASH EQUIVALENTS**

(a) Balances With Banks	2,57,666	2,16,635
(b) Cash on Hand	1,65,461	5,85,306
(c) Balance In Bank as Unpaid Dividend Account	9,04,284	9,04,484
(d) Deposits with Bank*	1,21,86,524	1,35,36,038
<b>TOTAL</b>	<b>1,35,13,935</b>	<b>1,52,42,462</b>

(\*Deposits with Bank are held as margin money for L/c and Bank Guarantees provide by the bank.)

**17 SHORT TERM LOANS AND ADVANCES**

(Unsecured and considered good)

Advance to Suppliers	3,88,215	11,05,570
Balance With Revenue Authorities	32,57,270	51,31,378
Prepaid Expenses	11,91,833	5,28,788
Miscellaneous Receivables	29,96,549	19,78,859
<b>TOTAL</b>	<b>78,33,867</b>	<b>87,44,595</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	(Amount in ₹)	
	For the Year Ended 2015-2016	For the Year Ended 2014-2015
<b>18 REVENUE FROM OPERATIONS</b>		
Sale of Products [Refer Note No. 26E]		
Synthetic Leather & Allied Products	83,21,45,904	83,92,96,846
Electronic Gauges	26,64,50,430	21,48,22,968
Sale of Services	35,40,003	24,60,046
	<u>1,10,21,36,337</u>	<u>1,05,65,79,860</u>
Less : Excise Duty / VAT	11,79,10,098	11,00,13,637
<b>TOTAL</b>	<u><u>98,42,26,239</u></u>	<u><u>94,65,66,223</u></u>
<b>19 OTHER INCOME</b>		
Interest Income (FDR)	14,16,865	9,00,399
Duty Drawback	9,73,240	2,85,162
Other Advance Forfeited	16,28,000	32,21,147
Exchange Fluctuation as per AS11	11,28,214	6,45,651
<b>TOTAL</b>	<u><u>51,46,319</u></u>	<u><u>50,52,359</u></u>
<b>20 COST OF MATERIAL CONSUMED</b>		
[Refer Note No. 26F]		
Raw Material	63,39,68,285	62,86,38,237
Consumables (Release Paper)	2,41,56,878	2,75,44,352
<b>TOTAL</b>	<u><u>65,81,25,163</u></u>	<u><u>65,61,82,589</u></u>
<b>21 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS</b>		
<b>Inventories (at Commencement)</b>		
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>
<b>Inventories (at Close)</b>		
Stock-in-Process	1,62,51,226	1,88,15,083
Finished Goods	1,62,55,683	1,42,92,465
	<u>3,25,06,909</u>	<u>3,31,07,548</u>
	6,00,639	85,85,572
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	2,55,627	4,35,850
<b>TOTAL</b>	<u><u>8,56,266</u></u>	<u><u>90,21,422</u></u>
<b>22 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages, Gratuity & Bonus	6,87,02,044	5,52,02,587
Contribution to P. F. & Other Funds	16,08,474	13,05,673
Employee Welfare Expenses	19,59,065	17,59,466
<b>TOTAL</b>	<u><u>7,22,69,583</u></u>	<u><u>5,82,67,726</u></u>
<b>23 FINANCE COST</b>		
Interest on Cash Credit Facility	1,15,38,685	1,02,33,329
Interest on Term Loan	41,28,380	46,30,190
Interest on Vehicle Loan	7,70,707	6,45,036
Other Interest	28,15,234	26,94,889
Bank And Other Charges	32,97,393	34,34,480
<b>TOTAL</b>	<u><u>2,25,50,399</u></u>	<u><u>2,16,37,924</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	For the Year Ended 2015-2016	For the Year Ended 2014-2015
<b>(Amount in ₹)</b>		
<b>24 OTHER EXPENSES</b>		
<b>Manufacturing and Operating Cost</b>		
Power & Fuel	3,89,24,012	4,64,16,782
Consumables & Stores	28,24,351	30,74,087
Freight Inward	2,33,77,169	2,31,52,813
Repair & Maintenance (Plant)	1,11,95,595	63,37,033
Exchange Difference	23,85,476	(15,30,926)
<b>TOTAL (A)</b>	<b>7,87,06,603</b>	<b>7,74,49,789</b>
<b>Establishment Expenses</b>		
Insurance Expenses	11,36,932	9,44,391
Books, Printing & Stationery	8,80,585	8,02,509
Postage & Courier	11,10,390	10,79,212
Telephone & Communications	24,92,722	25,95,247
Travel (Inc. Foreign Travel) & Conveyance	65,18,197	70,66,641
Hotel, Boarding, Lodging	70,56,307	57,58,954
Vehicle Running & Maintenance	25,72,999	32,13,167
Fee & Subscription	26,59,051	23,31,556
Legal & Professional Charges	4,16,726	9,69,820
Rent, Rates and Taxes	9,97,732	3,57,936
Office Electricity Exp.	98,915	1,27,578
Technical Know How Fee	6,43,678	-
Charity & Donation	1,49,200	6,49,255
House Keeping Expenses	22,82,395	-
Electrical & General Repair & Maintenance	23,96,666	14,12,276
Directors' Sitting Fee	5,11,698	3,62,302
Statutory Auditor		
- For Financial Audit	85,875	78,652
- For Taxation and other Matters	28,625	22,472
Cost Audit Fee	34,350	-
Secraterial Audit Fee	30,150	33,708
Loss on Sale of Vehicle	15,701	4,48,663
Miscellaneous	3,63,908	3,84,696
<b>TOTAL (B)</b>	<b>3,24,82,802</b>	<b>2,86,39,035</b>
<b>Selling and Distribution Expenses</b>		
Testing Charges	5,02,778	1,70,828
Discount & Rebates	87,14,008	81,02,697
Selling Expenses	19,01,216	22,26,919
Sales Commission	25,32,368	28,55,305
Bad Debts	58,67,915	19,49,317
Packing Material	94,25,731	91,18,464
Freight Outward	24,41,723	16,28,007
Advertising & Exhibition	24,50,493	10,92,527
Clearing & Forwarding (Export)	4,87,162	14,87,819
<b>TOTAL (C)</b>	<b>3,43,23,394</b>	<b>2,86,31,883</b>
<b>TOTAL (A+B+C)</b>	<b>14,55,12,799</b>	<b>13,47,20,707</b>
<b>25 EARNINGS PER SHARE (EPS)</b>		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	4,10,61,899	3,09,08,817
Number of equity shares used as denominator for calculating EPS	1,13,30,000	1,13,30,000
Basic and Diluted Earnings per share	3.62	2.73
Face Value per equity share	10.00	10.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount ₹ in Lakh)

	For the Year Ended 2015-2016	For the Year Ended 2014-2015		
<b>26 ADDITIONAL INFORMATION PURSUANT TO PART I &amp; II OF THE SCHEDULE III OF THE COMPANIES ACT, 2013</b>				
<b>A CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakh)</b>				
<b>(I) Contingent Liabilities</b>				
(A) Claim against the company / disputed liabilities not acknowledged as debts				
- Sales Tax Appeal Pending (2011-2012)	81.54	-		
- Sales Tax Appeal Pending (2012-2013)	51.55	-		
(B) Guarantees				
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties				
a) In Respect of Wholly Owned Subsidiary	-	-		
b) In Respect of Others	-	-		
(ii) Advance / Performance Guarantees (Margin Money with Bank ₹ 31.41)	255.85	144.05		
(iii) Outstanding guarantees furnished to Bank in respect of Letters of Credits (Margin Money with Bank ₹ 61.50)	615.56	710.73		
(C) Other Money for which the company is contingently liable				
i) Liability in respect of bill discounted with bank	-	-		
ii) Liability in respect of Sales Tax surety for third parties	8.00	8.00		
(D) Un-hedged foreign currency exposure at the year end				
i) Trade receivables	258.55	257.96		
ii) Trade Payables	312.49	372.55		
iii) Trade Advances	6.98	44.40		
<b>(II) Commitments</b>				
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for :	-	-		
(B) Other Commitments	-	-		
<b>B CONSUMPTION OF IMPORTED &amp; INDIGENOUS RAW MATERIALS &amp; CONSUMABLES</b>				
	<b>₹ in Lakh</b>	<b>% of Total Consumption</b>	<b>₹ in Lakh</b>	<b>% of Total Consumption</b>
Imported (Landed cost at Factory)	3,361.48	51.03	3,301.58	49.67
Indigenous	3,225.78	48.97	3,346.10	50.33
	<b>6,587.26</b>	<b>100.00</b>	<b>6,647.68</b>	<b>100.00</b>
<b>C EXPENDITURE IN FOREIGN CURRENCY (₹ in Lakh)</b>				
Raw Material & Consumables	3,062.67		3,197.99	
Capital Goods	69.26		163.24	
Foreign Travels	21.03		22.20	
Technical Know How Fee	6.44		0.00	
Exhibition Expenses	2.56		1.28	
Sales Commission	1.67		16.15	
	<b>3,163.63</b>		<b>3,400.86</b>	
<b>D EARNING IN FOREIGN CURRENCY (₹ in Lakh)</b>				
FOB Value of Export of Goods				
<b>1. Electronic Thickness Gauge</b>				
(Earning in US\$ - 8,81,911)	575.32		759.07	
(Earning in EURO - 2,050)	1.47		58.81	
	<b>576.79</b>		<b>817.88</b>	
<b>2. Synthetic Leather &amp; Allied Products</b>				
(Earning in US\$ - 19,434)	12.65		6.26	
	<b>12.65</b>		<b>6.26</b>	



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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

(Value ₹ in Lakh)

S.No.	Class of Goods	Unit	Opening Balance As on	Production for the Year Ended 31st March		Turnover For The Year Ended 31st March				Closing Stock As At
			01.04.15	2016	2015	2016		2015		31.03.2016
			Qty.	Qty.	Qty.	Qty.	Value	Qty.	Value	Qty.
1	PVC - Coated Fabric	Mtrs	16352.00	2000379.50	1939758.00	1999473.50	2545.03	1945207.00	2564.57	17258.00
2	PVC - C P S	Mtrs	7228.00	312830.50	253954.00	315066.00	756.30	248271.00	596.81	4992.50
3	PU - Coated Fabric	Mtrs	4053.50	576297.00	530890.00	574163.50	1386.34	533279.50	1212.50	6187.00
4	PU - N L F	Mtrs	0.00	0.00	5.00	0.00	0.00	996.00	0.56	0.00
5	PU - C P S	Mtrs	7709.50	772922.50	899144.00	772128.50	2933.70	900602.00	3465.43	8503.50
6	PU - PU Resin	Kgs	0.00	275936.00	226033.50	275936.00	642.92	226033.50	500.83	0.00
7	Cut Pieces	Kgs	1242.00	173773.00	160265.00	170209.00	13.01	162905.00	13.15	4806.00
8	Bardana & Scrap	Kgs	0.00				17.23		35.15	0.00
9	Raw Material sales as such		0.00				26.93		3.97	0.00
10	Electronic Thickness Gauge (ETG)	Nos.	4.00	75.00	63.00	76.00	2217.72	62.00	1719.02	3.00
11	ETG Parts	Nos.	0.00	513.00	532.00	513.00	446.78	532.00	429.21	0.00
12	AMC						35.40		24.6	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

## F. RAW MATERIAL CONSUMPTION

(Value ₹ in lakh)

I) Raw Materials	Unit	2015-2016				
		Opening Qty.	Receipt Qty.	Closing Qty.	Consumed Qty.	Value ₹
Kanatol	Kgs.	33936	727880	12861	<b>748955</b>	<b>569.82</b>
PVC Resin	Kgs.	41305	759050	14710	<b>785645</b>	<b>577.98</b>
Fabrics	Mtrs.	252068	1883358	121060	<b>2014366</b>	<b>460.64</b>
Non Woven Lining	Mtrs.	79820	709338	83821	<b>705337</b>	<b>205.14</b>
Release Paper	Kgs.	53005	50195	51667	<b>51533</b>	<b>165.57</b>
Other Pigments & C and F						<b>397.48</b>
Non Woven Lining	Mtrs.	114198	727603	72678	<b>769123</b>	<b>610.60</b>
Adipic Acid	Kgs.	8875	185410	19075	<b>175210</b>	<b>148.28</b>
DMF	Kgs.	12000	413440	16910	<b>408530</b>	<b>236.51</b>
MDI	Kgs.	12375	145950	13440	<b>144885</b>	<b>198.35</b>
Butane Diol	Kgs.	3200	82000	10200	<b>75000</b>	<b>84.20</b>
Fabric	Mtrs.	84927	600661	95144	<b>590444</b>	<b>466.37</b>
Pu-Additives	Kgs.	18698	42511	20126	<b>41083</b>	<b>292.08</b>
M E G	Kgs.	11045	55480	7820	<b>58705</b>	<b>39.67</b>
M E K	Kgs.	7580	157285	11055	<b>153810</b>	<b>130.30</b>
P T M E G	Kgs.	800	30200	4000	<b>27000</b>	<b>66.34</b>
Stablize Softner	Kgs.	0	180000	0	<b>180000</b>	<b>135.42</b>
Resin	Kgs.	10309	53018	31791	<b>31536</b>	<b>150.11</b>
Release Paper	Kgs.	28110	12587	27983	<b>12714</b>	<b>75.99</b>
Other Pigments & C and F						<b>476.17</b>
X-Ray tubes	Nos.	1	36	2	<b>35</b>	<b>51.43</b>
Sources & Assembly	Nos.	12	49	13	<b>48</b>	<b>89.69</b>
Ionization Chambers	Nos.	8	97	12	<b>93</b>	<b>58.32</b>
Power Supplies	Nos.	15	160	24	<b>151</b>	<b>19.36</b>
Computer & Parts						<b>134.73</b>
Slide & Bearings						<b>42.02</b>
Iron & Aluminum						<b>322.67</b>
Electronic & Mechanical Items Etc.						<b>376.01</b>
						<b>6581.25</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

**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 segment as reportable segment viz. Synthetic Leather Cloth & Allied Products Division and Electronic Thickness Gauge Division. The financial information about these business segments is presented in the table below :-

(₹ In Lakh)

	Current Year (2015-2016)			Previous Year (2014-2015)		
	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total
<b>REVENUE</b>						
External Sales	8321.46	2699.90	11021.36	8392.97	2172.83	10565.80
Less : Excise Duty			1179.10			1100.14
Inter-segment Sales			---			---
Other Income	19.81	31.65	51.46	15.46	35.06	50.52
<b>Total Revenue</b>			<b>9893.72</b>			<b>9516.18</b>
<b>RESULTS</b>						
Segment Results	412.22	455.99	868.21	351.75	336.13	687.88
Unallocated Corporate Expenses (Net)			---			---
Operating Profit			868.21			687.88
Interest Expenses			225.50			216.38
Income Tax / Wealth Tax – Current			230.32			164.16
- Deferred & Previous Year Tax (+)			5.39			01.75
Profit from Ordinary Activities			417.78			309.09
Extra Ordinary Loss / CSR			07.16			---
<b>Net Profit</b>			<b>410.62</b>			<b>309.09</b>
<b>OTHER INFORMATION</b>						
Segment Assets	5118.96	1868.14	6987.10	5671.80	1237.52	6909.32
<b>Total Assets</b>			<b>6987.10</b>			<b>6909.32</b>
Segment Liabilities	6580.45	406.65	6987.10	6625.40	283.92	6909.32
<b>Total Liabilities</b>			<b>6987.10</b>			<b>6909.32</b>
Capital Expenditure			408.44			394.66
Depreciation			257.88			246.38
Non-cash Expenses other than Depreciation			58.68			19.49

**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)
	Jasch Automation Ltd.
Trust	JIL Employees Group Gratuity Trust
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 (Relatives)	Kamlesh Garg (Mrs.) - Director
Enterprises over which KMP or relative has significant control but during the year under report there are no transactions with these enterprises	Indev Gauging Systems Ltd, Germany Gesco Automation Ltd.

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 31<sup>ST</sup> MARCH, 2016

Particulars	Key Management Personnel (KMP)	Total (₹ in Lakh)
Sales (Indev Gauging Systems Inc.)	MD and Whole Time Directors	134.53
Purchases	---	---
Raw Materials	---	---
Consumables/Intermediates	---	---
Finished Goods	---	---
Job Work	---	---
Purchase of fixed assets	---	---
Sale of fixed assets	---	---
Managerial remuneration	MD and Whole Time Directors	159.80
Payment to Relatives as Salary	---	---
Investment (In JNAC as WOS)	---	---
Loan Given	---	---
Loan Taken by Company (including opening balance)	MD, WTD & their Relatives	273.65
Loan Repaid	---	---
Balance outstanding as at the year	MD, WTD & their Relatives	273.65

## I. REMUNERATION TO AUDITOR

(₹ In Lakh)

Particulars	2015-2016	2014-2015
For Financial Audit	00.86	00.79
For Taxation & Other Matters	00.29	00.22

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

## Defined Contribution Plan

(₹ In Lakh)

Particulars	2015-2016	2014-2015
Employer's Contribution to Provident Fund	11.87	08.63
Employer's Contribution to ESI	03.84	04.07
Employer's Contribution to Labor Welfare Fund	00.37	00.37

## 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 :-

(₹ In Lakh)

	% Invested as at 31 <sup>st</sup> March, 2016	% Invested as at 31 <sup>st</sup> March, 2016
LIC	100%	100%

## 2. Actuarial Assumptions :

(₹ In Lakh)

	Gratuity (Funded) 2015-2016	Gratuity Funded (2014-2015)
Valuation Method : Projected Unit Credit Method		
Mortality Table (LIC) 2006-08 (Ultimate)		
Discount rate (per annum)	08.00 %	08.00 %
Expected rate of return on plan assets (per annum)	09.00 %	09.00 %
Rate of escalation in salary (per annum)	08.00 %	10.00 %
Average past service (actual)	14.00 %	12.92 %
Withdrawal Rate	01% - 03 %	01% - 03 %

This estimates of rate 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.

# CONSOLIDATED FINANCIAL STATEMENT & NOTES

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF JASCH INDUSTRIES LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet as at 31st March, 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year (fifteen months' period in case of foreign subsidiaries referred to below) then ended and a summary of the significant accounting policies and other explanatory information (hereinafter collectively referred to as "consolidated financial statements") of Jasch Industries Limited (the "holding company"). These financial statements have been consolidated with those of Jasch Automation Ltd, (holding company's "Indian subsidiary"); Jasch (North America) Co; Indev Gauging Systems Inc. (holding company's "foreign subsidiaries") and Jasch Industries Ltd Employees Gratuity Trust, an entity controlled by the holding company ("controlled entity").

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

The holding company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013, (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its controlled entity 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 ("the Rules") (particularly Accounting Standard 21 - Consolidated Financial Statement). The respective Board of Directors of the companies included in the Group (except the foreign subsidiaries which are not subject to Indian laws) are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and the design, implementation 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 Rules made thereunder.

While conducting the 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 sub-section 10 of Section 143 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give 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 Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31 March 2016;
- ii) in the case of the Consolidated Statement of Profit and Loss Account, of the consolidated profit for the year ended on that date; and
- iii) in the case of Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

#### Other Matters

As per information provided to us, audit of the foreign subsidiaries is not a legal requirement in the country in which these subsidiaries have been incorporated and accordingly, neither we nor anyone else has audited the financial statements of the foreign subsidiaries. However, financial statements of foreign subsidiaries have been approved by their respective Board of Directors and that of the holding Company. These financial

statements reflect total assets of Rs. 1262.07 lakh as at 31st March, 2016, total revenues of Rs. 1605.99 lakh and net cash inflows of Rs. 36.26 lakh for the fifteen months' period then ended. Our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of the foreign subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the foreign subsidiaries is based solely on such Board approvals. Our reliance only on such Board approvals in respect of foreign subsidiaries, our opinion on the consolidated financial statements which is partly based on such reliance and our report on Other Legal and Regulatory Requirements, is not modified in respect of this matter.

### **Report on other Legal and Regulatory Requirements**

1. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of other information provided to us on separate financial statements of a foreign subsidiaries and the controlled entity, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of accounts, as required by law relating to preparation of the aforesaid consolidated financial statements, have been kept so far as it appears from our examination of those books and other information provided to us.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and on the basis of relevant assertion contained in the audit report on standalone financial statements of subsidiary company and the controlled entity which are incorporated in India, none of the Directors of the Group are disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub section 2 of Section 164 of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the controlled entity and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 other information provided to us on separate financial statements of foreign subsidiaries and controlled entity, as noted in the "Other Matter" paragraph :
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its controlled entity - Refer Note 27 to the consolidated financial statements;
    - ii) Provision has not been made in the consolidated financial statements, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, as the company does not have any long terms contracts including derivatives contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries companies and controlled entity incorporated in India.

**For Arora & Choudhary Associates**  
Chartered Accountants : FRN 003870N

**CA. Vijay K. Choudhary**  
Partner : Membership No. : 81843  
New Delhi, July 30, 2016

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT - 31<sup>st</sup> MARCH, 2016 ON CONSOLIDATED FINANCIAL STATEMENTS****(Referred to in our report of even date)****REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

In conjunction with our audit of the consolidated financial statements of Jasch Industries Limited ("the Holding Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the Holding Company, its Indian subsidiary and the controlled entity registered in India as of that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company its foreign subsidiaries and controlled entity registered in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company, its foreign subsidiaries and controlled entity incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the internal financial controls over financial reporting in respect of the group except foreign subsidiaries which, as stated earlier, we have not audited based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained as referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the entities comprised in the group, internal financial control system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Holding Company, its Indian subsidiary companies and the controlled entity, have in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

**OTHER MATTERS**

Our aforesaid report under Section 143(3)(If the Act on the adequacy of operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the controlled entity, based on the relevant information provide to us.

**For Arora and Choudhary Associates**

Chartered Accountants : FRN 003870N

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

New Delhi, July 30, 2016

**JASCH INDUSTRIES LIMITED**

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

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

**(Amount in ₹)**

	Note	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	<b>11,33,00,000</b>	11,33,00,000
(b) Reserves and Surplus	3	<b>24,61,96,855</b>	21,32,04,059
		<b>35,94,96,855</b>	32,65,04,059
<b>(2) Share Application Money Pending Allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	<b>5,97,95,278</b>	7,22,15,908
(b) Long Term Provisions	5	<b>1,33,32,264</b>	<b>1,11,33,666</b>
(b) Deferred Tax Liability (Net)	6	<b>2,91,94,718</b>	3,00,66,688
		<b>10,23,22,260</b>	11,34,16,262
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	7	<b>9,26,36,619</b>	10,10,74,779
(b) Trade Payables	8	<b>11,34,95,505</b>	13,66,61,811
(c) Other Current Liabilities	9	<b>8,17,90,324</b>	8,37,77,015
(d) Short Term Provisions	10	<b>1,71,06,873</b>	1,11,19,530
		<b>30,50,29,321</b>	33,26,33,135
<b>TOTAL</b>		<b>76,68,48,436</b>	77,25,53,456
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		<b>27,27,18,585</b>	25,77,33,596
(ii) Intangible Assets		<b>4,67,74,180</b>	5,01,37,735
(iii) Capital Work-in-Progress		<b>46,04,333</b>	1,51,90,299
(c) Non-Current Investments	12	<b>1,63,89,699</b>	1,39,29,065
(d) Long Term Loans & Advances	13	<b>34,85,410</b>	34,85,410
(e) Other Non-Current Assets	14	<b>1,48,18,150</b>	1,33,54,585
		<b>35,87,90,357</b>	35,38,30,690
<b>(2) Current Assets</b>			
(a) Inventories	15	<b>15,33,32,843</b>	14,22,08,510
(b) Trade Receivables	16	<b>23,00,57,363</b>	24,30,79,929
(c) Cash and Cash Equivalents	17	<b>1,72,86,045</b>	2,42,10,786
(d) Short Term Loans and Advances	18	<b>73,81,828</b>	92,23,541
		<b>40,80,58,079</b>	41,87,22,766
<b>TOTAL</b>		<b>76,68,48,436</b>	77,25,53,456

Significant Accounting Policies & Practices 1  
The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**

Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
(DIN : 00596709)

Ramnik Garg  
Whole Time Director  
(DIN : 00188843)

**CA. Vijay K. Choudhary**

Partner : Membership No. : 81843

S. K. Verma  
Vice President & Company Secretary  
(Membership No : FCS2293)

M. Paliwal  
Chief Financial Officer

New Delhi, July 30, 2016



**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 31<sup>ST</sup> MARCH, 2016**

		(Amount in ₹)	
	Note	2015-2016	2014-2015
I	Revenue from Operations	1,12,87,87,629	1,04,28,94,516
II	Other Income	51,46,319	50,52,359
<b>III</b>	<b>Total Revenue</b>	<b>1,13,39,33,948</b>	<b>1,04,79,46,875</b>
<b>IV</b>	<b>EXPENSES :</b>		
	Cost of Materials Consumed	70,73,91,580	66,90,77,208
	Change in Inventories of Finished Goods & Stock-in-Process	34,238	1,28,54,416
	Employee Benefits Expense	13,36,91,992	10,67,10,882
	Finance Costs	2,44,32,169	2,33,55,838
	Depreciation and Amortization Expense	3,39,31,029	3,00,04,749
	Other Expenses	18,21,47,629	15,87,52,912
	<b>Total Expenses</b>	<b>1,08,16,28,637</b>	<b>1,00,07,56,005</b>
<b>V</b>	<b>Profit Before Tax</b>	<b>5,23,05,311</b>	<b>4,71,90,870</b>
<b>VI</b>	<b>Tax Expenses</b>		
	(a) Current Income Tax	2,31,96,693	1,64,16,250
	(b) Deferred Tax (+)	8,71,970	2,66,409
	(c) Income Tax in respect of earlier year	22,020	91,539
	(d) Provision for C S R	7,15,828	-
<b>VII</b>	<b>Profit for the Year</b>	<b>2,92,42,740</b>	<b>3,09,49,490</b>
<b>VIII</b>	<b>Earning Per Equity Share</b>		
	Basic and diluted	<b>2.58</b>	<b>2.73</b>

Significant Accounting Policies & Practices 1  
The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**  
Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
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**CA. Vijay K. Choudhary**  
Partner : Membership No. : 81843

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Chief Financial Officer

New Delhi, July 30, 2016

**JASCH INDUSTRIES LIMITED**

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

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2015-2016**

(Amount in ₹)

	2015-2016	2014-2015
<b>A: CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before tax as per Statement of Profit Loss Account</b>	<b>5,23,05,311</b>	<b>4,71,90,870</b>
Adjusted For : Add / (Deduct) :		
-Net Prior Year Adjustment	(22,020)	(34,736)
-Loss on Assets (Vehicle)	15,701	4,48,663
-Depreciation and Amortization Expense	3,39,31,029	3,00,04,749
-Effect of Exchange Rate Change	(11,28,214)	(30,16,344)
-Interest Income	(14,16,865)	(9,00,399)
-DD/Forefitt	(26,01,240)	(35,06,309)
-Finance Costs	2,44,32,169	2,33,55,838
-Debtors Written Off	58,67,915	(19,49,317)
	<b>5,90,78,475</b>	<b>4,44,02,145</b>
<b>Operating Profit before Working Capital Changes</b>	<b>11,13,83,786</b>	<b>9,15,93,015</b>
Adjusted For : Add / (Deduct) :		
-Trade and Other Receivables	67,26,109	(6,35,67,809)
-Inventories	(1,10,55,705)	1,67,71,548
-Trade and Other Payables	(2,05,97,430)	2,94,06,555
	<b>(2,49,27,026)</b>	<b>(1,73,89,706)</b>
<b>Cash Generated from Operations</b>	<b>8,64,56,760</b>	<b>7,42,03,309</b>
-Taxes Paid	(2,31,96,693)	(1,64,73,053)
-Interest Received	14,16,865	9,00,399
-Duty Drawback/Adv. Forfeited	26,01,240	35,06,309
-Exchange Rate Effect	11,28,214	6,45,651
Net Cash from Operating Activities	<b>6,84,06,386</b>	<b>6,27,82,615</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES :</b>		
-Purchase of Fixed Assets	(3,06,79,988)	(4,27,61,918)
-Sale of Fixed Assets	1,51,000	10,65,000
-Purchase of Investments	(3,10,498)	(6,18,536)
-Sale of Investments	-	-
Net Cash (used in) Investing Activities	<b>(3,08,39,486)</b>	<b>(4,23,15,454)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES :</b>		
-Proceeds from Issue of Share Capital	-	-
-Proceeds form Long Term Borrowings	1,06,84,675	4,34,68,253
-Repayment of Long Term Borrowings	(2,23,05,987)	(4,29,57,474)
-Short Term Borrowings	(84,38,160)	90,16,558
-Dividends Paid (including dividend distribution tax)	-	-
-Interest Paid	(2,44,32,169)	(2,33,55,838)
Net Cash (used in) / from Financing Activities	<b>(4,44,91,641)</b>	<b>(1,38,28,501)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(69,24,741)</b>	<b>66,38,660</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>2,42,10,786</b>	<b>1,75,72,126</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,72,86,045</b>	<b>2,42,10,786</b>

Significant Accounting Policies & Practices

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Arora & Choudhary Associates**  
Chartered Accountants : FRN 003870N

J. K. Garg  
Chairman & Managing Director  
(DIN : 00596709)

Ramnik Garg  
Whole Time Director  
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**CA. Vijay K. Choudhary**  
Partner : Membership No. : 81843

S. K. Verma  
Vice President & Company Secretary  
(Membership No : FCS2293)

M. Paliwal  
Chief Financial Officer

**NOTES on Consolidated Financial Statements for the year ended 31st March 2016****Group Information**

Jasch Industries Ltd ("the company") is a public limited company incorporated in India and is listed on the Stock Exchange at Mumbai (BSE) and the Stock Exchange at Kolkata (CSE). It has the following wholly-owned subsidiaries ("WOS") controlled trust.

Name of the Company	Country of incorporation	Ownership (%)	Period Considered	Whether Audited / Board Approved
<b>Foreign Subsidiaries</b>				
Jasch North America Company (WOS)	USA	100%	01.01.2015 to 31.03.2016	Approved by Board of Jasch Industries Ltd.
Indev Gauging Systems, Inc. WOS of the above Company	USA	100%	01.01.2015 to 31.03.2016	Approved by Board of Jasch Industries Ltd.
<b>Indian Subsidiary</b>				
Jasch Automation Ltd (WOS)	India	100%	16.02.2016 to 31.03.2016	Audited
<b>Controlled Trust</b>				
JIL Employees Group Gratuity Trust	India	100%	01.04.2015 to 31.03.2016	Approved by Board of Jasch Industries Ltd.

Jasch Industries Ltd. all the above entities are collectively referred to as "Group". Financial statements of all these entities, when consolidated together, are referred to as "Consolidated Financial Statements".

**1. Significant Accounting Policies & Practices****A. Entities included in consolidation / General Information****B. Basis of Preparation**

These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rule, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standards 21 (AS21).

The financial statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra group transactions and the unrealized profits / losses, unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

- 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. Since the financial year of Jasch North America Co and Indev Gauging Systems Inc. (foreign subsidiaries) is the calendar year, consolidated figures include figures of these subsidiaries for the period ended from 01.01.2015 to 31.03.2016 i.e. fifteen months to coincide the period with the holding company.

**F. Other Significant Accounting Policies**

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

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

**(Amount in ₹)**

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>2 SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
1,40,00,000 Equity Shares of ₹ 10 each	<b>14,00,00,000</b>	14,00,00,000
	<b>14,00,00,000</b>	14,00,00,000
<b>Issued, Subscribed and Paid up :</b>		
1,13,30,000 Equity Shares of ₹ 10 each fully paid up	<b>11,33,00,000</b>	11,33,00,000
<b>TOTAL</b>	<b>11,33,00,000</b>	11,33,00,000

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

2.2 Terms / rights attached to Equity Shares :

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

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

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Mr. Manish Garg	<b>12,91,969</b>	<b>11.403</b>	8,47,349	7.47
Mr. Ramnik Garg	<b>11,15,698</b>	<b>9.847</b>	8,02,573	7.08
Mr. Navneet Garg	<b>9,66,449</b>	<b>8.530</b>	-	-
Mr. Jai Kishan Garg	<b>6,43,310</b>	<b>5.678</b>	23,98,491	21.17
Ms. Ritu Garg	<b>6,06,651</b>	<b>5.354</b>	-	-
Ms. Kamlesh Garg	<b>2,50,000</b>	<b>2.207</b>	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, 2016 and 2015.

**3 RESERVES AND SURPLUS****General Reserve**

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

**Surplus in Statement of Profit and Loss**

Opening Balance	<b>19,93,33,259</b>	16,83,83,769
Add : Transfer from Surplus in Statement of Profit and Loss	<b>2,92,42,740</b>	3,09,49,490
	<b>22,85,75,999</b>	19,93,33,259

**Less : Appropriations**

	-	-
	<b>22,85,75,999</b>	19,93,33,259

**Foreign Currency Translation Reserve**

Opening Balance	<b>1,08,70,800</b>	54,06,451
Add : Transfer from Surplus		
Amount transferred on account of resulting exchange difference on conversion of a non-integral subsidiary	<b>37,50,056</b>	54,64,349
	<b>1,46,20,856</b>	1,08,70,800

**TOTAL**

	<b>24,61,96,855</b>	21,32,04,059
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**4 LONG TERM BORROWINGS****Secured**

	Current	Non Current	Current	Non Current
Term Loans From Bank	<b>1,84,09,324</b>	<b>2,75,57,894</b>	1,78,89,783	4,00,29,604
Loans For Vehicles (Banks)	<b>24,91,619</b>	<b>48,72,384</b>	22,11,842	48,21,304
	<b>2,09,00,943</b>	<b>3,24,30,278</b>	2,01,01,625	4,48,50,908

**Unsecured**

Loan From Directors and their relatives	-	<b>2,73,65,000</b>	-	2,73,65,000
	-	<b>2,73,65,000</b>	-	2,73,65,000

**TOTAL**

	<b>2,09,00,943</b>	<b>5,97,95,278</b>	2,01,01,625	7,22,15,908
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
4.1 Term Loans From HDFC Bank Ltd are 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 of USD equivalent of ₹ 147.45 lakhs availed by Indev Gauging System from Alpine Bank is secured by first mortgage by deposit of title deed of the Indev's immovable property at USA.		
4.3 Loans for Vehicles are secured by hypothecation of respective vehicles.		
<b>5 OTHER LONG TERM LIABILITIES</b>		
Employee Related Liabilities (Provision for Gratuity)	1,33,32,264	1,11,33,666
<b>TOTAL</b>	<u>1,33,32,264</u>	<u>1,11,33,666</u>
<b>6 DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability	3,00,66,688	3,03,33,097
Deferred Tax Assets	(8,71,970)	(2,66,409)
<b>TOTAL</b>	<u>2,91,94,718</u>	<u>3,00,66,688</u>
<b>7 SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Loan From Bank	9,26,36,619	10,10,74,779
<b>TOTAL</b>	<u>9,26,36,619</u>	<u>10,10,74,779</u>
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 availed by Indev from Alpine Bank (USA) amounting to USD equivalent of ₹ 162.52 lakhs is secured by immovable property of Indev.		
<b>8 TRADE PAYABLES</b>		
Trade Payables	11,34,95,505	13,66,61,811
<b>TOTAL</b>	<u>11,34,95,505</u>	<u>13,66,61,811</u>
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 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 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	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>9 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt (Refer Note No. 4)	2,14,64,773	2,01,01,625
Unclaimed Dividends	9,04,284	9,04,484
Creditors for Capital Expenditure	17,09,074	23,67,962
Advance From Customers	3,02,82,236	3,44,82,243
Sales Tax Payable	20,10,720	16,49,062
TDS Payable	9,30,210	6,51,125
Expenses Payable	75,77,377	82,09,055
Interest Payable	22,56,322	11,38,787
Sundry Creditors for Others	74,55,807	71,49,000
Others	71,99,521	71,23,672
<b>TOTAL</b>	<b>8,17,90,324</b>	<b>8,37,77,015</b>
<b>10 SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits :		
Bonus Payable	34,92,106	20,91,286
Provisions For Duties & Taxes :		
Excise Duty	16,05,732	12,98,608
Tax (NET)	1,12,93,207	76,72,833
Wealth Tax	-	56,803
C S R	7,15,828	-
<b>TOTAL</b>	<b>1,71,06,873</b>	<b>1,11,19,530</b>
10.1 Provision of Excise Duty on finished goods lying in factory premises at March 31, 2016 aggregating to ₹ 21,16,625/- (Previous Year ₹ 18,60,99/-) has been provided at current excise rate and included in valuation of finished goods inventory and the same has been charged from Cenvat Credit Receivable Input Account up to balance available as on 31st March, 2016.		
10.2 There are no undisputed liabilities or overdues to Government Department and /or Financial Institution and Banks, other than in the normal course of business.		
10.3 Provision for retirement gratuity liability as at 31.03.2016 to all eligible employees, amounting to ₹ 15,39,039/- has been made as per Actuarial Valuation by LIC of India and an amount of ₹ 15,39,039/- has been paid to LIC of India as contribution for current year up to 1.03.2016.		
<b>11 See at Page No. 69</b>		
<b>12 NON-CURRENT INVESTMENTS</b>		
(Long Term Investments)		
<b>Trade Investments</b>		
<b>In Equity Shares - Quoted, fully paid up</b>		
Standard Capital Market Ltd	33,900	67,800
(Market Value As on 31.03.16 is ₹ 91530/-)		
<b>Other Non-Current Investments</b>		
Investment in Property	30,38,097	27,27,599
Investment with LIC Group Fund	1,32,83,802	1,11,33,666
<b>TOTAL</b>	<b>1,63,89,699</b>	<b>1,39,29,065</b>
<b>13 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Security Deposit	34,85,410	34,85,410
(Include Deposit with State Electricity Distribution Company ₹ 30,91,568/-)		
<b>TOTAL</b>	<b>34,85,410</b>	<b>34,85,410</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

## 11 FIXED ASSETS

(Amount in ₹)

Description	Gross Block				Depreciation / Amortisation				Net Block	
	At At 01.04.2015	Additions	Deductions / Adjustments (+/-)	As At 31.03.2016	Up to 31.03.2015	For the Period	Deductions / Adjustments (+/-)	Upto 31.03.2016	As At 31.03.2016	As At 31.03.2015
<b>i. TANGIBLE OWN ASSETS :</b>										
Free Hold Land	34,07,353	-	1,44,252	35,51,605	-	-	-	-	35,51,605	34,07,353
General Assets	1,10,90,763	11,46,118	-	1,22,36,881	78,65,957	26,04,481	-	1,04,70,438	17,66,443	32,24,806
Factory Building	3,40,01,690	-	-	3,40,01,690	1,48,46,328	8,31,204	-	1,56,77,532	1,83,24,158	1,91,55,362
Office Building	26,53,549	1,88,08,086	-	2,14,61,635	4,48,542	41,485	-	4,90,027	2,09,71,608	22,05,007
Corporate Office	65,85,356	-	-	65,85,356	5,31,876	1,02,218	-	6,34,094	59,51,262	60,53,480
Building Factory Automation	-	81,71,245	-	81,71,245	-	1,41,075	-	1,41,075	80,30,170	-
Plant & Mach-Printing	2,01,70,783	-	-	2,01,70,783	3,53,325	12,80,951	-	16,34,276	1,85,36,507	1,98,17,458
Utility	2,04,18,042	8,60,123	-	2,12,78,165	74,41,222	13,20,475	-	87,61,697	1,25,16,468	1,29,76,820
Gen Sets	82,01,169	-	-	82,01,169	41,02,270	6,41,355	-	47,43,625	34,57,544	40,98,899
Boilers	1,68,69,980	26,625	-	1,68,96,605	1,03,74,962	7,45,094	-	1,11,20,056	57,76,549	64,95,018
Vehicles	2,33,37,234	41,74,483	(7,96,513)	2,67,15,204	75,03,242	29,27,757	(6,29,812)	98,01,187	1,69,14,017	1,58,33,992
Pu Plant	12,48,16,553	42,53,472	-	12,90,70,025	8,39,81,966	57,17,566	-	8,96,99,532	3,93,70,493	4,08,34,587
Pu Plant Utility	6,69,06,712	-	-	6,69,06,712	2,30,93,725	28,26,710	-	2,59,20,435	4,09,86,277	4,38,12,987
Dry Line	10,76,68,543	13,31,435	-	10,89,99,978	6,46,17,883	53,52,397	-	6,99,70,280	3,90,29,698	4,30,50,660
Automation	4,89,34,023	24,94,367	15,73,590	5,30,01,980	1,21,66,856	30,37,135	2,62,203	1,54,66,194	3,75,35,786	3,67,67,167
<b>TOTAL</b>	<b>49,50,61,750</b>	<b>4,12,65,954</b>	<b>9,21,329</b>	<b>53,72,49,033</b>	<b>23,73,28,154</b>	<b>2,75,69,903</b>	<b>(3,67,609)</b>	<b>2,64,530,448</b>	<b>27,27,18,585</b>	<b>25,77,33,596</b>
<b>ii. INTANGIBLE ASSETS :</b>										
Goodwill on Consolidation	6,26,59,713	-	37,46,220	6,64,05,933	1,25,21,978	63,61,126	7,48,649	1,96,31,753	4,67,74,180	5,01,37,735
iii. Capital Work-in-Progress	1,51,90,299	2,11,69,720	3,17,55,686	46,04,333	-	-	-	-	46,04,333	1,51,90,299
<b>TOTAL</b>	<b>57,29,11,762</b>	<b>6,24,35,674</b>	<b>3,64,23,235</b>	<b>60,82,59,299</b>	<b>24,98,50,132</b>	<b>3,39,31,029</b>	<b>3,81,040</b>	<b>2,84,162,201</b>	<b>32,40,97,098</b>	<b>32,30,61,630</b>
<b>PREVIOUS YEAR</b>	<b>52,92,48,016</b>	<b>6,44,50,666</b>	<b>2,87,19,758</b>	<b>57,29,11,762</b>	<b>22,05,39,725</b>	<b>3,00,04,749</b>	<b>24,08,514</b>	<b>2,49,850,132</b>	<b>32,30,61,630</b>	<b>30,87,08,291</b>

## 14 OTHER NON-CURRENT ASSETS

Claim Receivable

1,38,60,262

1,33,54,585

Preliminary &amp; Pre-operative Expenses

9,57,888

-

**TOTAL****1,48,18,150****1,33,54,585**

14.1 The Company had 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 lakh. Balance claim of ₹ 48.97 lakh has been shown as receivable. A petition in Delhi High Court against Insurance Company for payment of balance amount with interest has been filed and admitted by the Hon'ble Court. There are fair chances at the balance claim of ₹ 48.97 lakh will be allowed by the Court in favour of the Company. Final adjustment of Insurance Claim in the accounts will be made after settlement of claim by the Court.

14.2 Preliminary and pre-operative expenses relate to Jasch Automation Ltd which has been incorporated during the current financial year.

## 15 INVENTORIES

Raw Materials

8,01,88,693

7,82,88,388

Consumables

2,42,30,641

2,33,02,281

Stock-in-Process

2,14,25,192

2,31,67,021

Finished Goods

1,62,55,683

1,42,92,465

Stores &amp; Spares

3,86,100

4,09,110

Packing Material

5,87,389

6,59,708

Fuel

5,00,248

6,51,143

Goods-in-Transit

97,58,897

14,38,394

**TOTAL****15,33,32,843****14,22,08,510**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
<b>16 TRADE RECEIVABLES</b> (Unsecured and considered good)		
Over due	3,92,94,744	3,23,15,937
Others	19,07,62,619	21,07,63,992
<b>TOTAL</b>	<b>23,00,57,363</b>	<b>24,30,79,929</b>
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.		
<b>17 CASH AND CASH EQUIVALENTS</b>		
(a) Balances With Banks	39,39,894	91,84,958
(b) Cash in Hand	2,55,343	5,85,306
(c) Balance In Bank as Unpaid Dividend Account	9,04,284	9,04,484
(d) Deposits with Bank	1,21,86,524	1,35,36,038
<b>TOTAL</b>	<b>1,72,86,045</b>	<b>2,42,10,786</b>
17.1 Deposits with Bank held as margin money for L/c and Bank Guarantees provide by the bank.		
<b>18 SHORT TERM LOANS AND ADVANCES</b> (Unsecured and considered good)		
Advance to Suppliers	3,88,215	11,05,570
Balance With Revenue Authorities	32,57,270	51,31,378
Prepaid Expenses	12,94,384	6,25,553
Miscellaneous Receivables	24,41,959	23,61,040
<b>TOTAL</b>	<b>73,81,828</b>	<b>92,23,541</b>
	<b>For the Year Ended 2015 -2016</b>	<b>For the Year Ended 2014 -2015</b>
<b>19 REVENUE FROM OPERATIONS</b>		
Sale of Products		
Synthetic Leather & Allied Products	83,21,45,904	83,92,96,846
Electronic Gauges	38,64,55,207	29,13,04,584
Sale of Services	2,80,96,616	2,23,06,723
	<b>1,24,66,97,727</b>	<b>1,15,29,08,153</b>
Less : Excise Duty / VAT	11,79,10,098	11,00,13,637
<b>TOTAL</b>	<b>1,12,87,87,629</b>	<b>1,04,28,94,516</b>
<b>20 OTHER INCOME</b>		
Interest Income (FDR)	14,16,865	9,00,399
Duty Drawback	9,73,240	2,85,162
Other Advance Forfeited	16,28,000	32,21,147
Exchange Fluctuation as per AS11	11,28,214	6,45,651
<b>TOTAL</b>	<b>51,46,319</b>	<b>50,52,359</b>
<b>21 COST OF MATERIAL CONSUMED</b>		
Raw Material	68,32,34,702	64,15,32,856
Consumables (Release Paper)	2,41,56,878	2,75,44,352
<b>TOTAL</b>	<b>70,73,91,580</b>	<b>66,90,77,208</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

	For the Year Ended 2015 -2016	For the Year Ended 2014 -2015
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS</b>		
<b>Inventories (at Commencement)</b>		
Stock-in-Process	2,31,67,021	3,06,99,635
Finished Goods	1,42,92,465	1,91,78,417
	<b>3,74,59,486</b>	4,98,78,052
<b>Inventories (at Close)</b>		
Stock-in-Process	2,14,25,192	2,31,67,021
Finished Goods	1,62,55,683	1,42,92,465
	<b>3,76,80,875</b>	3,74,59,486
	<b>(2,21,389)</b>	1,24,18,566
Add/(Less) : Variation in Provision for Excise Duty on Opening and Closing Stock of Finished Goods	2,55,627	4,35,850
<b>TOTAL</b>	<b>34,238</b>	<b>1,28,54,416</b>
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages, Gratuity & Bonus	12,45,18,786	9,88,09,648
Contribution to P. F. & Other Funds	16,08,474	13,05,673
Employee Welfare Expenses	75,64,732	65,95,561
<b>TOTAL</b>	<b>13,36,91,992</b>	<b>10,67,10,882</b>
<b>24 FINANCE COST</b>		
Interest on Cash Credit Facility	1,15,38,685	1,02,33,329
Interest on Term Loan	58,51,832	61,74,190
Interest on Vehicle Loan	7,70,707	6,45,036
Other Interest	28,15,234	26,94,889
Bank And Other Charges	34,55,711	36,08,394
<b>TOTAL</b>	<b>2,44,32,169</b>	<b>2,33,55,838</b>
<b>25 OTHER EXPENSES</b>		
<b>Manufacturing and Operating Cost</b>		
Power & Fuel	3,89,24,012	4,64,16,782
Consumables & Stores	28,61,223	31,15,618
Freight Inward	2,54,93,387	2,35,52,232
Repair & Maintenance (Plant)	1,15,37,630	63,85,373
Exchange Difference	23,85,476	(15,30,926)
<b>TOTAL (A)</b>	<b>8,12,01,728</b>	<b>7,79,39,079</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	For the Year Ended 2015 - 2016	For the Year Ended 2014 -2015
(Amount in ₹)		
<b>Note No. 25 Cont....</b>		
<b>Establishment Expenses</b>		
Insurance Expenses	16,74,995	13,70,250
Books, Printing & Stationery	8,80,585	8,02,509
Postage & Courier	11,10,390	11,17,798
Telephone & Communications	42,36,802	42,88,377
Travel (Including Foreign)	1,36,63,213	1,35,49,306
Hotel, Boarding, Lodging	92,67,929	78,27,149
Vehicle Running & Maintenance	25,72,999	32,13,167
Fee & Subscription	41,91,825	26,19,341
Legal & Professional Charges	19,65,744	15,14,614
Rent, Rates and Taxes	71,93,032	32,31,657
Office Electricity	98,915	1,27,578
Technical Know How Fee	6,43,678	-
Charity & Donation	1,49,200	6,49,255
House Keeping	22,82,395	-
Electrical & General Repair & Maintenance	38,50,345	22,84,422
Directors' Sitting Fee	19,62,090	6,38,356
Statutory Auditor		
- For Financial Audit	85,875	78,652
- For Taxation and other Matters	28,625	22,472
Cost Audit Fee	34,350	-
Secraterial Audit Fee	30,150	33,708
Loss on Sale of Vehicle	15,701	4,48,663
Miscellaneous	35,28,727	22,91,553
<b>TOTAL (B)</b>	<b>5,94,67,565</b>	<b>4,61,08,826</b>
<b>Selling and Distribution Expenses</b>		
Testing Charges	5,02,778	1,70,828
Discount & Rebates	87,14,008	81,02,697
Selling Expenses	19,30,095	23,54,579
Sales Commission	28,72,920	31,92,704
Bad Debts	58,67,915	19,49,317
Packing Material	94,25,731	91,18,464
Freight Outward	49,30,917	48,99,061
Advertising & Exhibition	67,46,810	34,29,538
Clearing & Forwarding (Export)	4,87,162	14,87,819
<b>TOTAL (C)</b>	<b>4,14,78,336</b>	<b>3,47,05,007</b>
<b>TOTAL (A+B+C)</b>	<b>18,21,47,629</b>	<b>15,87,52,912</b>
<b>26 EARNINGS PER SHARE (EPS)</b>		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,92,42,740	3,09,49,490
Number of equity shares used as denominator for calculating EPS	1,13,30,000	1,13,30,000
Basic and Diluted Earnings per share	2.58	2.73
Face Value per equity share	10.00	10.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(Amount in ₹)

	For the Year Ended 2015 -2016	For the Year Ended 2014 -2015
<b>27 ADDITIONAL INFORMATION PURSUANT TO PART I &amp; II OF THE SCHEDULE III OF THE COMPANIES ACT, 2013</b>		
<b>A CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakh)</b>		
<b>(I) Contingent Liabilities</b>		
(A) Claim against the company / disputed liabilities not acknowledged as debts		
- Sales Tax Appeal Pending (2011-2012)	<b>81.54</b>	-
- Sales Tax Appeal Pending (2012-2013)	<b>51.55</b>	-
(B) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
a) In Respect of Wholly Owned Subsidiary	-	-
b) In Respect of Others	-	-
(ii) Advance / Performance Guarantees (Margin Money with Bank ₹ 31.41)	<b>255.85</b>	144.05
(iii) Outstanding guarantees furnished to Bank in respect of Letters of Credits (Margin Money with Bank ₹ 61.50)	<b>615.56</b>	710.73
(C) Other Money for which the company is contingently liable		
i) Liability in respect of bill discounted with bank	-	-
ii) Liability in respect of Sales Tax surety for third parties	<b>8.00</b>	8.00
(D) Un-hedged foreign currency exposure at the year end		
i) Trade receivables	<b>258.55</b>	257.96
ii) Trade Payables	<b>312.49</b>	372.55
iii) Trade Advances	<b>6.98</b>	44.40
<b>(II) Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for :	-	-
(B) Other Commitments	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

**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 segment as reportable segment viz. Synthetic Leather Cloth & Allied Products Division and Electronic Thickness Gauge Division.

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

(Amount ₹ in lakhs)

	Current Year (2015-2016)			Previous Year (2014-2015)		
	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total	Synthetic Leather Cloth & Allied Products Division	Electronic Thickness Gauge Division	Total
<b>REVENUE</b>						
External Sales	8321.46	4145.52	12466.98	8392.97	3136.11	11529.08
Less : Excise Duty			1179.10			1100.14
Inter-segment Sales			---			---
Other Income	19.81	31.65	51.46	15.46	35.06	50.52
<b>Total Revenue</b>			<b>11339.34</b>			<b>10479.46</b>
<b>RESULTS</b>						
Segment Results	412.22	355.15	767.37	351.75	353.72	705.47
Unallocated Corporate Expenses (Net)			---			---
Operating Profit			767.37			705.47
Interest Expenses			244.32			233.56
Income Tax / Wealth Tax – Current			232.18			165.08
- Deferred & Previous Year Tax (+)			08.72			02.66
Profit from Ordinary Activities			299.59			309.49
Extra Ordinary Loss / CSR			7.16			---
<b>Net Profit</b>			<b>292.43</b>			<b>309.49</b>
<b>OTHER INFORMATION</b>						
Segment Assets	5118.96	2416.20	7535.16	5986.40	1627.80	7614.20
<b>Total Assets</b>			<b>7535.16</b>			<b>7614.20</b>
Segment Liabilities	6580.45	954.71	7535.16	6557.08	1057.12	7614.20
<b>Total Liabilities</b>			<b>7535.16</b>			<b>7614.20</b>
Capital Expenditure			472.36			395.60
Depreciation			275.70			259.11
Non-cash Expenses other than Depreciation			122.29			60.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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 ₹ Lakh]

Sr. No.	Particulars	Jasch North America Co. (WOS of JIL)	Indev Gauging Systems, Inc. (subsidiary of JNAC)	Jasch Automation Ltd. (Subsidiary of JIL)
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period & date of acquiring	01-01-15 to 31-03-16 (07-12-2011)	01-01-15 to 31-03-16 (07-01-2012)	16-02-16 to 31-03-16 (16-02-2016)
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	US\$ B/S = 1 US\$ = INR 66.3329 P/L = 1 US\$ = INR 64.46185	US\$ B/S = 1 US\$ = INR 66.3329 P/L = 1 US\$ = INR 64.46185	INR
3	Share Capital	00.63	00.63	01.00
4	Reserve & Surplus	(05.01)	(86.88)	—
5	Total Assets	166.33	999.28	10.48
6	Total Liabilities	171.33	422.83	10.48
7	Investments	663.33	—	—
8	Turnover	17.74	1605.99	—
9	Profit before taxation	03.08	(120.94)	—
10	Provision for taxation	01.61	00.04	—
11	Profit after taxation	01.47	(120.98)	—
12	Proposed Dividend	—	—	—
13	% of shareholding	100%	100%	100%

## Notes :

- Names of subsidiaries which are yet to commence operations : Jasch Automation Ltd.
- 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.
- In the above table JIL stands for Jasch Industries Ltd, JNAC stands for Jasch North America Co. WOS stands for Wholly Owned Subsidiary, B/S stands for Balance Sheet and P/L stands for Profit and Loss statement.

**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: \_\_\_\_\_

DP ID	
Client ID	

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

L. F. No.	
No. of Shares held	

**ATTENDANCE SLIP**

I/We being the shareholder/valid proxy of the shareholder (strike off whichever is not applicable) hereby record my/our presence at the Annual General Meeting of Jasch Industries Ltd held at its Registered Office at 43/5, BAHALGARH ROAD, P. O. BAHALGARH-131021, DISTT. SONIPAT (HARYANA), INDIA on ..... at 10.00 A.M.

NAME OF THE SHAREHOLDER	
NAME OF THE PROXY, (applicable if a valid proxy has been lodged)	

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 2015-16		
2	Approval of re-appointment fo Shri Ramnik Garg, retiring director		
3	Approval of re-appointment and remuneration of Auditors		
4	Approval of re-appointment and remuneration of Shri J. K. Garg as Managing Director		
5	Approval of re-appointment and remuneration of Shri Ramnik Garg as Executive Director		
6	Approval of re-appointment and remuneration of Shri Navneet Garg as Executive Director		
7	Ratification of remuneration of Cost Auditors		
8	Approval of amendment to Regulation 61 of Articles of Association & Fee u/s 20(2)		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

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

REGISTERED BOOK POST

If undelivered please return to :

**JASCH INDUSTRIES LIMITED**

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

Distt. Sonapat - 131 021 (Haryana)

Phones : 0130-3053600 Fax : 011-66173923

Website : [www.jaschindustries.com](http://www.jaschindustries.com)