



- REGD. OFFICE** □ 701, TOWER 'A' PENINSULA BUSINESS PARK, SENAPATI BAPAT MARG, LOWER PAREL (W), MUMBAI - 400 013. INDIA.  
 TEL. : +91 22 4027 1300 • FAX : +91 22 4027 1399 • Email : info@jayantagro.com • Website : www.jayantagro.com
- FACTORY UNIT 1** □ PLOT NO. 602, BEHIND G.A.C.L., P. O. PETROCHEMICALS, DIST. BARODA - 391 346. GUJARAT. INDIA.
- FACTORY UNIT 2** □ PLOT NO. 624, 627, BEHIND G.A.C.L., P. O. PETROCHEMICALS, DIST. BARODA - 391 346. GUJRAT. INDIA.  
 TEL. : (0265) 223 2112, 223 0350, 223 1552, 223 0683 • FAX : (0265) 223 0958

**FORM A**

1.	Name of Company	Jayant Agro-Organics Limited
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	To be signed by- <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the Company</li> <li>• Audit Committee Chairman</li> </ul>	Refer below

Auditors of the Company

For T.P.Ostwal & Associates (Regd.)  
 Firm Registration No. 124444W  
 Chartered Accountants

  
**T.P.Ostwal**  
 Partner  
 Membership No. 30848



Mumbai: 8<sup>th</sup> September, 2014

For Jayant Agro-Organics Limited

  
**Hemant V. Udeshi**  
 Managing Director

  
**Jayasinh V. Mariwala**  
 Chairman of Audit Committee

  
**Vikram V. Udeshi**  
 Chief Financial Officer

Mumbai: 4<sup>th</sup> September, 2014

# Shaping a sustainable future

## Annual Report 2013-2014

Paints

Lubricants

Paper

Plastics

Perfumes

Pharmaceuticals

Cosmetics

Tele-Communications

Agriculture

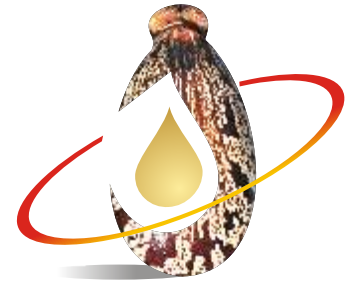
Textile

Automobile



**JAYANT AGRO-ORGANICS LTD.**  
Leadership through Innovation

# WHAT DRIVES US?



## VISION

To win a niche for ourselves in the areas in which we operate, by providing products and services of superior quality and value which best satisfy the needs of our customers; and in doing so, to bring about prosperity to our organisation, its people, its shareholders, its investors and the country at large.



## VALUES

To create an organisation incorporating the values of integrity and dedication; one which progressively evolves with time to meet the challenges of the future.



## PHILOSOPHY

It is our earnest belief that nothing of lasting and enduring value is created overnight. Everything worthwhile today is the result of yesteryears' work and vision and every successful tomorrow requires conceptualisation in the form of ideas and thoughts and crystallisation there of through efforts to be put in today.

***As we sow, so we reap.***

# Chairman's Message



Dear Shareholders,

The year 2014 is considered as a defining one as for the first time, after a gap of 30 years, the Indian people have given the mandate to a single party. The country is looking forward to our new Prime Minister, Mr. Narendra Modi, to replicate his success in Gujarat on a National Scale. I am optimistic, like many in the corporate world, that the new government under Mr. Modi, along with his other Cabinet Ministers, will provide the required thrust and focus on the Modi-mantra – “Make in India, Made in India”, and will provide the necessary impetus to India's growth from a “raw material source” to “value added products source”.

With India accounting for more than 80% of the world's castor oil supply and Gujarat constituting more than 75% of the same, the castor oil industry is also looking forward to the required support. 90% of the value addition of castor oil by the specialty chemical industry is carried out overseas. Resonating with the Modi-mantra, a dynamic policy change will bring the required value addition to the Indian castor industry.

I have completed my first year as the Chairman of your Company. During the current year, your Company has entered into two joint ventures. One with Arkema, France, which is the largest consumer of castor oil, and another with Mitsui Chemicals Inc., Japan and Itoh Oil Chemicals Co. Ltd., Japan for value added products. Arkema has invested in the existing subsidiary company, Ihsedu Agrochem Pvt. Ltd (IAPL), which is the castor oil manufacturing business for security of their supplies and for IAPL, it is to bring more business stability for the long term. The second joint venture was formed by incorporating a new company Vithal Castor Polyols Pvt. Ltd. (VCP) dedicating it to our founding Chairman Mr. Vithaldas G. Udeshi. This new green field manufacturing project is to be located at Jhagadia, Gujarat – in line with the vision of enhancing and promoting value addition in a sustainable way for the benefit of the society and environment. I believe that these partnerships will be fruitful to all the stakeholders as these partnerships cover the spectrum of the castor industry, from the base - castor oil to value added product. Your Company will benefit by utilization of the best international practices with better integration and improved synergies.

Although, the castor oil industry has been facing a period of stagnation with intense competition, your Company continues to invest in its Research and Development activities by development of innovative products and new processes to maintain its leadership position. Your Company also continues its development of castor hybrid seeds program and undertakes farmer educational programs for promoting Good Agricultural Practices, resulting in higher yields of commercial castor seeds. Your Company has been adopting the Best Manufacturing and Best Management Practices to ensure a sustainable future.

Your Company has been an ISO 9001 certified company since 2003-04 and the Company's manufacturing unit at Ranoli has achieved an ISO 14001 certification i.e. for environment management during this year. We expect that by the end of the current financial year all its manufacturing units will be ISO 14001 certified.

We believe in the bright, long-term future of Castor Oil and the Castor Oil based Oleo Chemicals and your Company will continue to make its best efforts to tap its immense potential and generate shareholders value.

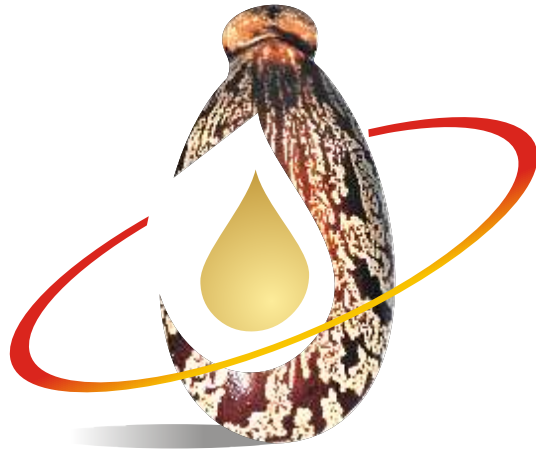
I am grateful to the Board of Directors for their continued guidance and support. Thanks to all my colleagues, employees, customers and vendors who make us what we are. I would also like to thank all the shareholders for their continued faith in the Company.

With Best Wishes,

A handwritten signature in black ink, appearing to read 'Abhay V. Udeshi'.

Abhay V. Udeshi

CHAIRMAN



# BOARD OF DIRECTORS

*Standing row (from Left to Right)*

**Mr. Deepak V. Bhimani**

Independent Director

**Dr. Subhash V. Udeshi**

Executive Director

**Mr. Vikram V. Udeshi**

Chief Financial Officer

**Mr. Hemant V. Udeshi**

Managing Director

*Sitting row (from Left to Right)*

**Mr. Vijay Kumar Bhandari**

Independent Director

**Mr. Jayasinh V. Mariwala**

Independent Director

**Mr. Abhay V. Udeshi**

Chairman & Executive Director

**Mr. Mukesh C. Khagram**

Independent Director



# Shaping a sustainable future



Your Company is on a cusp. It is in between a small size and a mid size company. It is important to recognize that companies need to reinvent themselves at the different stages of their growth in order to have a sustainable growing future. Though these initiatives are leading to additional cost in the initial years, we believe that the pay-off will be well worth the cost and the efforts in the future. Your company is willing to sacrifice some profits in a short run for long term benefit.

During the previous year Jayant Agro-Organics Ltd (JAOL) has taken many steps to reinvent and reengineer itself. Although the business carried out by JAOL is no different from the previous year, the company is divided into two segments of business – castor oil and castor oil derivatives between its subsidiary, Ihsedu Agrochem Pvt.Ltd., (IAPL) and JAOL. The fact that the shareholders of the Joint Venture, Arkema and JAOL are also the major consumers of castor oil should provide a strong platform for the growth of the business of IAPL. With business being done at an arm's length, it will also assure that the focus on efficiencies and competitiveness is not lost. The backward linkage is also of strategic interest to both the partners.

JAOL has increased its focus on value added derivatives. The company has taken several steps to increase its R & D efforts. We can expect more products and process reengineering from our R & D. JAOL has also entered into a Joint Venture with Mitsui Chemicals and Itoh Oils for its value added chemicals by forming Vithal Castor Polyols Pvt. Ltd. a tribute to the vision of its founder Shri Vithaldas G. Udeshi.

The process of reengineering and reinventing does not stop here. It just begins here. The company is also redefining its management and business processes in order to prepare for future growth.

Further, no company can plan a future without taking into account its responsibility towards the environment. Your company believes in Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

# Consolidated Performance for the last ten years

(₹ In Lacs)

PARTICULARS	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Equity Capital	300	300	*630	**694	**750	750	750	750	750	750	--
Preference Capital	300	300	300	300	--	--	--	--	--	--	--
Reserves & Surplus	3527	4043	4570	6385	7623	8757	10915	13889	16615	21266	--
Borrowings	6525	6031	11556	12394	9063	23749	24036	25862	30759	30864	--
Gross Block	3596	5144	6679	8746	9644	12558	13664	24020	27302	28636	--
Net Block	2765	4112	5390	7123	7585	10048	10575	20118	22126	22119	--
Sales											
Castor Oil & Derivatives	42097	41013	46248	60596	87586	90455	117525	183221	162100	153780	984622
Trading (Other than Castor Oil)	20249	93434	274	74	--	--	--	--	--	--	114031
Net Profit	647	744	676	951	749	1246	2491	3135	3624	4059	18323
Dividend (%)	50	30 (Ex. Bonus)	25	25	25	30	35	40	45	60	--
Dividend including dividend Tax	194	229	208	243	270	259	302	326	338	458	2826
Dividend per Share of ₹ 5/- each Equity	2.50	1.50 (Ex. Bonus)	1.25	1.25	1.25	1.50	1.75	2.0	2.25	3.0#	--
Dividend at 7% per share of ₹ 5/- each Preference	0.35	0.35	0.35	0.35	--	--	--	--	--	--	--
Earning per Share (₹)	10.39	12.02	5.43	7.30	4.53	8.31	16.61	20.90	24.16	27.06	--
Cash Earning Per Share (₹)	13.49	18.11	9.23	10.92	8.47	14.55	20.75	31.67	36.42	40.40	--

Notes:

- 1) During the year 2003-2004, the Company has allotted 6,000,000 7% Cumulative Redeemable Preference Shares of ₹ 5/- each as Bonus Shares and redeemed on 8th April, 2008.
- 2) \* increase from ₹ 300.00 lacs to ₹ 630.00 lacs during the year 2006-07 is due to allotment of Bonus Shares in the ratio of 1:1 and allotment of 600,000 Equity Shares of ₹ 5/- each on Preferential basis.
- 3) From the year 2005-2006 Dividend has been paid on expanded capital
- 4) \*\* increase from ₹ 630.00 lacs to ₹ 694.50 lacs during the year 2007-2008 is due to allotment of 1,290,000 Equity shares of ₹ 5/- each on Preferential basis.
- 5) \*\*\* increase from ₹ 694.50 lacs to ₹ 750.00 lacs during the year 2008-2009 is due to allotment of 1,110,000 Equity Shares of ₹ 5/- each on Preferential basis.
- 6) # Includes Interim Dividend of ₹ 2.50 per Equity Shares of ₹ 5/- each.



## BOARD OF DIRECTORS

Mr. Vithaldas G. Udeshi

Mr. Abhay V. Udeshi

Mr. Hemant V. Udeshi

Dr. Subhash V. Udeshi

Mr. Jayasinh V. Mariwala

Mr. Vijay Kumar Bhandari

Mr. Mukesh C. Khagram

Mr. Deepak V. Bhimani

- Chairman (upto April 14, 2013)
- Chairman & Executive Director (w.e.f. May 13, 2013)
- Managing Director
- Executive Director

## CHIEF FINANCIAL OFFICER

Mr. Vikram V. Udeshi

## COMPANY SECRETARY

Mr. Dinesh M. Kapadia

## BANKERS

Central Bank of India

State Bank of India

Oriental Bank of Commerce

Kotak Mahindra Bank Limited

DBS Bank Ltd.

ICICI Bank Ltd.

## AUDITORS

T.P.Ostwal & Associates (Regd.)

Chartered Accountants

## ADVOCATES & SOLICITORS

M/s Tyabji Dayabhai & Co.

M/s PDS Legal

## SHARE TRANSFER AGENTS

Sharepro Services (I). Pvt. Ltd.

13-AB, Samhita Warehousing Complex,

2nd Floor, Off Andheri-Kurla Road,

Sakinaka Telephone Exchange Lane,

Sakinaka, Andheri (East),

Mumbai- 400 072.

## REGISTERED OFFICE

701, Tower "A",

Peninsula Business Park,

Senapati Bapat Marg,

Lower Parel (West),

Mumbai 400 013.

## WORKS

Plot Nos. 601,602,624-627 & 603

Behind G.A.C.L.

Post Petrochemicals

Dist. Vadodara 391 346.

Gujarat.

ISCPL Division,

Plot No. 296-300,

Near GIPCL & Hettich,

Dhanora, PO: Petrochemicals - 391 346

Dist: Vadodara, Gujarat.

## CONTENTS

Board of Directors.....	01
Notice.....	02
Explanatory Statement.....	05
Annexure to Notice.....	08
Directors' Report.....	09
Annexure to Directors' Report.....	14
Management Discussion & Analysis.....	16
Managing Directors' Declaration.....	18
Corporate Governance.....	19
Compliance Certificate.....	26
Auditors' Report.....	27
Balance Sheet.....	30
Profit & Loss Account.....	31
Cash Flow Statement.....	32
Notes on Financial Statements.....	33
Consolidated Financial Statement.....	58
Statement u/s 212.....	85





## **NOTICE**

Notice is hereby given that the Twenty-second Annual General Meeting of **JAYANT AGRO-ORGANICS LTD.**, will be held on **Saturday, the September 27, 2014** at 11.00 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Bldg., 4<sup>th</sup> floor, 18/20, K. Dubash Marg, Mumbai 400 001, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Share for the year 2013-14, and to declare a Final Dividend for the year 2013-14 on Equity Shares.
3. To appoint a Director in place of Dr. Subhash V. Udeshi, (holding DIN 00355658) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, M/s. T.P. Ostwal & Associates, Chartered Accountants, (Firm Reg. No.124444W) be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Fifth (25<sup>th</sup>) Annual General Meeting to be held in 2017 (subject to ratification of their appointment at every Annual General Meeting), at such remuneration plus service tax, out of pocket and travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that in accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013, payment of remuneration of ₹.80,000/- (Rupees Eighty Thousand only) plus applicable service tax and reimbursement of actual travel and out-of-pocket expenses incurred, to M/s. Kishore Bhatia & Associates, Cost Accountants, for the conduct of audit of the Cost Accounts of the Company as directed by the Central Government vide its Order No.52/26/CAB-2010 dated November 6, 2012 in respect of manufacture of Organic & Inorganic Chemicals during the Financial Year 2014-2015, be and is hereby approved and ratified.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jayasinh V. Mariwala (holding DIN 00182835), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Deepak V. Bhimani



(holding DIN 00276661), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vijay Kumar Bhandari (holding DIN 00052716), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mukesh C. Khagram (holding DIN 00437042), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, if any, the consent of the Company be and is hereby accorded to the variation in the terms of retirement of Dr. Subhash V. Udeshi, (holding DIN 00355658) Whole-time Director who was appointed as such by the Company at the Eighteenth Annual General Meeting of the Company for a period of five years w.e.f., June 1, 2010, as Director not liable to retire by rotation to Director liable to retire by rotation and that the Board of Directors of the Company be and is hereby authorised to do the necessary acts, deeds matters and things as may be necessary in this regard.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, if any, the consent of the Company be and is hereby accorded to the variation in the terms of retirement of Mr. Abhay V. Udeshi, (holding DIN 00355598), Whole-time Director who was appointed as such by the Company at the Eighteenth Annual General Meeting of the Company for a period of five years w.e.f., June 1, 2010, as Director not liable to



retire by rotation to Director liable to retire by rotation and that the Board of Directors of the Company be and is hereby authorised to do the necessary acts, deeds matters and things as may be necessary in this regard.”

**NOTES**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN 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 SHAREHOLDER OR PERSON.**

**THE INSTRUMENT APPOINTING PROXY/PROXIES 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.**

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2014 to September 27, 2014 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the members.
4. 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 10.00 a.m. to 6.00 p.m. on all working days except Saturdays, Sundays and all Public Holidays up to and including the date of the Annual General Meeting of the Company.
5. The dividend, if declared, at the Annual General Meeting, will be paid on or after September 29, 2014, to those persons or their mandates:
  - (a) Whose names appear as Beneficial Owners as at the end of the business hours on September 19, 2014 in the list of Beneficial Owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and
  - (b) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Registrar and Share Transfer Agents on or before September 19, 2014.
6. The Members who hold shares in dematerialised form are requested to bring with them their depository account number (Client ID No.) for easier identification of attendance at the Annual General Meeting.
7. The Members are requested to notify the change in address, if any, immediately to the Share Transfer Agents, or the Depository Participants (in case of Shares which have been dematerialised) by quoting their registered Folio Number.
8. Pursuant to the provisions of investors Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts [as referred to in section 205C(2)], lying with the Company as on September 13, 2013 (date of the last Annual General Meeting of the Company) on the website of the Company viz., [www.jayantagro.com](http://www.jayantagro.com) under “investors” as well as on the website of the Ministry of Corporate Affairs viz., [www.iepf.gov.in](http://www.iepf.gov.in). The concerned Members are required to verify the details of their unclaimed amounts, if any, from the said websites and lodge their claim with the Company’s Registrar and Share Transfer Agent before the same is due for transfer to the Investors Education and Protection Fund.
9. **Those members who have not yet encashed their dividend warrants for the financial year ended March**



**31, 2007 and subsequent years, may claim or approach the Company for payment of unclaimed dividend amount, because the dividend amount remaining unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund, in terms of Section 205C of the Companies Act, 1956, and no claims shall lie in respect of such amount.**

10. The members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit details to the Registrar and Share Transfer Agents of the Company in the prescribed Form SH. 13 for this purpose. Members holding shares in electronic form may obtain the Nomination Form from their respective depository participants.
11. Pursuant to the requirements of Clause 49 of the Listing Agreements with Stock Exchanges, the information about the persons seeking re-appointment as Directors under item nos. 3 and 6 to 9 is given in the Annexure to the Notice.
12. To support the “Green Initiative” the members who have not registered their email addresses are requested to register the same with Registrar/Depositories.
13. In terms of Section 108 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 e-voting facility is being provided to the Members. Details of the e-voting process and other relevant details are being sent to all the Members along with the Notice.

Regd. Office:  
701, Tower “A”,  
Peninsula Business Park,  
SenapatiBapat Marg,  
Lower Parel (W),  
Mumbai – 400 013.

By Order of the Board  
For JAYANT AGRO-ORGANICS LTD.,

Place : Mumbai.  
Date : July 5, 2014

Dinesh M. Kapadia  
Company Secretary

## EXPLANATORY STATEMENT

### Pursuant to Section 102 of the Companies Act, 2013.

#### Item No. 5

Section 148(2) of the Companies Act, 2013 provides that if the Central Government is of the opinion that it is necessary to do so, it may, by order, direct that the audit of cost records of class of companies, which are covered under sub-section (1) and which have a net worth of such amount as may be prescribed or a turnover of such amount as may be prescribed, shall be conducted in the manner specified in the order. The said Section 148(2) has been notified by the Ministry of Corporate Affairs and has been made effective from April 1, 2014, Cost Accounting & Audit Rules, 2014 have been notified by Ministry of Corporate Affairs, however, an Expert Committee has been appointed to review the same.

The Company was covered under the Cost Audit regulations under the provisions of the Companies Act, 1956 and Orders issued thereunder. Based on the

recommendation of the Audit Committee, the Board of Directors thought it expedient to appoint M/s. Kishore Bhatia & Associates, Cost Accountants, as the Cost Auditor for Cost Audit of Organic & Inorganic Chemical products for the year April 1, 2014, to March 31, 2015 on a remuneration of ₹80,000/- (Rupees Eighty Thousand only) apart from reimbursement of out of pocket expenses incurred for the purpose of audit, subject to approval of remuneration by the Members. Section 148(3) read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014 prescribes that the remuneration of the Cost Auditor shall be approved by the Shareholders. Accordingly, this Ordinary Resolution is proposed for approval of the Members.

The Board of Directors recommend passing of the Ordinary Resolution at Item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel and /or their relatives is concerned or interested in the resolution.



**Item Nos. 6 to 9**

Mr. Jayasinh V. Mariwala (holding DIN No. 00182835), Mr. Deepak V. Bhimani (holding DIN No. 00276661), Mr. Vijay Kumar Bhandari (holding DIN No. 00052716) and Mr. Mukesh C. Khagram (holding DIN No. 00437042) are Directors of the Company subject to retirement by rotation. The above Directors are Independent Directors within the meaning of Clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (“the Act”), every listed public Company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation and shall hold office for a term up to five consecutive years on the Board of the Company.

Accordingly, it is proposed to seek approval of the Members to appoint Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram as an Independent Directors of the Company under Section 149 of the Act read with Clause 49 of the Listing Agreement, for a term up to five consecutive years as set out in the accompanying Notice.

As required under Section 160 of the Act, the Company has received notices in writing from members along with the requisite amount of deposit proposing the candidature of Mr. Jayasinh V. Mariwala , Mr. Deepak V. Bhimani , Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram for their respective offices of Director of the Company.

The Nomination and Remuneration Committee of the Board of Directors of the Company has recommended the appointment of Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram as an Independent Directors for a term up to five consecutive years.

Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani , Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram, are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent(s) to act as Director respectively.

Mr. Jayasinh V. Mariwala , Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram have given a Declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act and the Rules made there under. In

the opinion of the Board, each of these persons fulfils the conditions specified in the Act and the Rules framed thereunder for their respective appointment as an Independent Directors and that they are Independent of the Management.

Brief profiles of the aforesaid Directors are given below:

**Mr. Jayasinh V. Mariwala** is a B.Com & Chartered Accountant. He brings with him over fifty years of experience in the food ingredients, spices, commodities and consumer products industry. He has played a prominent role in the formation and development of Mariwala family owned companies such as Bombay Oil Industries, Marico Industries, Kancor Ingredients Ltd., Vallabhdas Kanji and Auto Hangar. He has also been the Vice-Chairman of the Spices Board and the Chairman of the Extreme Focus Group formed by the Ministry of Commerce.

He is a Trustee of Bhatia Hospital and M.K.N.Bhatia School.

For the last thirty years he is actively involved with a Pune NGO “Swa-Roopwardhinee”. This organisation is engaged in self-development for bright students in slum areas of Pune and villages around Pune.

He was appointed as an Independent Director of the Company w.e.f. June 29, 2002.

**Mr. Deepak V. Bhimani** has completed his basic education in Mumbai and graduation and post graduation in the field of Textile Chemistry from the Lowell Technological Institute at Massachusetts, U.S.A. Mr. Deepak Bhimani has represented the ISCMA on the Task Force, an Apex Body setup by ONGC, to formulate the policies and he is currently the President of ISCMA. He has travelled extensively the world over, representing his company in various exhibitions, symposiums and forums. He has presented papers on flame retardancy in textiles in India as well as abroad.

He is a man of various and divergent hobbies, a Rotarian and a Trustee of various Institutions which run schools and hospital in Gujarat. His hobbies which include astronomy, photography, mountaineering and trekking, chasing total solar eclipses has led him to various parts of the world.

He was appointed as an Independent Director of the Company w.e.f. October 27, 2005.



**Mr. Vijay Kumar Bhandari** is a B.Com. (Hons.) & Chartered Accountant having vast experience in Banking Industry in various capacities including as Regional Manager/ AGM/DGM/Zonal Manager at various offices of Central Bank of India in the Country for over 31 years. Last position held as General Manager incharge of Credit, Treasury, Merchant Banking Division, and Retired as General Manager on October 31, 2003.

He was appointed as an Independent Director of the Company w.e.f. October 27, 2005.

**Mr. Mukesh C. Khagram** is a B.Chem. Engg. (from Department of Chemical Technology, University of Bombay), M.S. Chem. Engg (from State University of New York at Buffalo) and Masters in Financial Management (from the Jamnalal Bajaj Institute of Management Studies, University of Bombay). He has over 30 years' experience in the field of Filtration/ Separation, Pollution Control and Mass Transfer Equipment's in India.

He was appointed as an Independent Director of the Company w.e.f. October 27, 2005.

Approval of the members is accordingly sought for the appointment of Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram, as an Independent Directors and, as set out in the Resolution Nos. 6 to 9 of the accompanying Notice.

Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram, are interested in the resolutions Nos. 6 to 9 of the Notice in regard to their respective appointments.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board accordingly recommends the Ordinary Resolutions set out at Item Nos. 6 to 9 of the accompanying Notice for approval of the Members.

#### **Item No. 10 & 11**

Dr. Subhash V. Udeshi, holding DIN 00355658 and Mr. Abhay V. Udeshi, holding DIN 00355598 were appointed by the Board of Directors at its Meeting held on April 27, 2010 as Whole-time Directors not liable to retire by rotation for a period of 5 years w.e.f. June 1, 2010 and subsequently ratified by the shareholder at the

Annual General Meeting held on September 18, 2010, subject to the terms and conditions of appointment and remuneration as mentioned in the then Notice of Annual General Meeting and explanatory statement attached thereto.

Pursuant to changes in the provisions relating to retirement of Directors by rotation in the new Companies Act, 2013 read with explanation to Section 152(6) of the Companies Act, 2013 and to ensure the smooth transition in the Companies Act, 2013 it is desirable to change the retirement terms of Dr. Subhash V. Udeshi, Whole-time Director, and Mr. Abhay V. Udeshi, Whole-time Director, as Directors not liable to retire by rotation to Directors liable to retire by rotation.

After approval of the shareholders the period of office of Dr. Subhash V. Udeshi, and Mr. Abhay V. Udeshi, Whole-time Directors, shall be liable to determination by retirement of directors by rotation. If Dr. Subhash V. Udeshi, and Mr. Abhay V. Udeshi, is re-appointed as a Director, immediately on retirement by rotation, they shall continue to hold office of Whole-time Director and such re-appointment as Director shall not be deemed to constitute break in their appointment as a Whole-time Director.

The Shareholders are requested to approve the variation in the retirement terms of Dr. Subhash V. Udeshi, and Mr. Abhay V. Udeshi, Whole-time Directors.

Except Mr. Hemant V. Udeshi, Managing Director of the Company, none of the Director and/or Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 10 and 11 of the accompanying Notice.

Regd. Office:  
701, Tower "A",  
Peninsula Business Park,  
Senapati Bapat Marg,  
Lower Parel (W),  
Mumbai – 400 013.

By Order of the Board  
For JAYANT AGRO-ORGANICS LTD.,

Place : Mumbai.  
Date : July 5, 2014

Dinesh M. Kapadia  
Company Secretary



ANNEXURE TO NOTICE

**Details of Directors seeking appointment/reappointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Dr. Subhash V. Udeshi Executive / Non-Independent Director	Mr. Jayasinh V. Mariwala Non-Executive / Independent Director	Mr. Deepak V. Bhimani Non-Executive / Independent Director	Mr. Vijay Kumar Bhandari Non-Executive / Independent Director	Mr. Mukesh C. Khagram Non-Executive / Independent Director
Date of Birth	13.12.1961	09.07.1933	31.08.1939	14.10.1943	24.11.1959
Date of Appointment	01-06-2002 Director and Wholetime Director	29.06.2002	27.10.2005	27.10.2005	27.10.2005
Expertise in specific Functional Area	Research and Development of new products and process for Castor based, Oleochemicals Developed QC methods for various products.	Experience of over fifty years in the food ingredients, spices, commodities and consumer products industry and in the field of Finance & Accountancy.	Expertise in manufacturing chemicals for textile and allied products since 1964 and has represented the ISCMA on the Task Force, an Apex Body setup by ONGC, to formulate the policies and he is currently the President of ISCMA.	vast experience in Banking Industry in various capacities including as Regional Manager/ AGM/ DGM/Zonal Manager at various offices of Central Bank of India in the Country for over 31 years. Last position held as General Manager in charge of Credit, Treasury, Merchant Banking Division, and Retired as General Manager on October 31, 2003.	Has over 30 years' experience in the field of Filtration/ Separation, Pollution Control and Mass Transfer Equipments in India.
Qualifications	B. Tech (Chemical Engineering), I.I.T., Mumbai, Ph. D. (Chem. Engg.) Rutgers University, New Jersey, USA.	B. Com., and Chartered Accountant	Graduation and Post-Graduation from Lowell Technological Institute, Lowell, Massachusetts in USA, in the field of Textile Chemistry.	B.Com. (Hons.) and Chartered Accountant	B.Chem Engg. From Dept. of Chemical Technology,(University of Bombay) M.S.Chem. Engg. (from State University of New York at Buffalo) Masters in Financial Management (from the Jammalal Bajaj Institute of Management Studies, University of Bombay.
Directorship in other Public Companies (excluding Foreign Companies)	Elite Chemical Industries Limited	Red Peppers Limited Omniactive Health Technologies Limited Omni Wellness and Nutrition Limited Vallabhdas Kanji Limited Kancor Ingredients Limited Kancor Natural Isolates Limited Mutual Industries Limited	Excel Crop Care Limited	HSIL Limited Guru Namak Ent. Limited Super Smelters Limited Golden Tobacco Limited Kopran Limited Khanna Paper mills Limited Midland Microfin Limited	Ishedu Agrochem Private Limited
Memberships/ Chairmanships of Committees of Public Companies (includes only Audit And Stakeholders Relationship Committee)	<b>Stakeholders Relationship Committee</b> Jayant Agro-Organics Ltd- Member	<b>Audit Committee</b> Jayant Agro-Organics Ltd- Chairman	<b>Audit Committee</b> Jayant Agro-Organics Ltd- Member	<b>Audit Committee</b> Super Smelters Limited- Chairman Jayant Agro-Organics Ltd- Member HSIL Limited-Chairman <b>Stakeholders Relationship Committee</b> Jayant Agro-Organics Ltd- Member Kopran Limited- Member HSIL Limited-Member	<b>Audit Committee</b> Ishedu Agrochem Private Limited- Member
Shareholding in the Company	42,500 Equity Shares	NIL	NIL	NIL	NIL
Relationship between Directors inter-se	Relative of Mr. Abhay V. Udeshi and Mr. Hemant V. Udeshi	NIL	NIL	NIL	NIL



## DIRECTORS' REPORT

Your Directors are pleased to present the Twenty-second Annual Report along with the Audited Statement of Accounts and Auditors' Report for the year ended March 31, 2014

### FINANCIAL RESULTS:

Particulars	₹ In Lacs	
	2013-2014	2012-2013
Revenue from operations and other income	67,518.40	122,821.24
Profit before Depreciation & Amortisation Expenses, Finance Cost and Tax	7,826.13	7,438.26
Less: Depreciation and Amortisation Expenses	974.79	910.04
Profit before Finance Cost and Tax	6,851.34	6,528.22
Less: Finance Cost	2,172.20	2,720.52
Profit before Tax	4,679.14	3,807.70
Less: Provision for Tax	947.53	1,034.48
Profit After Tax	3,731.61	2,773.22
Add: Profit brought forward from the previous year	7,733.67	5,597.95
Profit available for appropriation, which is appropriated as follows:	<b>11,465.28</b>	<b>8,371.17</b>
<b>Appropriations:</b>		
Interim Dividend	375.00	---
Proposed Dividend	75.00	337.50
Dividend Distribution Tax	8.07	---
Transferred to General Reserve	400.00	300.00
Balance carried to Balance Sheet	10,607.21	7,733.67
Total	<b>11,465.28</b>	<b>8,371.17</b>
Earnings per share(EPS) (Face Value of shares ₹ 5/-)	24.88	18.49

### DIVIDEND:

Your Company paid an interim dividend of ₹ 2.50 per share on 15,000,000 Equity Shares of nominal value of ₹ 5/- each aggregating to ₹ 375.00 lacs in the month of March 2014. The Board has recommended a dividend of 50 paise per share on 15,000,000 Equity Shares of nominal value of ₹ 5/- each, amounting to ₹ 0.75 lacs and the total outgo, including dividend distribution tax, will be ₹ 83.07 lacs

### TRANSFER TO RESERVE:

The Company proposes to transfer ₹ 400.00 lacs to the General Reserve Account out of the amount available to appropriations and an amount of ₹ 10,607.21 lacs is proposed to be retained in the Profit & Loss Account.

### BUSINESS PERFORMANCE:

Your Company's sales turnover during the year under report was ₹ 65,281.41 lacs against the sales of ₹ 122,379.71 lacs during the previous year, a decrease of 46.66 %. The Profit after tax (including one time dividend received from Ihsedu Agrochem Pvt. Ltd.) was ₹ 3,731.60 lacs as compared to ₹ 2,773.22 lacs. Profit on consolidated basis increased from ₹ 3,624.18 lacs to ₹ 4,058.59 lacs. (increase by 12%).

### BUSINESS PROSPECTS:

The uncertainty of monsoon is a key concern for the castor seed crop. The impact of El-Nino and threat of drought is still a concern in many states. The rainfall in the castor growing region of Banaskantha is way below its average





at this moment. The castor oil industry will be keenly watching the development of the monsoon in the key castor seeds growing region. The demand of castor oil in China is subdued due to fall in international demand for Sebacic Acid. This, along with the estimates of the crop will be watched closely by the industry to estimate the demand-supply position of Castor Seeds.

Your Company has invested in the Sebacic Acid manufacturing plant. However, due to a global slump in demand the Company's Sebacic Acid plant utilization has been curtailed. Your Company is keenly watching the development in Sebacic Acid consumption and expects a meaningful recovery and growth in Sebacic Acid demand in near future.

**JOINT VENTURES:**

During the year under review, your Company has entered into a Joint Ventures with Arkema, Asie SAS a global chemical company and the largest consumer of Castor Oil, who have invested to take a stake of 24.9% in our subsidiary Ihsedu Agrochem Pvt. Ltd thereby bringing down Jayant Agro-Organics Ltd. stake to 75.1%. This joint venture will help your Company to further strategically align and consolidate its position in the castor oil market as a leading, consistent and reliable supplier in the global castor oil market.

During the year under review, your Company also formed another Joint Venture, Vithal Castor Polyols Pvt. Ltd. Equity Participation of Jayant Agro-Organics Ltd – (50%) with Mitsui Chemicals Inc., Japan (40%) and Itoh Oil Chemicals Co. Ltd., Japan (10%). The company will focus on manufacturing green chemicals.

**RESEARCH & DEVELOPMENT:**

The Company's R & D will now be carried out on three times the floor area, with the shifting of the Administrative Office to Lower Parel. It is anticipated that the R & D activity will be accelerated and many new products will be made ready for commercialization through Company's production and marketing activities. As you are aware, the Company's R & D is focused on the development of castor-based value-added products, together with process improvements and application development. These activities will result in increasing the product margins, improving the product quality, reducing wastages and improving sustainability. The products under development have diverse applications in cosmetics, plastics, lubricants, food, polymers, coatings, inks, sealants, agrochemicals, pharmaceuticals, etc.

**SAFETY AND ENVIRONMENT:**

Your Company has declared the Safety, Health and Environment Policy and continued their commitments towards safety and environment. The Committees formed for the purpose of safety and environments have continued to educate and motivate the employees on various aspects on safety and environment through training program and seminars.

During the year following safety program where held on the dates mentioned therein.

On site / off site Emergency Plan	03.04.2013
Fire Safety Day	20.04.2013
First Aid Training	17.12.2013
Safety Day Program	11.03.2014

The Company is a member of Effluent Channel Projects, for disposal of Effluent Water and also of Nandesari Environment Control Ltd., for disposal of solid waste. The Company is continuously monitoring its waste to ensure adherence to pollution control norms. The Ranoli Unit has achieved the ISO 14001 certification.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Your Company, as has always been aware of its responsibilities as a socially responsible Corporate, making investments in health, safety and environment management. Your Company is in the process of further strengthening in effectively utilizing its current resources.



Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee comprising of Directors viz. Mr. Deepak V. Bhimani Chairman, Mr. Abhay V. Udeshi and Mr. Hemant V. Udeshi as its members.

#### **DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013, Dr. Subhash V. Udeshi retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered into with Stock Exchanges, appointed Mr. Jayasinh V. Mariwala, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Mukesh C. Khagram as an Independent Directors of the Company.

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is require to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

In order to comply with Section 152 of the Companies Act, 2013, Dr. Subhash V. Udeshi and Mr. Abhay V. Udeshi, Whole-time Directors have been classified as Directors liable to retire by rotation, subject to shareholders approval at the ensuing Annual General Meeting.

#### **SUBSIDIARY COMPANIES:**

The Ministry of Corporate Affairs (MCA), vide its Circular No. 2/2011 dated February 8, 2011, has granted general exemption under Section 212(8) of the Companies Act, 1956, subject to certain conditions being fulfilled by the Company from attaching the Balance Sheet of the Subsidiary Companies to the Balance Sheet of the Company without making an application for exemption. Accordingly, the Balance Sheet, the statement of Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. We have given the required information on Subsidiary Companies in this Annual Report. Shareholders who wish to have a copy of the full report and accounts of the subsidiaries will be provided the same on receipt of a written request from them. These documents will be uploaded on the Company's Website viz. [www.jayantagro.com](http://www.jayantagro.com) and will also be available for inspection by any shareholder at the Registered Office of the Company, on any working day during business hours.

#### **PERFORMANCE OF SUBSIDIARY COMPANIES:**

##### **Ihsedu Agrochem Pvt. Limited (IAPL)**

During the year under review, IAPL a subsidiary of the Company, achieved a turnover of ₹ 93,137.51 lacs as compared to ₹88,371.96 lacs in the previous year. The profit after tax is ₹ 321.80 lacs against ₹ 852.58 lacs in the previous year.

During the year ended March 31, 2014, IAPL has declared an Interim Dividend of ₹ 27.28 per equity shares and Final Dividend of 50 paise per equity share of ₹ 10/- each.

##### **Ihsedu Coreagri Services Pvt. Limited ( ICAS)**

During the year under review, ICAS a wholly owned subsidiary of the Company achieved a turnover of ₹ 126.33 lacs as compared to ₹ 71.10 lacs in the previous year. The loss for the year is ₹ 2.95 lacs against loss of ₹ 7.34 lacs in the previous year.

##### **Ihsedu Itoh Green Chemicals Marketing Pvt. Limited (IIGCM)**

During the year under review, IIGCM a subsidiary of the Company achieved a turnover of ₹ 8.25 lacs as compared to ₹ 5.97 lacs in the previous year. The profit after tax is ₹ 8.12 lacs against profit of ₹ 5.72 lacs in the previous year.



**CONSOLIDATED FINANCIAL STATEMENTS:**

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 41 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standard 21 prescribed by the Institute of Chartered Accountants of India, in this regard.

**RE-APPOINTMENT OF AUDITORS:**

M/s. T.P. Ostwal & Associates, Chartered Accountants, (Firm Registration No. 124444W) who are the Statutory Auditors of the Company hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to re-appoint M/s. T. P. Ostwal & Associates, Chartered Accountants as Statutory Auditors of the Company from the conclusion of the forthcoming Annual General Meeting till the conclusion of the Twenty-fifth Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting.

The Company has received a letter from the Statutory Auditors to the effect that their re-appointment, if made would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment.

**COST AUDIT:**

The Board of Directors of the Company appointed M/s. Kishore Bhatia & Associates, Cost Accountants, as the Cost Auditor of the Company for the year ended March 31, 2014. The Audit report of the cost accounts of the Company for the year ended March 31, 2014 will be submitted to the Central Government in due course.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed to this Report as Annexure "A".

**REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

As required under the Listing Agreement with the Stock Exchanges, reports on Corporate Governance as well as Management Discussion and Analysis are attached and forms part of the Directors' Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

It is hereby confirmed, pursuant to Section 217 (2AA) of the Companies Act, 1956:-

- i) that in the preparation of the annual accounts, for the year 2013-2014 the applicable Accounting Standards have been followed and there are no material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014, and the profit of the Company for the said financial year;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

**FIXED DEPOSITS :**

The Company has not accepted any fixed deposits during the year under review.

**TRANSFER OF UNPAID/UNCLAIMED DIVIDEND AMOUNTS TO IEPF:**

Pursuant to the provisions of Section 205 A (5) of the Companies Act, 1956, the Preference Dividend for F.Y.



2005-06 amounting to ₹ 24,609.00 and Equity Dividend for F.Y. 2005-06 amounting to ₹ 2,41,983.00 which remained unclaimed for the period of seven years has been transferred by the Company on November 26, 2013 to the Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to Section 205 C of the said Act.

#### UNCLAIMED DIVIDEND:

In terms of Sections 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). The shareholders are required to claim the dividend from the Company before transfer to IEPF. The unclaimed dividend amount, as on March 31, 2014 is as under:

Financial Year	Type	Unclaimed Dividend Amount as on 31.03.2014 (₹ in lacs)	Due date for transfer to IEPF
2006-2007	Equity	2.20	29.10.2014
2006-2007	Preference	0.38	29.10.2014
2007-2008	Equity	3.44	19.11.2015
2007-2008	Preference	3.83	19.11.2015
2008-2009	Equity	3.24	31.10.2016
2009-2010	Equity	1.51	22.11.2017
2010-2011	Equity	1.79	05.11.2018
2011-2012	Equity	1.95	30.11.2019
2012-2013	Equity	2.54	16.11.2020
2013-2014	Equity (Interim)	25.70	30.04.2021

#### INDUSTRIAL RELATIONS:

The Relations between the Employees and the Management have remained cordial during the year.

#### INSURANCE:

The properties and insurable risks of your Company like Building, Plant and Machinery, Stocks etc. are adequately insured.

#### PERSONNEL:

No employee of the Company is in receipt of remuneration in excess of the sum prescribed under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

#### ACKNOWLEDGEMENTS:

Your Directors wish to place on record their sincere appreciation for the whole hearted support extended by the Central Bank of India, State Bank of India, Kotak Mahindra Bank Ltd, Oriental Bank of Commerce, and ICICI Bank Ltd, Ministry of Commerce & Industry, Government of India, State Government of Gujarat, Gujarat State Electricity Board, Gujarat Pollution Control Board, Gujarat Industrial Development Corporation, Gujarat Alkalies & Chemicals Ltd., and Ranoli & Dhanora Panchayat. Also, we would like to thank our employees for their hardwork and shareholders for their continued faith and support.

For and on behalf of the Board of Directors

Place: Mumbai,  
Date: July 5, 2014

**ABHAY V. UDESHI**  
CHAIRMAN



**ANNEXURE "A" TO DIRECTORS' REPORT**

Statement of particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988.

**A. CONSERVATION OF ENERGY**

**(A) Conservation of Energy**

Energy conservation measures are continued and are as under

- (a) Minimizing idle running of equipment's like air conditioners, pumps, lights etc., by creating awareness.
- (b) Keeping existing machineries in good and working condition by preventive measures.
- (c) Wind mills are operative to generate clean power as part of power used.
- (d) Castor De-oiled Cake is used in Steam Boiler and Thermic Fluid Heaters, thus saving fossil fuel.
- (e) To prevent heat loss, efficient thermal insulation provided wherever necessary.
- (f) To conserve electrical energy, VFDs have been installed on rotary equipment's.
- (g) Maximum utilization of equipments & machinery by better planning has yielded higher production output.
- (h) Better quality of feed water has improved steam generation per kg of fuel consumed and also reduced the environmental effluent load.
- (i) Ranoli unit is ISO 14001:2004 and ISCPL division certification is under process.
- (j) New additional boiler installed to replace boiler which were using furnace oil as fuel.
- (k) Appropriate new machines, equipments & consumables were installed during year to optimize steam condensate recovery and energy.

**FORM 'A'**

**a Power & Fuel consumption**

**1 Electricity**

**(i) Purchased**

Units (KWH '000')

Total Amount (₹ in lacs)

Rate /Unit (₹)

**(ii) Own generation**

a) Through Diesel Generator

Unit (KWH '000')

Unit per Ltr. of Diesel Oil

Cost/unit (₹)

b) Through Windmill Generation

Unit (in lacs)

Total Cost (₹ in lacs)

Rate/unit (₹)

**2 Fuel**

**(i) Furnace Oil**

Quantity (KLS)

Total Amount (₹ in lacs)

Rate/Ltr. (₹)

**(ii) De-Oil Cake**

Quantity (MT)

Total amount (₹ in lacs)

Rate / MT (₹)

**b Consumption per Unit of Production**

Electricity (KWH/MT)

Furnace Oil (LTR/MT)

De-Oil Cake (Kg/MT)

**2013-2014**

**2012-2013**

**16,370.876**

17,288.172

**1,058.53**

1,094.99

**6.47**

6.33

**33.071**

29.428

**2.97**

2.95

**18.99**

16.20

**37.19**

39.76

**92.20**

129.72

**2.48**

3.26

**420.433**

589.821

**176.03**

239.33

**41.87**

40.58

**30,731.691**

30,065.240

**1,533.99**

1,479.63

**4,992.00**

4921.00

**202.47**

222.66

**5.78**

7.58

**379.31**

386.57



## B TECHNOLOGY ABSORPTION

Details of efforts made in technology absorption are given out as per Form B

### FORM 'B'

#### a. Research & Development (R & D):

- (i) The Company has its own Research and Development Department which facilitates new improvement in efficiency and upgradation of the quality.
- (ii) To maintain leadership position in Castor industry.
- (iii) Benefits derived as a result of the above efforts:-
  - New Product introduced for export and local markets
  - Cost reduction in existing process.
  - Improvements in quality of various products

(iv) Expenditure on R & D	<b>₹ in Lacs.</b>
	<b><u>2013-2014</u></b>
(a) Capital	10.10
(b) Recurring (Gross)	120.83
(c) Total	130.93
(d) Total R & D Expenditure as Percentage of total turnover.	0.20

#### b Technology Absorption, Adoption and Innovation:

Details of Technology imported during the past five years: NIL

## C FOREIGN EXCHANGE EARNING AND OUTGO :

Details of Foreign Exchange used and earned are provided in Note 25,26 & 27 of Notes on Financial Statements.

For and on behalf of the Board

**ABHAY V. UDESHI**  
CHAIRMAN

Place: Mumbai,  
Date: July 5, 2014

## ANNEXURE "B" TO DIRECTORS REPORT

### Details of Subsidiary Companies

Particulars regarding subsidiary companies, pursuant to General Circular No. 2/2011 dated February 8, 2011 issued by Government of India, Ministry of Corporate affairs.

(₹ in Lacs)

Sr. No	Name of the Subsidiary	Ihsedu Agrochem Private Limited	Ihsedu Coreagri Services Private Limited	Ihsedu Itoh Green Chemicals Marketing Private Limited
1	Issued & subscribed share capital	732.36	5.00	125.00
2	Reserves & Surplus	5,015.43	23.65	12.42
3	Total Assets	30,931.04	29.27	141.91
4	Total Liabilities	30,931.04	29.27	141.91
5	Investments	0.11	-	-
6	Turnover	93,137.50	126.33	8.25
7	Profit/(Loss) before taxation	542.54	(2.95)	13.90
8	Provision for taxation	220.74	-	5.78
9	Profit/(Loss) after taxation	321.80	(2.95)	8.12
10	Interim Dividend	1,500.40	-	-
11	Proposed Dividend	36.62	-	-



## MANAGEMENT DISCUSSION AND ANALYSIS

### (a) Industry Structure and Developments

Although the Indian castor seeds production declined in 2013-14 after a record crop in the year 2011-12, the Indian crop of 11,30,000 Mt along with a record carry forward was sufficient to fulfill the world demand. At the beginning of the Calendar year 2014, before the crop from Gujarat, India's main producer was harvested the carry forward of the previous crop was estimated between 400,000 to 600,000 Mt. With the demand for seeds working out in the range of 12 to 14 lac tons, we will see another year of drawing from the old stock.

The demand for castor oil based products continues to see a stable growth across the world except China, where a moderation in demand is being witnessed. In the current scenario India should be able to satisfy the world demand. However, the industry and the consumers may not have the same cushion of surplus for the next year. It will therefore be once again upto our farmers to raise the production. In the year of El Nino the industry will be keeping a close watch on the monsoon and sowing data.

### (b) Opportunities & Threats

The world economic growth was pegged at 3% in 2013 as against 3.2% in 2012. The major western economies led by the USA turned to a path of gradual recovery. The emerging markets continued to see deceleration in growth. The growth in China flattened to 7.7%. The geopolitical tensions continue to threaten accelerated growth of the world economy. With more than 80% of your Company's production being exported, the state of the world economy, besides other industrial and scientific developments has an important bearing on its growth.

Environment being a major concern, the search for green products is likely to intensify in the future. Castor Oil being a natural, organic, renewable and bio-degradable product is gaining importance as a green product. With improved irrigation, better quality inputs and scientific farming there is a substantial scope to improve yields per hectare of castor seeds. Besides due to its unique chemical structure, it finds myriad applications in virtually every industry be it agriculture, lubricants, paints, inks, surface coatings, pharmaceuticals, food, engineering plastics, cosmetics, perfumeries, electricals, rubber and so on. Your company continues to endeavor to tap these opportunities by focusing on Research & Development and investing in new capacities, new technologies, new applications, and new products.

Castor Seeds continue to be a volatile raw material in terms of its price. Being an agricultural product, it depends on the rainfall and weather conditions prevailing in the area of castor growing States in the country, though it is a sturdy crop. The limited size of the crop makes it susceptible to speculation and wild gyration in prices. To mitigate the effect of uncertain weather, the Company has laid down parameters for inventory management. The Company has proper mechanism in place to immediately respond to any unforeseen eventualities. The Company is also cultivating hybrid seeds to improve the productivity of commercial Castor Seeds

### (c) Segment

The Company is organised into three business segments – Castor Oil, Derivatives and Power Generation.

### (d) Outlook

The demand outlook for your Company's products remains positive. Emphasis on green eco-friendly products is likely to lead to increase in innovation of new products and uses of castor oil by the chemical industry.

Your Company continues to invest in Research & Development to tap on new growth opportunities. Your Company is also undertaking a backward integration program in order to increase the availability of castor seeds. Barring unforeseen circumstances, your Directors expect satisfactory growth.



**(e) Risks and Concerns**

The Company's products are used across geographies in a variety of industries, thereby to a great extent, mitigating the risks associated with demand for its products on a long-term basis. The price behavior of raw material depends on the weather pattern in the castor growing regions, the impact of El Nino on monsoon in these regions, global demand and inventory, and prices of other oils including Crude Oil and therefore can be volatile as well as unpredictable. The Company is closely watching the development of factors affecting the castor seed prices.

The Company restricts its exposure to the price fluctuation of raw materials by limiting its un hedged exposure.

With the business of the Company growing steadily and demand for trained and experienced manpower in excess of the supply, the risk of managing the people is very big. The Company has to retain its existing trained workforce and also attract new talent for its different operations. To improve the performance of the staff at work; various refresher training courses are organized to update their knowledge with the latest technologies and management ideas.

The demand for castor oil and its products is dependent on the overseas markets as more than 80% of the industries production is exported. The threat of new entrants and competition due to aggressive trading policies adopted by them continue to be of concern.

The Company has focused its efforts on marketing and introducing new products thereby mitigating to a certain extent, the effect of recession / slowdown in the industry.

Unrestricted speculation and high volatility due to trading in commodity exchange could have a negative effect on the growth of the industry

Your Company has been engaged in several legal cases in connection with or incidental to its business operations. These include service, excise and customs cases, etc. filed by and against the Company. These cases are being pursued with due importance and in consultation with legal experts in the respective areas. Your Board believes that the outcome of these cases is unlikely to cause a material adverse effect on the company's profitability or business performance.

Your Company has a contingent liability of ₹ 583.14 lacs as on March 31, 2014. Attention of the shareholders is drawn to the explanations mentioned in point no. 31 of the Notes to Financial statements forming integral part of the balance sheet as on March 31, 2014. In view of the present status and based on legal advice received, your Board of Directors are of the opinion that no provision is required to be made against these contingent liabilities as of now.

**(f) Foreign Exchange**

Volatile currency movements can affect the profits of the Company. Your management continues to take steps hedge foreign exchange exposure to mitigate the risks of appreciation of Rupee against the Dollar.

**(g) Internal Control and its adequacy**

The Company's Internal Control Department is headed by an experienced and qualified Executive and the Department regularly reviews business process and controls in consultation with the Statutory Auditors and Internal Auditors, and also interacts with the Audit Committee of the Company. Internal Control system adopted by the Company effectively ensures that all assets are safeguarded and protected against any loss from unauthorised use.



**(h) Financial / Operational Performance.**

The Company's Financial Performance & Analysis:

<b>Particulars</b>	<b>(₹ In lacs)</b>	
	<b>2013-2014</b>	<b>2012-2013</b>
Sales turnover	<b>67,518.40</b>	122,821.24
P B I D T	<b>7,826.13</b>	7,438.26
Finance cost	<b>2,172.20</b>	2,720.52
Profit after Finance cost	<b>5,653.93</b>	4,717.74
Depreciation	<b>974.79</b>	910.04
Provision for taxation - Current Tax	<b>640.00</b>	728.50
- Deferred Tax	<b>543.36</b>	442.26
MAT Credit entitlement	<b>(235.83)</b>	(59.59)
Short / (Excess Provision of earlier years)	<b>----</b>	(76.69)
<b>Net Profit</b>	<b>3,731.61</b>	2,773.22

**(i) Human Resources / Industrial Relations**

Industrial Relations have continued to be harmonious throughout the year. Measures for safety of employees training, welfare and development have continued to receive top priorities.

During the year under review, total stand-alone manpower is 348.

**(j) Cautionary Statement**

Statements in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include global and Indian demand and supply conditions and finished goods prices, changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation, etc.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.**

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel. The Code is available on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the Members of the Board and the Senior Management team of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Personnel means, all senior members of the Management Team, one level below the Executive Directors such as Divisional/Departmental Heads, other functional heads and Secretary of the Company, as on March 31, 2014.

Place: Mumbai.

Date: July 5, 2014

**HEMANT V. UDESHI**

Managing Director



## CORPORATE GOVERNANCE

### I. MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY:

The Company's philosophy of Corporate Governance is to provide products and services of international standards, which best satisfy the needs of our customers and in doing so, to bring about prosperity to our organization, its Investors and the Country at large. The Company's obligation to the investors is amply reflected in unbroken record of continuous payment of dividend from the commencement of commercial production since 1993-94.

#### 2. BOARD OF DIRECTORS:

- i) The majority of the Directors on the Board excluding the Chairman are Non-executive Directors, and more than fifty percent of the Board comprises of Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.
- ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as at March 31, 2014 have been made by the Directors.
- iii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given below.

Sr. No.	Name of Directors	Executive/ Non-Executive/ Independent	No. of Board Meetings / Committee Meetings attended during the year 2013-2014		Last AGM Attended (Yes/No.)	No. of Directorship (s) held in other Public Companies	Member of Committee in other Public Companies
			B.M.	C.M.			
1	Mr. Vithaldas G.Udeshi - Chairman *	Non-Executive/ Non-Independent	----	----	No	----	----
2	Mr. Abhay V. Udeshi - Chairman** #	Executive / Non-Independent	6	4	Yes	1	----
3	Mr. Hemant V. Udeshi -Managing Director #	Executive / Non-Independent	5	----	Yes	----	----
4	Dr. Subhash V. Udeshi #	Executive / Non-Independent	4	----	Yes	1	----
5	Mr. Jayasinh V. Mariwala.	Non-Executive/ Independent	5	3	Yes	7	----
6	Mr. Vijay Kumar Bhandari	Non-Executive/ Independent	6	4	Yes	8	3
7	Mr. Mukesh C. Khagram	Non-Executive/ Independent	6	4	Yes	----	----
8	Mr. Deepak V. Bhimani	Non-Executive/ Independent	5	4	Yes	1	----

\*Ceased to be Director w.e.f 15.04.2013 on death

\*\* Appointed as an Executive Chairman w.e.f. 13.05.2013.

# Inter-se relationship between Directors



Mr. Vithaldas G. Udeshi, was father of Mr. Hemant V. Udeshi, Mr. Abhay V. Udeshi, and Dr. Subhash V. Udeshi  
None of the Independent Directors has any material pecuniary relationship or transactions with the Company.

Necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been from time to time placed before the Board for their consideration.

During the year under report, 6 Board Meetings were held on 11.04.2013, 30.05.2013, 25.07.2013, 29.10.2013, 28.01.2014 and 10.03.2014

### 3. AUDIT COMMITTEE:

The Audit Committee Meetings were held on 30.05.2013, 25.07.2013, 29.10.2013, and 28.01.2014  
The Audit Committee comprises of:

- (a) Mr. Jayasinh V. Mariwala – C. A. – Chairman – Non-Executive – Independent Director.
- (b) Mr. Vithaldas G. Udeshi – Member – Non-Executive, Director\*
- (c) Mr. Mukesh C. Khagram – Member – Non-Executive – Independent Director.
- (d) Mr. Deepak V. Bhimani – Member – Non-Executive – Independent Director.
- (e) Mr. Vijay Kumar Bhandari – Member – Non-Executive – Independent Director.
- (f) Mr. Abhay V. Udeshi – Member – Executive Director\*\*

\* Ceased to be Member w.e.f. 15.04.2013 on death

\*\*Appointed as Member w.e.f. 30.05.2013

The number of meetings attended by Mr. Jayasinh V. Mariwala, Mr. Vithaldas G. Udeshi, Mr. Mukesh C. Khagram, Mr. Deepak V. Bhimani, Mr. Vijay Kumar Bhandari and Mr. Abhay V. Udeshi were 3, 0, 4, 4, 4 and 4 respectively.

The C.F.O. and Statutory Auditor including Internal Auditor are regular invitees to the meetings of the Audit Committee. The Company Secretary acts as Secretary to the Committee.

The Board of Directors note the minutes of the Audit Committee meetings at the Board Meetings.

The terms of reference of the Audit Committee cover the matters as specified under Clause 49 of the Listing Agreement and also as required under Section 177 of the Companies Act, 2013 (Corresponding Section 292-A of the Companies Act, 1956).

### 4. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of the Companies Act, 2013, the Remuneration Committee has been re-named as Nomination and Remuneration Committee.

The Committee is, inter-alia, authorized to identify persons who are qualified to become Directors, appointment of Senior Management, evaluation of Directors performance, recommending policy relating to the remuneration for the Directors, key managerial personnel and other employees and granting of stock options to Senior Management Personnel.

#### (A) Details of Remuneration to Executive Directors.

Executive Directors	Remuneration during 2013-2014		
	Remuneration Package	Service contract, and notice period, severance fee.	Stock option details, if any.
1. Mr. Abhay V. Udeshi	₹. 29.97 Lacs	Please see note (a)	Please see note (b)
2. Mr. Hemant V. Udeshi, Managing Director.	₹. 26.66 Lacs	- do -	- do -
3. Dr. Subhash V. Udeshi	₹. 29.12 Lacs	- do -	- do -



**NOTES:** (a) The appointment is subject to termination by 6 months' notice, in writing, on either side or as agreed mutually. Period is 5 years from the date of appointment. No severance fee payable to any Executive Director, including Managing Director.

(b) The Company does not have any Scheme for grant of Stock Options to its Directors or Employees, at present.

No sitting fees are paid to the Managing / Executive Directors, except the remuneration as approved by the shareholders.

**(B)** Non-Executive Directors were paid Sitting fees of ₹. 7,500/- per sitting of Board / Committee as approved by the Board which was within the limit as prescribed under the Companies Act 1956, the details of which are: - Mr. Jayasinh V. Mariwala – ₹. 60,000/-; Mr. Vijay Kumar Bhandari – ₹.75,000/-; Mr. Mukesh C. Khagram – ₹.75,000/- and Mr. Deepak V. Bhimani – ₹.67,500/-.

The members of Nomination and Remuneration Committee are:

(a) Mr. Jayasinh V. Mariwala – Chairman – Non-Executive / Independent Director

(b) Mr. Vithaldas G. Udeshi – Non-Executive Director\*

(c) Mr. Mukesh C. Khagram – Non-Executive / Independent Director

(d) Mr. Deepak V. Bhimani – Non-Executive / Independent Director\*\*

\*Ceased to be member w.e.f. 15.04.2013

\*\*Appointed as member w.e.f. 30.05.2013

The terms of reference include the matters specified under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

**(C)** Disclosure of shareholding of Non-Executive Directors as required under Clause 49(IV)(E)(iv) :-

Names	Shares held on 31.03.2014 (own or held by / for other persons on beneficial basis)
1. Mr. Jayasinh V. Mariwala	Nil
2. Mr. Vijay Kumar Bhandari	Nil
3. Mr. Mukesh C. Khagram	Nil
4. Mr. Deepak V. Bhimani	Nil

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to the provisions of the Companies Act, 2013, the Share Transfer and Investor/Shareholders Grievance Committee has been re-named as Stakeholders Relationship Committee. The Committee looks into redressing the grievance of the Security holders of the Company viz. non-receipt of transferred shares and non-receipt of dividend, among others.

The members of Stakeholders Relationship Committee are:

Mr. Vithaldas G. Udeshi : Chairman\*

Mr. Vijay Kumar Bhandari : Chairman\*\*

Mr. Abhay V. Udeshi : Member

Mr. Hemant V. udeshi : Member

Dr. Subhash V. Udeshi : Member

\*Ceased to be Member and Chairman w.e.f. 15.04.2013 on death

\*\*Appointed as a Member and Chairman w.e.f. 30.05.2013.

Mr. Dinesh Kapadia, Company Secretary, is the Compliance officer of the Company



Details of complaints received in 2013-2014 from Shareholders:

- (1) Opening balance : NIL  
(2) Received during the year : NIL  
(3) Resolved during the year : NIL  
(4) Closing balance : NIL

## 6. DETAILS OF GENERAL BODY MEETINGS FOR THE LAST THREE YEARS:

(i) Location and time, where last General Meetings held :

Year	Location	Date / Time	Special Resolutions Passed
2010-2011 AGM	Banquet Hall, "B" Wing- 2 <sup>nd</sup> Floor, Garware Club House, Wankhede Stadium, "D" Road, Churchgate, Mumbai- 400 020	29.09.2011 9.30 A.M.	Revision in the Remuneration of Mr. Varun A. Udeshi, Executive Project & Business Development.
2011-2012 AGM	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2 <sup>nd</sup> Floor, 18/20, Kaikhashru Dubash Marg, Mumbai 400 001	26.09.2012 11.00 A.M.	Alteration of Articles of Association of the Company for insertion of provision to enable conducting of General Meeting, Board Meeting and/ or Committee Meeting of the Board by Video conference facility or any other permissible electronic mode of communication
2012-2013 AGM	M.C. Ghia Hall, Bhogilal Hargovindas Bldg., 2 <sup>nd</sup> Floor, 18/20, Kaikhashru Dubash Marg, Mumbai 400 001	13.09.2013 12.30 P.M.	Re-appointment of Mr. Varun A. Udeshi, to an Office or Place of Profit as "Vice President – Operations & Business Development" for a period of 3 years w.e.f. July 1, 2013.

(ii) No Special Resolution was passed last year through Postal ballot.

## 7. DISCLOSURES:

(A) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large.

Necessary disclosures are made in Note 35 (b) to the Accounts.

(B) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years : Nil.

(C) CEO /CFO Certification :

A certification from the CEO and CFO in terms of Clause 49 (v) of the Listing Agreement was placed before the Board at the Board Meeting held on May 17, 2014 to approve the Audited Annual Accounts for the year ended March 31, 2014.

## 8. MEANS OF COMMUNICATION:

Quarterly / Half Yearly results being put on the Company's Website, and also released in the News Papers, viz: Business Standard, all editions and Sakal (Marathi).

THE COMPANY'S WEBSITE: [www.jayantagro.com](http://www.jayantagro.com)



## 9. GENERAL SHAREHOLDER INFORMATION:

(1)	Annual General Meeting Date and Time Venue	22 <sup>nd</sup> Annual General Meeting On Saturday, the September 27, 2014 at 11.00 a.m.at M.C.Ghia Hall, Bhogilal Hargovindas Bldg., 4 <sup>th</sup> floor, 18/20, K.Dubash Marg, Mumbai 400 001	
(2)	Financial year (Tentative) Financial Year: From April 1, 2014 to March 31, 2015	Results for quarter ending June 30, September 30, and December 31, 2014	Will be in the last week of July 2014, October 2014, and January 2015 respectively
		Results for year ending March 31, 2015	Audited: Last week of May 2015
		Annual General Meeting for the year ended on March 31, 2015	Before September 2015
(3)	Book Closure date	20.09.2014 to 27.09.2014 (both days inclusive)	
(4)	Dividend payment date	on or after September 29, 2014	
(5)	Registered Office and address for correspondence.	701, Tower "A", Peninsula Business Park, Senapati Bapat Marg, Lower Parel (West) Mumbai – 400 013.	
(6)	Listing on Stock Exchanges Note: Listing fees and custody charges for the year 2014-2015 have been paid.	BSE Ltd. – Equity Code No.524330. National Stock Exchange of India Ltd., Mumbai. Equity Code JAYAGROGN EQ,	
(7)	Demat ISIN Number in NSDL and CDSL :	ISIN No. INE785A01026	

### (8) Share Transfer System:

All the share related work is being undertaken by our R&T Agent, Sharepro Services (India) Pvt. Ltd., Mumbai. A Stakeholders Relationship Committee of four Directors approves the share transfer, transmission, split and consolidation, among others, of shares. The share transfers are registered and returned within a period of 15 days from the date of receipt if relevant documents are completed in all respects. Shareholders' / Investors' Grievances are also taken up by our R&T Agent.

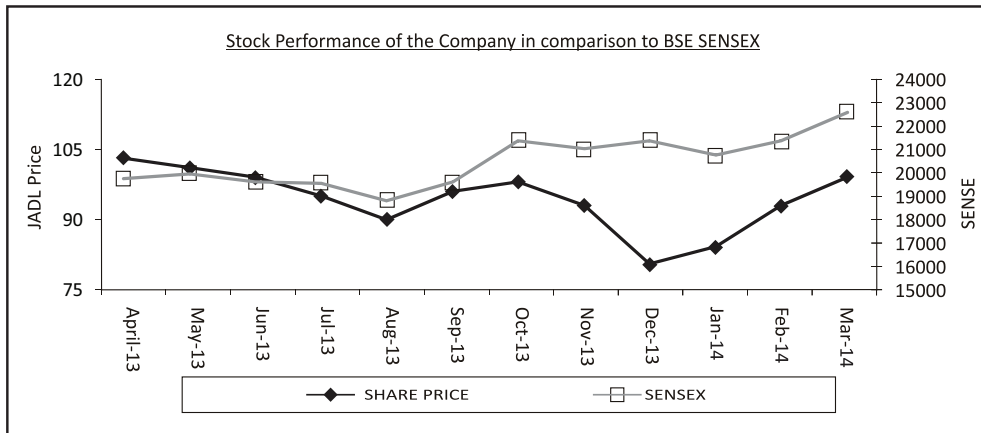
**Demat:** Trading in shares has been compulsory in dematerialised form by all Investors with effect from July 24, 2000. As on March 31, 2014, 92.92% of Equity of your Company has been dematerialised.

### (9) Stock Market Data from April 1, 2013 to March 31, 2014

Month	(BSE) (in ₹.)		(NSE) (in ₹.)		BSE SENSEX
	High	Low	High	Low	
Apr-13	101.90	88.35	101.50	86.50	19504.18
May-13	100.00	85.30	97.95	79.00	19760.30
June-13	97.90	83.00	94.95	82.35	19395.81
July-13	94.00	78.00	92.90	79.70	19345.70
Aug-13	89.00	70.00	84.95	70.50	18619.72



Month	(BSE) (in ₹.)		(NSE) (in ₹.)		BSE SENSEX
Sep-13	95.00	68.95	92.00	79.00	19379.77
Oct-13	97.00	76.30	84.65	76.00	21164.52
Nov-13	91.95	73.00	83.00	72.65	20791.93
Dec-13	79.40	68.55	77.90	68.20	21170.68
Jan-14	83.10	70.00	83.20	69.30	20513.85
Feb-14	91.90	73.00	92.00	71.75	21120.12
March-14	98.10	86.60	98.60	86.50	22386.27



**(10) Distribution of Shareholdings as on March 31, 2014.**

No. of Equity Shares held	No. of Share-Holders	% of Share-Holders	No. of Shares held	% Share-holding
1-1000	4773	88.34	1080039	7.20
1001-2000	281	5.20	434777	2.90
2001-4000	152	2.81	456802	3.04
4001-6000	45	0.83	231161	1.54
6001-8000	25	0.47	175145	1.17
8001-10000	22	0.41	202003	1.35
10001 and above	105	1.94	12420073	82.80
Total	5403	100.00	15000000	100.00

**(11) Share Transfer Agents : M/s Sharepro Services (I) Pvt. Ltd.**

13 – AB, Samhita Warehousing Complex,  
 2<sup>nd</sup>Floor, Off. Andheri – Kurla Road,  
 Saki Naka Telephone Exchange,  
 Sakinaka, Andheri (East), Mumbai 400 072.  
 Tel : 67720300/67720400 Fax : 28591568

**(12) Unclaimed Shares:**

As required under clause 5A of the listing agreement, the Company has already sent three reminders to the shareholders whose shares were lying unclaimed/undelivered with the Company. The Company has received a substantial number of requests to claim these share certificates which are released after a through due diligence. The Company has opened the “Unclaimed Suspense Account” with Edelweiss Broking Limited.

**(13) Categories of Shareholdings as on March 31, 2014**

Category	No. of Shares Held	% of Shares held
Promoters/Associates/ Directors	9752776	65.02
Private Corporate Bodies	670924	4.47
OCB	600000	4.00
N R I	29548	0.20
Mutual Funds/ Nationalized Banks	7600	0.05
Indian Public	3939152	26.26
Total	15000000	100.00

**(14) Details on use of public funds obtained in the last three years:** No funds have been raised from public in the last three years.

**(15) Outstanding GDRs / ADRs / Warrant etc.:** The Company did not issue any GDRs / ADRs / warrants during the year:

**(16) Plant location:** Plot Nos. 601,602,624-627 & 603 ISCPL Division  
Behind G.A.C.L. Plot No. 296-300,  
Post Petrochemicals Near GIPCL & Hettich,  
Dist. Vadodara 391 346. Dhanora, PO: Petrochemicals  
Gujarat. Dist Vadodara, Gujarat - 391 346

**(17) Address for Correspondence:** Regd. Office  
Jayant Agro-Organics Limited  
CIN L24100MH1992PLC066691  
701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai 400 013.  
Tel.: 022 40271300 Fax: 022 40271399  
Website: www.jayantagro.com  
Email: investors@jayantagro.com

**II NON-MANDATORY REQUIREMENTS:**

The following non-mandatory requirements recommended under Clause 49 of the Listing Agreement as on March 31, 2014 have been implemented.

**(1) Remuneration Committee:**

A Remuneration Committee, comprising three non-executive Directors, has been functioning for review and taking decision on remuneration of Executive Directors of the Company. The Chairman of the Committee is an independent Director of the Company.

**(2) Unaudited Financial Results of the Company as published in the newspapers are made available to the members on request.**

Place: Mumbai  
Date: July 5, 2014

On behalf of the Board  
**ABHAY V. UDESHI**  
Chairman





**Compliance Certificate**

The Members,  
Jayant Agro-Organics Ltd.,  
701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West),  
Mumbai 400 013.

We have examined the compliance of conditions of Corporate Governance by Jayant Agro-Organics Limited for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

For and on behalf of  
**T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
Registration No. 124444W  
**T. P. Ostwal**  
(Partner)  
M. NO.30848

Place : Mumbai  
Dated : July 5, 2014

---

**MANAGING DIRECTOR AND  
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

As required by sub-clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, we have certified to the Board that for the financial year ended March 31, 2014, the Company has complied with the requirement of the said sub-clause.

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai.  
Date: May 17, 2014



## INDEPENDENT AUDITORS' REPORT

To the Members of **JAYANT AGRO-ORGANICS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **JAYANT AGRO-ORGANICS LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No. 124444W)

**T. P. Ostwal**  
(Partner)

Membership No. 30848

Place : Mumbai

Dated : May 17, 2014



**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph (3) of our report of even date on the financial statements for the year ended March 31, 2014 of Jayant Agro-Organics Limited and on the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- 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 physically verified periodically. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposal of fixed assets during the year and going concern status of the Company is not affected.
- ii. (a) As explained to us, inventories have been physically verified during the year by the Company's management. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, we are of the opinion that, the Company is maintaining proper records of its inventory. The discrepancies noticed during physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- iii. (a) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under Section 301 of the Companies Act, 1956. Therefore the provisions of sub clauses (a), (b), (c) and (d) of the Paragraph 4(iii) of the Order are not applicable to the Company.
- (b) The Company has not taken any unsecured loans from companies, firms or other parties, covered in the register required to be maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clause (e), (f) and (g) of Paragraph 4 (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control systems
- v. (a) In our opinion and according to the information and explanations given to us, contracts or arrangements, the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been properly recorded.
- (b) Transactions made in pursuance of such contracts or arrangements have been made at reasonable prices having regard to prevailing market prices at relevant time.
- vi. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public. Accordingly the provisions of Paragraph 4(vi) of the Order are not applicable to the Company.
- vii. In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- viii. According to the information and explanations given to us, Central Government vide Companies Cost Records Rules, 2011 prescribed, maintenance of the cost records under Section 209(1) (d) of the Companies Act, 1956. The company has maintained the cost records and accounts as required by Companies Cost Records Rules, 2011.
- ix. In respect of statutory dues:
  - (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date on which it becomes payable.
  - (b) According to the information and explanation given to us and based on the records of the Company examined by us, the dues of value added tax, excise duty, central sales tax as at March 31, 2014 which have not been deposited on account of any dispute are tabulated below:



(₹ in Lacs)

Name of the statute	Nature of dues	Amount	Period to which it relates	Forum where pending
Customs Act, 1944	Customs	200.00	A.Y 2004-2005 A.Y 2005-2006	Commissioner of Customs
Income Tax Act, 1961	Income Tax	39.45 142.37 56.88	A.Y. 2009-2010 A.Y. 2010-2011 A.Y. 2011-2012	ITAT CIT (Appeal) CIT (Appeal)
Chapter V of Finance Act, 1994	Service Tax	95.53  27.59 27.07 8.93	Various years covering the periods from 2006-2013  Various Years covering the periods from 2006-2013  Various Years covering the periods from 2005-2013  Various Years covering the periods from 2011-2013	Commissioner of Central Excise  Commissioner (Appeal)  Assistant Commissioner/ Deputy Commissioner  CESTAT

- x. The Company neither has accumulated losses nor incurred cash losses during the financial year covered by our report and immediately preceding financial year. Accordingly provisions of paragraph 4(x) of the Order are not applicable.
- xi. According to the information and explanation given to us, and based on the verification of records of the Company, the Company has not defaulted in repayment of dues to financial institutions and banks.
- xii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debenture or any other securities. Accordingly the provision of Paragraph 4(xii) of the order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a Nidhi/ mutual benefit fund/society. Accordingly, the provision of Paragraph 4(xiii) of the said Order is not applicable to the Company.
- xiv. As per records of the Company as examined by us and the information and explanations given to us, Company is not dealing or trading in shares, securities and debentures and other investments. Accordingly the provision of Paragraph 4(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and the representations made by the management, the Company has given guarantee for loans taken from banks or financial institutions by its subsidiary as well as group companies details of which are provided in notes to accounts Note No. 31. In our opinion the terms and conditions of these guarantees are not prejudicial to the interest of the Company.
- xvi. In our opinion and according to the information and explanations given to us term loan taken by the Company has been applied for the purpose for which they were raised during the year under audit.
- xvii. In our opinion and according to the information and explanations given to us, and on an overall examination of the books of accounts of the Company, we report that no funds raised on a short-term basis, have been used for long-term investment and vice-versa.
- xviii. According to the information and explanation given to us, during the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- xix. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year covered by our report. Accordingly, the provisions of Paragraph 4(xix) of the Order are not applicable to the Company.
- xx. During the year, the Company has not raised any money by way of public issues of shares.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported, during the year under audit.

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No. 124444W)  
**T. P. Ostwal**  
(Partner)  
Membership No. 30848

Place : Mumbai  
Dated : May 17, 2014

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2014**

(Amount in ₹)			
Particulars	Note No.	2014	2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	2	75,000,000	75,000,000
Reserves and Surplus	3	1,746,843,768	1,356,560,691
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	257,535,177	339,027,415
Deferred Tax Liabilities (Net)	5	238,862,956	184,526,744
<b>Current Liabilities</b>			
Short Term Borrowings	6	1,814,256,917	1,821,829,397
Trade Payables		377,696,349	249,021,820
Other Current Liabilities	7	275,977,030	224,182,800
Short-Term Provisions	8	34,430,089	78,551,021
	<b>TOTAL</b>	<b>4,820,602,286</b>	<b>4,328,699,888</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
	9		
Tangible Assets		1,596,017,790	1,553,495,150
Intangible Assets		23,396,975	36,952,366
Capital Work-in-Progress		135,985,993	153,760,156
Non Current Investments	10	154,903,000	64,903,000
Long-Term Loans and Advances	11	92,819,656	78,016,232
Other Non-Current Assets	12	-	1,853,895
<b>Current Assets</b>			
Inventories	13	1,018,233,321	745,117,627
Trade Receivables	14	673,347,648	574,438,884
Cash and Bank Balances	15	90,832,345	80,577,059
Short-Term Loans and Advances	16	850,633,394	808,555,600
Other Current Assets	17	184,432,164	231,029,919
	<b>TOTAL</b>	<b>4,820,602,286</b>	<b>4,328,699,888</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 41		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)**T. P. Ostwal**  
(Partner)  
Membership No.30848**For and on behalf of the Board of Directors****Abhay V. Udeshi**  
Chairman**Hemant V. Udeshi**  
Managing Director**Dinesh M. Kapadia**  
Company Secretary**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai

Date: May 17, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note No.	2014	2013
<b>INCOME:</b>			
Revenue from Operations	18	6,528,140,643	12,237,971,437
Other Income	19	223,699,207	44,152,661
<b>Total Revenue</b>		<b>6,751,839,850</b>	<b>12,282,124,098</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	20	4,868,563,899	5,040,316,136
Purchases of Stock-in-Trade		78,734,220	5,024,317,383
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	21	(31,336,951)	128,090,133
Employee Benefits Expense	22	131,201,097	131,568,108
Finance Costs	23	217,219,660	272,051,868
Depreciation and Amortization Expense	9	97,479,146	91,003,928
Other Expenses	24	922,065,166	1,214,006,186
<b>Total Expenses</b>		<b>6,283,926,237</b>	<b>11,901,353,742</b>
<b>Profit Before Tax</b>		<b>467,913,613</b>	<b>380,770,356</b>
<b>Less: Tax Expense:</b>			
Current Tax		64,000,000	72,850,000
Deferred Tax		54,336,212	44,225,850
Mat Credit Entitlement of Earlier Years		(23,583,591)	(5,959,191)
Short / (Excess) Provision of earlier years		-	(7,668,583)
<b>Profit for the Year</b>		<b>373,160,992</b>	<b>277,322,280</b>
<b>Earnings per Equity Share of Face Value of ₹5/- each</b>			
Basic and Diluted EPS (in ₹)	39	24.88	18.49
Significant Accounting Policies Notes on Financial Statements	1 to 41		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**Chartered Accountants  
(Registration No:124444W)**T. P. Ostwal**  
(Partner)  
Membership No.30848**For and on behalf of the Board of Directors****Abhay V. Udeshi**  
Chairman**Hemant V. Udeshi**  
Managing Director**Dinesh M. Kapadia**  
Company Secretary**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai

Date: May 17, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014**

	(Amount in ₹)	
Particulars	2014	2013
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax	467,913,613	380,770,356
Adjustments for :-		
Depreciation & Amortisation Expense	97,479,146	91,003,928
Forward Contract Loss/(Gain)	(19,034,296)	(23,762,280)
Loss/(Profit) on Sale of Assets	217,483	141,615
Interest Received	(33,920,253)	(13,425,577)
Loss on Sale of Investment	-	727,149
Short/(Excess) Provision Written Back	26,660	-
Dividend Received	(183,902,500)	(29,812,500)
Wealth Tax Provision	45,000	15,000
Interest Paid	217,219,660	258,691,029
Operating Profit before Working Capital Changes	<b>546,044,513</b>	<b>664,348,719</b>
Adjusted for :-		
(Increase)/Decrease in Inventories	(273,115,694)	86,549,951
(Increase)/Decrease in Trade Recievables	(98,908,764)	505,490,668
(Increase)/Decrease in Long Term Loans & Advances	3,086,550	(2,934,880)
(Increase)/Decrease in Short Term Loans & Advances	(42,077,794)	(422,464,641)
(Increase)/Decrease in Other Current Assets	128,561,399	38,755,311
(Increase)/Decrease in Other Non Current Assets	1,853,895	(1,133,295)
Increase/(Decrease) in Trade Payables	128,674,529	(379,566,361)
Increase/(Decrease) in Short Term Provisions	1,853,703	4,490,311
Increase/(Decrease) in Other Long Term Liabilities	-	(146,193)
Increase/(Decrease) in Other Current Liabilities	51,794,229	(147,748,754)
	<b>(98,277,946)</b>	<b>(318,707,885)</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(109,588,383)	(337,199,900)
Sale of Fixed Assets	698,667	2,291,111
Net Investment in Joint Venture	(90,000,000)	-
Dividend Received	183,902,500	29,812,500
Sale of Investment	-	9,272,851
Interest Received	33,920,253	13,425,577
Net Cash from /(used in) Investing Activities	<b>18,933,037</b>	<b>(282,397,861)</b>
<b>C Cash Flow from Financing Activities</b>		
Borrowings	(89,064,718)	212,117,820
Taxes Paid	(78,868,280)	(50,913,491)
Wealth Tax Paid	(41,660)	(35,097)
Dividend Paid	(71,250,000)	(30,000,000)
Tax on Distributed Profits	-	(48,668)
Interest Paid	(217,219,660)	(258,691,029)
Net Cash from/(used in) Financing Activities	<b>(456,444,318)</b>	<b>(127,570,465)</b>
Net Increase/(Decrease) in Cash Equivalents	<b>10,255,286</b>	<b>(64,327,491)</b>
<b>Cash &amp; Cash equivalent</b>		
At the beginning of the year	80,577,059	144,904,550
At the end of the year	90,832,345	80,577,059

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**Chartered Accountants  
(Registration No:124444W)**T. P. Ostwal**  
(Partner)  
Membership No.30848**For and on behalf of the Board of Directors****Abhay V. Udeshi**  
Chairman**Hemant V. Udeshi**  
Managing Director**Dinesh M. Kapadia**  
Company Secretary**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai

Date: May 17, 2014



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 1: Significant Accounting Policies

#### A. Basis of Accounting

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Company.

#### B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

#### C. Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Cost comprises the purchase price and any attributable / allocated cost of bringing the asset to its working condition for its intended use. The cost also includes direct costs and other related incidental expenses. Pre-operative expenses including trial run expenses (net of revenue) are capitalized.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenue earned, if any, before capitalisation from such capital projects are adjusted against the capital work in progress.

Borrowing cost relating to acquisition/ construction/ development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relates to the period till such assets are ready to be put to use.

#### D. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of qualifying asset or for long - term project development are capitalised as part of their costs. Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the asset for their intended use are in progress. Other borrowing costs are recognized as an expense, in the period in which they are incurred.

#### E. Depreciation

##### i) Tangible Assets:

Depreciation on assets is provided from the date asset is put to use on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

Depreciation method, useful life and residual value are reviewed periodically.

Assets of ₹5,000/- or less are fully depreciated in the year of purchase.





## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

ii) Intangible Assets:

Intangible Asset is amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

Leasehold Land is amortized over the period of lease.

### F. Research and Development

Revenue expenditure on research and development is recognized as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

### G. Valuation of Inventories

- (a) Inventories are valued at lower of cost or net realizable value except for scrap and by-products which are valued at net realizable value.
- (b) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.
- (c) Cost of inventories of raw material and material cost of finished goods and work-in-process is determined on First In First Out (FIFO) basis except Chemicals, Packing Materials, stores and spare parts which are valued at weighted average cost.

### H. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are recognized when goods are supplied. Turnover includes sale of goods, services, scrap, export incentives and are net of sales tax/Value Added Tax and Excise Duty.

Dividend income is recognized when right to receive the payment is established by the Balance Sheet Date.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Exports are accounted on CIF basis.

### I. Accounting of Claims

- (a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax claims and duty drawback claims are accounted on accrual basis.

### J. Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities on the closing date denominated in foreign currencies are recognized in the Statement of Profit and Loss as per AS 11. In case such monetary items are covered by forward contracts, gain or loss on the same is accounted in the statement of profit and loss as per AS 11.

Hedge Reserve : In order to recognize the impact of fluctuation in foreign currency rates arising out of



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

instruments acquired to hedge highly probable forecast transactions, in appropriate accounting periods, the Company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India. Accordingly, the unrealized gain/(loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments, represented by simple forward covers, to hedge future exports, are carried as a Hedging Reserve and ultimately set off in the statement of Profit and Loss when the underlying transaction arises.

### K. Sundry Debtors

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

### L. Impairment of Assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

### M. Employee Benefits

#### Defined Contribution Plan

- (a) Annual contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the Accounts. The Company does not retain an obligation to pay further amounts if insurer does not pay all future employee benefits so the plan is not treated as defined benefit plan. Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of Profit and Loss.
- (b) Entitlements to annual leave and sick leave are recognized when they accrue to the employees. Sick leave can only be availed and annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for Leave Encashment is based on year end leave balance.

### N. Taxes on Income

#### Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the year after availing exemptions and deductions at the rates applicable under the Income Tax Act, 1961.

#### Deferred Taxation

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed as at each Balance Sheet date to reassess realization.

#### Minimum Alternative Tax (MAT)

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income Tax Act, 1961.

### O. Earnings Per Share (EPS)

A basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

### P. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### Q. Provisions and Contingent Liabilities

i) A provision is recognised when

The Company has a present obligation as a result of past event/(s);

It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

A reliable estimate can be made of the amount of the obligation.

ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

iii) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### R. Proposed Dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### S. Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### T. Current / Non-Current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

### U. Leases

#### i) Where the Company is the Lessee

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

#### ii) Where the Company is the Lessor

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

### V. Segment Reporting

#### Identification of Segments

The Company's Operating businesses are organised and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

#### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocable Items

Includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014****Note 2: Share Capital****(a) Authorised/Issued/Subscribed and Paid Up**

Particulars	2014		2013	
	Number	₹	Number	₹
<b>Authorised</b>				
Redeemable Preference Shares of ₹5/- each	6,000,000	30,000,000	6,000,000	30,000,000
Equity Shares of ₹5/- each	79,000,000	395,000,000	79,000,000	395,000,000
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹5/- each fully paid up	15,000,000	75,000,000	15,000,000	75,000,000
	<b>15,000,000</b>	<b>75,000,000</b>	<b>15,000,000</b>	<b>75,000,000</b>

**(b) Reconciliation of outstanding number of shares**

Shares outstanding at the beginning of the year	15,000,000	75,000,000	15,000,000	75,000,000
Shares outstanding at the end of the year	15,000,000	75,000,000	15,000,000	75,000,000

**(c) Details of shareholders holding more than 5 % shares**

Name of Shareholders	2014		2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayant Finvest Limited	7,584,390	50.56%	7,551,390	50.34%

**(d) Rights, preferences and restrictions attached to equity shares:** The company has one class of equity shares having a face value of ₹5/- each per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Equity Shares held by holding company :****Holding Company:**

7,584,390 (P.Y. 7,551,390) equity shares held by Jayant Finvest Limited.



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 3: Reserves and Surplus

(Amount in ₹)

Particulars	2014	2013
<b>Capital Reserves</b>		
Balance as at the beginning of the year	62,925,000	62,925,000
<b>Add:</b> During the year	-	-
Balance at the end of the year	(a) <u>62,925,000</u>	<u>62,925,000</u>
<b>Capital Redemption Reserve</b>		
Balance as at the beginning of the year	30,000,000	30,000,000
Add: During the year	-	-
Balance at the end of the year	(b) <u>30,000,000</u>	<u>30,000,000</u>
<b>Securities Premium Account</b>		
Balance as at the beginning of the year	228,588,000	228,588,000
Add: During the year	-	-
Balance at the end of the year	(c) <u>228,588,000</u>	<u>228,588,000</u>
<b>General Reserve</b>		
Balance as at the beginning of the year	266,351,508	236,351,508
Add: Transfer from Surplus in the Statement of Profit and Loss	40,000,000	30,000,000
Balance at the end of the year	(d) <u>306,351,508</u>	<u>266,351,508</u>
<b>Foreign Currency Fluctuation Reserve</b>		
Balance as at the beginning of the year	(4,671,231)	(18,760,599)
Add/(Less): During the year	62,929,347	14,089,368
Balance at the end of the year	(e) <u>58,258,116</u>	<u>(4,671,231)</u>
<b>Surplus</b>		
Balance as at the beginning of the year	773,367,414	559,795,134
<b>Add:</b> Net Profit/(Loss) For the current year	373,160,992	277,322,280
<b>Less:</b> Proposed Dividend	7,500,000	33,750,000
Interim Dividend	37,500,000	-
Dividend Distribution Tax	807,262	-
Transfer to General Reserve	40,000,000	30,000,000
Balance at the end of the year	(f) <u>1,060,721,144</u>	<u>773,367,414</u>
<b>Total (a+b+c+d+e+f)</b>	<u>1,746,843,768</u>	<u>1,356,560,691</u>



**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 4: Long Term Borrowings**

Particulars	(Amount in ₹)	
	2014	2013
<b>Secured</b>		
<b>Term Loans</b>		
From Banks #	256,251,399	337,659,393
From Banks (Secured against hypothecation of vehicles)	1,022,569	361,475
From Companies (Secured against hypothecation of vehicles)	261,209	1,006,547
	<b>257,535,177</b>	<b>339,027,415</b>

#(4.1) Loans are secured against hypothecation of equipments and mortgage of office premises acquired out of sanctioned loan amount and also secured by way of charge on pari passu basis on block of fixed asset (present and future) of the Company excluding the assets which are under first charge of term lenders. Also secured against mortgage of factory premises on pari passu basis in consortium.

#(4.2) Some of the term loans are personally guaranteed by promoter directors and some of the term loans are guaranteed by Chief Financial Officer ("CFO") of the Company along with one of the promoter directors well as individually by CFO.

#(4.3) Term loan maturity profile:

Financial Year	Amount in ₹
2015-16	140,105,334
2016-17	70,591,131
2017-18	41,148,992
2018-19	5,689,720

**Note 5: Deferred Tax Liability**

<b>Opening Deferred Tax Liability</b>	<b>184,526,744</b>	<b>140,300,894</b>
<b>Add: Deferred Tax Liability</b>		
Difference of net block claimed as per Income Tax Act over net block as per the books of accounts	55,392,956	45,550,815
	<b>(a) 239,919,700</b>	<b>185,851,709</b>
<b>Less: Deferred Tax Assets</b>		
Expenses allowable on actual payment basis	1,056,744	1,324,965
	<b>(b) 1,056,744</b>	<b>1,324,965</b>
<b>Deferred Tax Liability (Net)</b>	<b>Total (a-b) 238,862,956</b>	<b>184,526,744</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 6: Short Term Borrowings

(Amount in ₹)

Particulars	2014	2013
<b>Secured</b>		
From Banks *	1,814,256,917	1,724,109,141
<b>Unsecured</b>		
From Bank **	-	97,720,256
	<b>1,814,256,917</b>	<b>1,821,829,397</b>

\*Short term loans are secured in consortium by joint deed of hypothecation, *pari passu* basis on raw material, work in process, finished goods, spares and receivables and personal guarantee of the directors. Further, collaterally secured by equitable mortgage of all present and future immovable properties comprising inter alia machinery, equipment, plant and spares.

\*\*Unsecured loan from bank is against pledge of agri commodity of an enterprise controlled by directors and personal guarantee of Chief Financial Officer of the company.

### Note 7: Other Current Liabilities

Interest Accrued but not due on Borrowings	1,529,049	1,956,418
Current Maturities on Long-Term Debt	156,921,941	157,780,808
Advances from Customers	3,480,193	1,331,594
Creditors for Capital Goods	15,890,472	12,724,833
Others Payable	7,972	23,141
Statutory Dues	4,082,147	3,246,338
Bank Account Overdrawn	88,605,552	44,282,863
Security Deposit	801,333	701,333
Unclaimed Dividend	4,658,371	2,135,472
	<b>275,977,030</b>	<b>224,182,800</b>

### Note 8: Short Term Provisions

#### Provision for Employee Benefits:

Bonus	5,174,107	4,972,791
Leave Encashment	19,948,650	18,089,256
Contribution to Provident Fund	523,386	730,393

#### Other Provisions:

Proposed Dividend	7,500,000	33,750,000
Dividend Distribution Tax	807,262	-
Income Tax	431,684	20,993,581
Wealth Tax	45,000	15,000
	<b>34,430,089</b>	<b>78,551,021</b>





Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

Note 9: Fixed Asset

(Amount in ₹)

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2013	Additions during the year	Deductions during the year	As at 31.03.2014	As at 01.04.2013	For the year	Deductions during the year	As at 31.03.2014	As at 31.03.2013
<b>Tangible Assets</b>									
Freehold Land	52,590,552	-	-	52,590,552	-	-	-	52,590,552	52,590,552
Building	464,809,403	24,678,246	-	489,487,649	24,954,378	10,651,978	-	453,881,293	439,855,025
Plant and Machinery	1,293,241,642	69,088,599	-	1,362,330,241	270,191,228	68,047,275	-	1,024,091,738	1,023,050,414
Office Equipments	6,165,110	5,718,997	-	11,884,107	1,416,026	471,012	-	9,997,069	4,749,084
Computers	15,688,952	3,086,781	-	18,775,733	13,736,166	1,484,165	-	3,555,402	1,952,786
Furnitures and Fixtures	18,639,959	22,406,795	-	41,046,754	6,814,293	1,960,319	-	32,272,142	11,825,666
Vehicles	17,456,901	2,383,128	2,262,906	17,577,123	6,508,083	1,204,264	1,346,756	11,211,532	10,948,818
<b>Sub Total</b>	<b>1,868,592,519</b>	<b>127,362,546</b>	<b>2,262,906</b>	<b>1,993,692,159</b>	<b>323,620,174</b>	<b>83,819,013</b>	<b>1,346,756</b>	<b>1,587,599,728</b>	<b>1,544,972,345</b>
<b>Leased Assets</b>									
Leasehold Land	10,126,777	-	-	10,126,777	1,603,973	104,742	-	8,418,062	8,522,804
<b>Sub Total</b>	<b>10,126,777</b>	<b>-</b>	<b>-</b>	<b>10,126,777</b>	<b>1,603,973</b>	<b>104,742</b>	<b>-</b>	<b>8,418,062</b>	<b>8,522,804</b>
<b>Total</b>	<b>1,878,719,296</b>	<b>127,362,546</b>	<b>2,262,906</b>	<b>2,003,818,936</b>	<b>325,224,147</b>	<b>83,923,755</b>	<b>1,346,756</b>	<b>1,596,017,790</b>	<b>1,553,495,150</b>
Previous year figures	1,602,369,529	279,669,874	3,320,107	1,878,719,296	248,662,990	77,448,537	887,381	1,553,495,150	
<b>Intangible Assets</b>									
Technology	54,221,563	-	-	54,221,563	17,269,197	13,555,391	-	23,396,975	36,952,366
<b>Total</b>	<b>54,221,563</b>	<b>-</b>	<b>-</b>	<b>54,221,563</b>	<b>17,269,197</b>	<b>13,555,391</b>	<b>-</b>	<b>23,396,975</b>	<b>36,952,366</b>
Previous year figures	54,221,563	-	-	54,221,563	3,713,806	13,555,391	-	36,952,366	
<b>Capital Work in Progress</b>									
								<b>135,985,993</b>	<b>153,760,156</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 10: Non Current Investments

(Amount in ₹)

Particulars	Current year		Previous Year		2014	2013
	No. of shares	% of Holding	No. of shares	% of Holding		
<b>A) Trade Investments (Valued at cost)</b>						
<b>I) Equity Shares (unquoted fully paid up)</b>						
<b>In Subsidiary:</b>						
Ihsedu Agrochem Private Limited (Face Value of ₹10/-)	5,500,000	75.10	5,500,000	100	55,000,000	55,000,000
Ihsedu Coreagri Services Private Limited (Face Value of ₹10/-)	50,000	100	50,000	100	500,000	500,000
Ihsedu Itoh Green Chemicals Marketing Private Limited (Face Value of ₹10/-)	750,000	60	750,000	60	7,500,000	7,500,000
<b>In Joint Venture</b>						
Vithal Castor Polyols Private Limited (Face Value of ₹5/-)	18,000,000	50	-	-	90,000,000	-
<b>In Other Companies:</b>						
Enviro Infrastructure Company Limited (Face Value of ₹10/-)	75,000	-	75,000	-	750,000	750,000
Ahmedabad Commodity Exchange Limited (Face Value of ₹10/-)	121,600	-	121,600	-	1,153,000	1,153,000
					<b>154,903,000</b>	<b>64,903,000</b>

### Note 11: Long Term Loans and Advances

(Amount in ₹)

Particulars	2014	2013
<b>Unsecured, Considered Good</b>		
Capital Advances	2,205,241	4,885,239
Security Deposits	38,452,757	37,840,289
	(a) <b>40,657,998</b>	<b>42,725,528</b>
<b>Other Advances</b>		
Advance to Suppliers	1,333,802	-
Loan to Employees	2,307,764	4,660,587
MAT Credit Entitlement	48,520,091	30,630,117
	(b) <b>52,161,658</b>	<b>35,290,704</b>
<b>Total (a+b)</b>	<b>92,819,656</b>	<b>78,016,232</b>

### Note 12: Other Non Current Assets

(Amount in ₹)

Particulars	2014	2013
Margin Money with Bank	-	720,600
Bank Deposit with maturity more than 12 months	-	1,133,295
	-	<b>1,853,895</b>

**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014****Note 13: Inventories**

<b>Particulars</b>	<b>(Amount in ₹)</b>	
	<b>2014</b>	<b>2013</b>
Raw Materials, Chemicals and Packing Materials	479,389,697	233,708,735
Finished Goods	483,936,836	394,512,777
Traded Goods	-	63,954,885
Stores and Spares	14,125,293	18,027,512
Work in Process	40,781,495	34,913,718
(For mode and method of valuation refer point G of Note 1)		
	<b>1,018,233,321</b>	<b>745,117,627</b>
<b>Productwise Description of Finished and Traded Goods:</b>		
Castor Oil	278,914,697	237,292,340
Derivatives	145,087,224	166,597,368
By Product	59,934,915	54,577,954
	<b>483,936,836</b>	<b>458,467,662</b>
<b>Note 14: Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Over Six months	3,043,687	7,105,551
Others	670,303,961	567,333,333
	<b>673,347,648</b>	<b>574,438,884</b>
<b>Note 15: Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	717,775	605,862
Balance with Banks		
- in Current Accounts	78,953,065	74,779,206
- Unclaimed Dividend	4,658,371	2,135,472
<b>Other Bank Balance:</b>		
Margin Money with Bank	115,000	2,409,150
Fixed Deposit with Bank	6,388,134	647,369
	<b>90,832,345</b>	<b>80,577,059</b>
<b>Note 16: Short Term Loans and Advances</b>		
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Parties (refer Note No. 35)	274,008,406	350,989,458
<b>Others - Unsecured, Considered Good</b>		
VAT, Excise and Other Taxes Recoverable	575,022,781	456,167,215
Prepaid Expenses	613,075	76,746
Loan to Employees	989,132	1,322,181
	<b>850,633,394</b>	<b>808,555,600</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 17 : Other Current Assets

(Amount in ₹)

Particulars	2014	2013
Advance to Others	5,599,350	3,760,387
Advance to Suppliers	2,768,630	108,497,970
Mark to Market Gain on Forward Contracts	97,099,988	15,136,345
Export Incentive Receivable	78,964,196	103,635,217
	<b>184,432,164</b>	<b>231,029,919</b>

### Note 18: Revenue from Operations

#### Sale of Products

Finished Goods	6,587,467,618	12,291,505,128
Less: Excise Duty	49,380,548	31,791,819
	<b>6,538,087,070</b>	<b>12,259,713,309</b>

Power Generation Income	22,311,856	23,521,507
-------------------------	------------	------------

#### Other Operating Revenue

Foreign Exchange Gain/(Loss)	(32,258,283)	(45,263,379)
------------------------------	--------------	--------------

	<b>6,528,140,643</b>	<b>12,237,971,437</b>
--	----------------------	-----------------------

#### (18.1) Details of Product Sold

Castor Oil	224,688,180	6,035,502,459
Derivatives	5,862,409,015	5,486,722,658
By Product	248,711,495	573,782,182
Others	202,278,380	163,706,010
	<b>6,538,087,070</b>	<b>12,259,713,309</b>

#### (18.2) Details of Traded and Manufactured Goods

Traded Goods	162,115,523	5,045,091,194
Manufactured Goods	<b>6,375,971,547</b>	<b>7,214,622,115</b>

### Note 19: Other Income

Net Gain on Foreign Exchange Fluctuation	2,516,991	-
Dividend Income	183,902,500	29,812,500
Interest Income	33,920,253	13,425,577
Insurance Claim	415,264	-
Miscellaneous Receipts	-	9,400
Refund of Duties and Claims	2,944,199	905,184
	<b>223,699,207</b>	<b>44,152,661</b>



**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 20: Cost of Raw Materials Consumed**

<b>Particulars</b>	<b>(Amount in ₹)</b>	
	<b>2014</b>	<b>2013</b>
Raw Material	4,458,336,303	4,638,080,068
Chemicals	410,227,596	402,236,068
	<u>4,868,563,899</u>	<u>5,040,316,136</u>
<b>(20.1) Principal Raw Material</b>		
Castor Oil	170,815,775	174,245,635
Castor Seed	4,287,520,528	4,463,834,433
	<u>4,458,336,303</u>	<u>4,638,080,068</u>
<b>Note 21: Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade</b>		
<b>Increase/(Decrease) in Stock</b>		
<b>Opening Stock</b>		
Work in Process	34,913,718	31,856,468
Traded Goods	63,954,885	-
Finished Goods	394,512,777	589,615,045
	<u>493,381,380</u>	<u>621,471,513</u>
<b>Closing Stock</b>		
Work in Process	40,781,495	34,913,718
Traded Goods	-	63,954,885
Finished Goods	483,936,836	394,512,777
	<u>524,718,331</u>	<u>493,381,380</u>
<b>Increase/(Decrease) in Stock</b>	<u>31,336,951</u>	<u>(128,090,133)</u>
<b>(21.1) Major component of Finished and Traded Goods:</b>		
<b>Opening Stock</b>		
- Castor Oil	237,292,340	410,615,782
- Derivatives	166,597,368	113,689,048
- By Product	54,577,954	65,310,215
	<u>458,467,662</u>	<u>589,615,045</u>
<b>Closing Stock</b>		
- Castor Oil	278,914,697	237,292,340
- Derivatives	145,087,224	166,597,368
- By Product	59,934,915	54,577,954
	<u>483,936,836</u>	<u>458,467,662</u>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 22: Employee Benefits Expense

(Amount in ₹)

Particulars	2014	2013
Salaries and Incentives	113,705,920	115,374,290
Contributions to Provident Fund and Other Funds	11,167,024	10,399,904
Staff Welfare Expenses	6,328,153	5,793,914
	<b>131,201,097</b>	<b>131,568,108</b>
<b>Note 23: Finance Costs</b>		
<b>Interest Expense</b>		
Banks	215,096,050	257,584,085
Companies	104,356	1,106,944
<b>Other Borrowing Cost</b>		
Processing Fees	2,019,254	13,360,839
	<b>217,219,660</b>	<b>272,051,868</b>
<b>Note 24: Other Expenses</b>		
Consumption of Stores and Spares	43,192,068	37,528,165
Consumption of Packing Materials	68,051,588	77,605,049
Power and Fuel	142,269,569	182,363,145
Rent, Rates and Taxes	5,633,167	5,937,192
Job Work Charges	185,262,868	204,075,454
<b>Repairs &amp; Maintenance</b>		
- Building	3,502,983	3,270,419
- Machinery	25,531,472	25,729,756
- Others	9,916,588	5,886,018
Insurance	17,941,378	18,931,868
Freight, Coolie and Cartage	276,939,284	485,181,346
Storage Charges	19,038	20,097,244
Brokerage on Sales	13,953,383	17,197,052
Brokerage on Purchases	4,788,573	7,962,134
Research and Development Expenses	2,980,987	2,371,392
Loss on Foreign Exchange Fluctuation	-	7,730,248
Other Operating Expenses	118,323,778	105,246,576
Auditors' Remuneration (Refer Note 29)	3,758,442	6,893,128
	<b>922,065,166</b>	<b>1,214,006,186</b>



**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 25: Expenditure in Foreign Currency**

Particulars	(Amount in ₹)	
	2014	2013
Travelling Expenses	3,353,287	1,968,350
Professional Fees	2,866,572	3,340,113
Brokerage and Commission	5,061,734	7,821,834
Membership and Subscription	4,201,705	506,618
Others	148,569	161,534
	<b>15,631,867</b>	<b>13,798,449</b>

**Note 26: Value of Imports on C.I.F. Basis**

Chemicals	85,608,247	66,211,022
Packing Material	406,853	-
Purchases	-	119,353
Capital Goods	2,129,747	847,940
	<b>88,144,847</b>	<b>67,178,315</b>

**Note 27: Earning in Foreign Currency**

FOB Value of Export	4,752,247,593	9,909,781,089
	<b>4,752,247,593</b>	<b>9,909,781,089</b>

**Note 28: Break up of Consumption**

Particulars	2014		2013	
	%	Value ₹	%	Value ₹
<b>Raw Material and Chemicals</b>				
Indigenous	97.97	4,769,778,507	98.81	4,980,519,267
Import	2.03	98,785,392	1.19	59,796,869
	<b>100.00</b>	<b>4,868,563,899</b>	<b>100.00</b>	<b>5,040,316,136</b>
<b>Stores and Spares</b>				
Indigenous	100.00	43,192,068	100.00	37,528,165

**Note 29: Auditors' Remuneration**

Particulars	(Amount in ₹)	
	2014	2013
Statutory Audit Fees	1,853,940	1,685,400
Tax Audit Fees	561,800	561,800
Income Tax Matters	876,408	3,923,050
Certification	280,900	367,979
Other matters	185,394	354,899
	<b>3,758,442</b>	<b>6,893,128</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 30: Research and Development Expenditure

(Amount in ₹)

Particulars	2014	2013
Capital other than Building	1,009,803	81,142
Revenue	12,083,341	9,566,672
	<b>13,093,144</b>	<b>9,647,814</b>
<b>Note 31: Contingent Liabilities:</b>		
<b>Claims against company not acknowledged as debts -</b>		
Service Tax	159.12	150.20
Income Tax	238.70	181.82
Custom	200.00	200.00
Bank Guarantee Given to Peninsula Land Ltd.	72.06	72.06
Bank Guarantee Given to Gujarat State Agricultural Marketing Board (GSAMB)	30.00	30.00
Liability on account of co-borrowing	810.00	810.00
Guarantees Given on behalf of its Subsidiaries	22,780.00	12,320.00
<b>Guarantees Given to Banks on behalf of Enterprises Controlled by Directors -</b>		
for Discounting of Bills	2,000.00	2,000.00
for Collateral Management Arrangement Financing Facilities	4,500.00	4,500.00

#### Notes:

- Advances recoverable includes an amount of ₹1,877,566 (P.Y. ₹1,877,566) paid to the excise authorities under protest on account of disputed availment of Cenvat Credit of Service Tax.
- Unclaimed Dividend:  
The balance with banks in current accounts include ₹4,658,371 (P.Y. ₹2,135,472) set aside for payment of dividends.
- Out of demand raised by Commissioner of Customs, Airport, Mumbai of ₹2 crores shown as contingent liability ₹1,000,000 (P.Y. ₹1,000,000) paid by the Company and same has been shown as deposits Government and others.

#### Note 32: Capital Commitment

Estimated amount of contracts remaining to be executed on Capital accounts amounted to ₹5,000,000/- (P.Y. ₹40,000,000)

#### Note 33: Outstanding Forward Contracts

Forward Contracts of ₹1,483,743,365 (USD 24.90 Million) (PY ₹763,437,813 (USD 13.61 Million)) are outstanding as on March 31, 2014.

#### Note 34: Micro, Small and Medium Enterprises Dues:

The Company is in the process of identifying the Micro, Small and Medium Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006." However, based on the information so far available with the Company, the Company has no dues to micro and small enterprises during the year ended March 31, 2014.





## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 35: Related Party disclosures:

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

#### a) Related Parties and their relationship :

##### i. Holding Company :

Jayant Finvest Limited

##### ii. Subsidiary companies :

Ihsedu Agrochem Private Limited

Ihsedu Coreagri Services Private Limited

Ihsedu Itoh Green Chemicals Marketing Private Limited

##### iii. Joint Venture :

Vithal Castor Polyols Private Limited

##### iv. Enterprises Controlled by directors/relatives:

Enlite Chemical Industries Limited

Gokuldas K. Udeshi Investment

Innovative Micro Systems Private Limited

Varun Leasing & Finance Private Limited

Kalyan Impex Private Limited

Gokulmani Agricom Limited

Akhandanand Engineering & Trading Company.

##### v. Key Management Personnel:

Mr. Vithaldas G. Udeshi	- Chairman upto 14th April, 2013.
Mr. Abhay V. Udeshi	- Chairman from 13th May, 2013.
Mr. Hemant V. Udeshi	- Managing Director
Dr. Subhash V. Udeshi	- Executive Director
Mr. Vikram V. Udeshi	- Chief Financial Officer

##### vi. Relative of Key Management Personnel:

Mr. Varun A. Udeshi

Mrs. Trupti A. Udeshi



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 35: Related Party disclosures (continued...)

#### b) Details of Transactions with Related Parties referred to in items above :

(Amount in lacs ₹)

Particulars	Subsidiary company	Joint Venture	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Purchase of Raw Materials:</b>					
Enlite Chemical Industries Limited	- (-)	- (-)	1,316.33 (7,810.18)	- (-)	- (-)
Gokulmani Agricom Limited	- (-)	- (-)	- (2,072.44)	- (-)	- (-)
Ihsedu Agrochem Private Limited	771.96 (3,495.05)	- (-)	- (-)	- (-)	- (-)
<b>Purchase of Finished Goods:</b>					
Ihsedu Agrochem Private Limited	531.42 (41,013.94)	- (-)	- (-)	- (-)	- (-)
<b>Services Received</b>					
<b>- Job Work Charges:</b>					
Ihsedu Agrochem Private Limited	1,821.91 (2,037.57)	- (-)	- (-)	- (-)	- (-)
<b>- Storage Charges:</b>					
Gokulmani Agricom Limited	-	-	20.22	-	-
<b>-Marketing Fees:</b>					
Ihsedu Itoh Green Chemicals Marketing Private Limited	8.25 (5.97)	- (-)	- (-)	- (-)	- (-)
<b>Sale of Goods :</b>					
Ihsedu Agrochem Private Limited	1,522.49 (2,175.98)	- (-)	- (-)	- (-)	- (-)
<b>Relative of Key Management Personnel:</b>					
- Rent paid	- (-)	- (-)	- (-)	- (-)	4.20 (8.40)
- Remuneration	- (-)	- (-)	- (-)	- (-)	22.18 (20.92)
<b>Loan Given :</b>					
Ihsedu Agrochem Private Limited	2,452.68 (3,400.00)	- (-)	- (-)	- (-)	- (-)
<b>Dividend Received:</b>					
Ihsedu Agrochem Private Limited	1,837.90 (297.00)	- (-)	- (-)	- (-)	- (-)
<b>Interest Received:</b>					
Ihsedu Agrochem Private Limited	321.86 (10.99)	- (-)	- (-)	- (-)	- (-)
<b>Reimbursement of expenses (Received)</b>					
Ihsedu Agrochem Private Limited	183.46 (-)	(-) (-)	(-) (-)	(-) (-)	(-) (-)



Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

Note 35: Related Party disclosures (continued...)

(Amount in lacs ₹)

Particulars	Subsidiary company	Joint Venture	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Investment in Share Capital:</b>					
Vithal Castor Polyols Private Limited	- (-)	900 (-)	- (-)	- (-)	- (-)
<b>Remuneration to Managing Director:</b>	- (-)	- (-)	- (-)	26.66 (26.57)	- (-)
<b>Remuneration to Executive Director:</b>	- (-)	- (-)	- (-)	59.09 (58.92)	- (-)
<b>Balance Outstanding at the Year End:</b>					
<b>i) Loans and Advances</b>					
Ihsedu Agrochem Private Limited	2,446.37 (3,400.00)	- (-)	- (-)	- (-)	- (-)
Ihsedu Coreagri Services Private Limited	- (100.00)	- (-)	- (-)	- (-)	- (-)
<b>ii) Accrued Interest</b>					
Ihsedu Agrochem Private Limited	289.67 (9.89)	- (-)	- (-)	- (-)	- (-)
<b>v) Trade Receivable:</b>					
Ihsedu Agrochem Private Limited	184.44 (-)	- (-)	- (-)	- (-)	- (-)
<b>iv) Trade Payable:</b>					
Gokulmani Agricom Limited	- (-)	- (-)	18.42 (1,201.68)	- (-)	- (-)
<b>v) Advance to Supplier:</b>					
Enlite Chemical Industries Limited	- (-)	- (-)	- (977.20)	- (-)	- (-)
Ihsedu Agrochem Private Limited	- (66.56)	- (-)	- (-)	- (-)	- (-)
<b>vi) Deposits:</b>					
Akhandanand Engineering & Trading Company	- (-)	- (-)	161.00 (161.00)	- (-)	- (-)
<b>vii) Equity Contribution:</b>					
Ihsedu Agrochem Private Limited	550.00 (550.00)	- (-)	- (-)	- (-)	- (-)
Ihsedu Coreagri Services Private Limited	5.00 (5.00)	- (-)	- (-)	- (-)	- (-)
Ihsedu Itoh Green Chemicals Marketing Private Limited	75.00 (75.00)	- (-)	- (-)	- (-)	- (-)
Vithal Castor Polyols Private Limited	- (-)	900 (-)	- (-)	- (-)	- (-)

Notes:

1. The above information has been reckoned on the basis of information available with the Company.
2. Figures in the bracket are in respect of the Previous Year.



### Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

#### Note 36: Segment Information

The business segment has been considered as the primary segment. The Company is organized into three business segments namely Castor Oil, Derivatives and Power Generation. These business segments have been identified considering the customers, the differing Risks and Returns and the Internal Financial Reporting System. Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and the amounts allocated on a reasonable basis. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the significant accounting policies. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of the costs are categorized in relation to the associated turnover of the segment.

Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total income. Fixed assets used in the Company's business or liabilities contracted have been identified to the reportable segments.

Particulars	2014				2013					
	Castor Oil	Derivatives	Power Generation	Unallocable	Total	Castor Oil	Derivatives	Power Generation	Unallocable	Total
<b>REVENUE</b>										
Net Sales/Income from Operation										
Local	161.38	15,219.09	223.12	-	15,603.59	5,185.62	11,344.17	235.21	-	16,765.00
Export	2,254.44	47,423.38	-	-	49,677.82	59,529.27	46,085.44	-	-	105,614.71
<b>Total Revenue</b>	<b>2,415.82</b>	<b>62,642.47</b>	<b>223.12</b>	<b>-</b>	<b>65,281.41</b>	<b>64,714.89</b>	<b>57,429.61</b>	<b>235.21</b>	<b>-</b>	<b>122,379.71</b>
<b>RESULT</b>										
Segment Result	203.94	5,240.27	204.13	1,839.02	7,487.36	826.91	5,991.41	187.70	298.13	7,304.15
Unallocated Corporate Expenses					-					-
Operating Profit					7,487.36					7,304.15
Finance Cost					2,172.20					2,720.52
Interest Income					339.20					134.26
Income Tax					404.15					592.22
Wealth Tax					0.45					0.15
Deferred Tax					543.36					443.13
Net Profit after tax and before depreciation					4,706.40					3,682.39

(Amount in lacs ₹)



Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

Note 36: Segment Information (continued...)

Particulars	(Amount in lacs ₹)									
	2014			2013						
	Castor Oil	Derivatives	Power Generation	Unallocable	Total	Castor Oil	Derivatives	Power Generation	Unallocable	Total
<b>OTHER INFORMATION</b>										
Segment Assets	2,069.99	36,090.89	804.64	9,240.51	48,206.03	8,583.09	28,614.66	879.38	5,212.67	43,289.80
<b>Total Assets</b>	<b>2,069.99</b>	<b>36,090.89</b>	<b>804.64</b>	<b>9,240.51</b>	<b>48,206.03</b>	<b>8,583.09</b>	<b>28,614.66</b>	<b>879.38</b>	<b>5,212.67</b>	<b>43,289.80</b>
Segment Liabilities	2.15	25,613.26	86.31	4,285.87	29,987.59	3,573.99	20,400.00	147.91	4,852.29	28,974.19
<b>Total Liabilities</b>	<b>2.15</b>	<b>25,613.26</b>	<b>86.31</b>	<b>4,285.87</b>	<b>29,987.59</b>	<b>3,573.99</b>	<b>20,400.00</b>	<b>147.91</b>	<b>4,852.29</b>	<b>28,974.19</b>
Capital Expenditure	-	795.31	-	478.31	1,273.62	-	192.03	-	2,604.67	2,796.70
<b>Total Capital Expenditure</b>	<b>-</b>	<b>795.31</b>	<b>-</b>	<b>478.31</b>	<b>1,273.62</b>	<b>-</b>	<b>192.03</b>	<b>-</b>	<b>2,604.67</b>	<b>2,796.70</b>
Depreciation	-	825.03	55.58	94.18	974.79	-	805.77	55.58	48.69	910.04
<b>Total Depreciation</b>	<b>-</b>	<b>825.03</b>	<b>55.58</b>	<b>94.18</b>	<b>974.79</b>	<b>-</b>	<b>805.77</b>	<b>55.58</b>	<b>48.69</b>	<b>910.04</b>



## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 37 : Details related to Joint Venture

The Company has the following joint ventures as on 31<sup>st</sup> March 2014 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint venture is given below:

Name of the Joint Venture	Country of Incorporation	Percentage of Holding	(Amount in ₹)
			As at 31 <sup>st</sup> March, 2014
Vithal Castor Polyols Private Limited	India	50%	
<u>Share of Company in Joint Venture</u>			
Assets			93,311,951
Liabilities			3,354,086
Contingent Liabilities			-
Capital Commitments			-

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.

### Note 38: Remittance in Foreign Currency of Dividend on Equity Shares (Including Interim Dividend)

Particulars	2014	2014	2013
	Interim	Final Dividend of FY 12-13	
Number of Non - Resident Shareholders	59	55	58
Number of Other Body Corporate	-	1	1
Number of Ordinary Shares held by Non Resident Shareholders	29,548	26,633	27,168
Number of Ordinary Shares held by Other Non Resident Body Corporate	-	600,000	600,000
Gross Amount of Dividend (in ₹)	73,870	1,409,924*	1,254,336*

\*Amount credited to Rupee account in India out of which ₹1,350,000 (P.Y. ₹1,200,000) amount of equity dividend has been credited to other than Rupee account in India

In case of Interim Dividend whole amount is credited to Rupee account in India

### Note 39 : Earning Per Share

Particulars	2014	2013
<b>Weighted Average Number of Shares for Earning Per Share computation</b>		
For Basic Earnings Per Share of ₹5/- each	15,000,000	15,000,000
For Diluted Earnings Per Share of ₹5/- each	15,000,000	15,000,000
Net Profit Available for Equity Shareholders	373,160,992	277,322,280
<b>Earning Per Share (Weighted Average)</b>		
Basic Earnings Per Share ₹	24.88	18.49
Diluted Earnings Per Share ₹	24.88	18.49



**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 40:**

Deputy Commissioner of commercial tax, Vadodara (“Department”) has completed the re-assessment at the year end under Gujarat Value Added Tax Act, 2003 for the F.Y. 2009-10, based on the order of Gujarat Value Added Tax Tribunal (“Tribunal”) dated 13.08.2012. Accordingly a refund of ₹99,875,275/- has been determined and receivable by the company which includes interest on the refund of ₹19,952,968/-. However Department has filed an appeal against the said order of Tribunal in Gujarat High Court. Further the Company during the re-assessment proceedings also has given an undertaking to the Department that in case Gujarat High Court reverses the decision of the Tribunal, it will be liable to pay the relevant tax including interest and penalty and hence pending the disposal of appeal by High Court, no effect of the said order passed resulting in refund has been given in accounts for the year under review.

**Note 41: Previous Year Figures**

Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

---

**For and on Behalf of Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Hemant V. Udeshi**  
Managing Director

**Dinesh M. Kapadia**  
Company Secretary

**Vikram V. Udeshi**  
Chief Financial Officer

Place : Mumbai  
Date : May 17, 2014



## INDEPENDENT AUDITORS' REPORT

To the Members of **Jayant Agro-Organics Limited**

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **JAYANT AGRO-ORGANICS LIMITED**, which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on the financial statements of the subsidiary as noted below, the 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:

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

### Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (net) of ₹2,926,587 as at March 31, 2014, total revenue (net) of ₹(42,505) and net cash flow amounting to ₹2,631,913 for the year in which the share of loss of the Group is ₹294,666. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of other matters.

For **T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No. 124444W)

**T. P. Ostwal**  
(Partner)

Membership No. 30848

Place: Mumbai.  
Date : May 17, 2014



CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note No.	2014	2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	75,000,000	75,000,000
Reserves and Surplus	3	2,126,612,652	1,661,479,807
Minority Interest		148,616,698	5,171,926
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	350,606,842	484,008,179
Deferred Tax Liabilities (Net)	5	334,589,872	271,133,683
Other Long-Term Liabilities	6	306,152	306,152
<b>Current Liabilities</b>			
Short Term Borrowings	7	3,224,211,380	2,367,619,894
Trade Payables		625,606,020	346,327,647
Other Current Liabilities	8	621,504,752	471,502,564
Short-Term Provisions	9	56,817,784	128,427,902
	<b>TOTAL</b>	<b>7,563,872,152</b>	<b>5,810,977,754</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
	10		
Tangible Assets		2,188,509,522	2,175,618,973
Intangible Assets		23,396,975	36,952,366
Capital Work-in-Progress		148,611,172	155,000,872
Non Current Investments	11	91,914,000	1,914,000
Long-Term Loans and Advances	12	125,925,731	109,124,866
Other Non-Current Assets	13	150,500	2,004,395
<b>Current Assets</b>			
Inventories	14	2,222,686,807	1,251,546,513
Trade Receivables	15	1,516,699,832	1,199,956,689
Cash and Bank Balances	16	125,233,111	92,132,774
Short-Term Loans and Advances	17	783,298,557	514,965,480
Other Current Assets	18	337,445,945	271,760,826
	<b>TOTAL</b>	<b>7,563,872,152</b>	<b>5,810,977,754</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 43		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No. 30848

**For and on behalf of the Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Dinesh M. Kapadia**  
Company Secretary

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai  
Date : May 17, 2014



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note No.	2014	2013
<b>INCOME:</b>			
Revenue from Operations	19	15,378,052,604	16,210,023,812
Other Income	20	233,498,010	49,797,680
<b>Total Revenue</b>		<b>15,611,550,614</b>	<b>16,259,821,492</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	21	11,342,318,480	11,070,829,816
Purchases of Stock-in-Trade		1,950,971,781	2,766,461,172
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	22	(373,538,402)	(148,022,015)
Employee Benefits Expense	23	198,337,682	172,241,834
Finance Costs	24	345,626,004	358,225,089
Depreciation and Amortization Expense	10	136,743,570	128,832,869
Other Expenses	25	1,487,827,763	1,408,491,014
<b>Total Expenses</b>		<b>15,088,286,878</b>	<b>15,757,059,778</b>
<b>Profit Before Tax</b>		<b>523,263,736</b>	<b>502,761,715</b>
<b>Less: Tax Expense:</b>			
Current Tax		81,178,000	100,825,500
Deferred Tax		63,456,189	55,071,022
Add: Mat Credit Entitlement of Earlier Years		27,162,438	7,893,493
Short / (Excess) Provision of earlier years		(66,714)	(7,659,560)
<b>Profit After Tax</b>		<b>405,858,699</b>	<b>362,418,246</b>
<b>Earnings per Equity Share of Face Value of ₹5/- each</b>			
Basic and Diluted EPS (in ₹)	39	27.06	24.16
Significant Accounting Policies Notes on Financial Statements	1 to 43		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No. 30848

For and on behalf of the Board of Directors

**Abhay V. Udeshi**  
Chairman

**Hemant V. Udeshi**  
Managing Director

**Dinesh M. Kapadia**  
Company Secretary

**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai  
Date : May 17, 2014



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014**  
(Amount in ₹)

Particulars	2014	2013
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax	523,263,736	502,761,715
Adjustments for :-		
Depreciation & Amortisation Expense	136,743,570	128,832,869
Forward Contract Loss/(Gain)	(68,439,611)	(29,160,250)
Loss/(Profit) on Assets Discarded	8,150,905	-
Loss/(Profit) on Sale of Assets	(3,007,492)	13,223,063
Interest Received	(2,817,580)	(13,832,538)
Loss on Sale of Investment	-	727,149
Excess Provision Written Back	35,510	(13,450)
Dividend Received	(183,902,500)	(29,812,500)
Wealth Tax Provision	115,000	65,000
Interest Paid	345,626,004	340,129,878
Operating Profit before Working Capital Changes	755,767,542	912,920,935
Adjusted for :-		
(Increase)/Decrease in Inventories	(971,140,294)	(119,582,996)
(Increase)/Decrease in Trade Receivables	(316,743,143)	(40,024,404)
(Increase)/Decrease in Long Term Loans & Advances	2,676,556	(2,996,338)
(Increase)/Decrease in Short Term Loans & Advances	(268,333,077)	(90,873,883)
(Increase)/Decrease in Other Current Assets	127,099,511	13,740,132
(Increase)/Decrease in Other Non Current Assets	1,853,895	(1,133,295)
Increase/(Decrease) in Trade Payables	279,278,373	(273,571,390)
Increase/(Decrease) in Short Term Provisions	5,495,448	6,655,557
Increase/(Decrease) in Other Long Term Liabilities	-	(146,193)
Increase/(Decrease) in Other Current Liabilities	156,600,721	(103,605,516)
	(983,212,009)	(611,538,326)
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(141,598,033)	(376,369,210)
Sale of Fixed Assets	6,765,590	3,225,588
Payment for purchase of shares	(90,000,000)	-
Dividend Received	183,902,500	29,812,500
Sale of Investment	-	9,272,851
Interest Received	2,817,580	13,832,538
Net Cash from/(used in) Investing Activities	(38,112,363)	(320,225,733)
<b>C Cash Flow from Financing Activities</b>		
Share Capital	18,235,700	-
Securities Premium	279,170,331	-
Borrowings	723,190,149	446,191,956
Taxes Paid	(89,937,389)	(86,486,246)
Wealth Tax Paid	(100,510)	(61,747)
Dividend Paid	(255,040,000)	(59,700,000)
Tax on Distributed Profits	(31,235,110)	(4,866,750)
Interest Paid	(345,626,004)	(340,129,878)
Net Cash from/(used in) Financing Activities	298,657,167	(45,052,665)
Net Increase/(Decrease) in Cash Equivalents	33,100,337	(63,895,789)
<b>Cash &amp; Cash equivalent</b>		
At the beginning of the year	92,132,774	156,028,563
At the end of the year	125,233,111	92,132,774

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No.30848

**For and on behalf of the Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Dinesh M. Kapadia**  
Company Secretary

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer

Place: Mumbai  
Date : May 17, 2014



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 1: Significant Accounting Policies

#### A. Basis of Accounting

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Company.

#### B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

#### C. Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Cost comprises the purchase price and any attributable / allocated cost of bringing the asset to its working condition for its intended use. The cost also includes direct costs and other related incidental expenses. Pre-operative expenses including trial run expenses (net of revenue) are capitalized.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenue earned, if any, before capitalisation from such capital projects are adjusted against the capital work in progress.

Borrowing cost relating to acquisition/ construction/ development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### D. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of qualifying asset or for long - term project development are capitalised as part of their costs. Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the asset for their intended use are in progress. Other borrowing costs are recognized as an expense, in the period in which they are incurred.

#### E. Depreciation

##### i) Tangible Assets:

Depreciation on assets is provided from the date asset is put to use on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

Depreciation method, useful life and residual value are reviewed periodically.

Assets of ₹5,000/- or less are fully depreciated in the year of purchase.



ii) Intangible Assets:

Intangible Asset is amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

Leasehold Land is amortized over the period of lease.

**F. Research and Development**

Revenue expenditure on research and development is recognized as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**G. Valuation of Inventories**

- (a) Inventories are valued at lower of cost or net realizable value except for scrap and by-products which are valued at net realizable value.
- (b) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.
- (c) Cost of inventories of raw material and material cost of finished goods and work-in-process is determined on First In First Out (FIFO) basis except Chemicals, Packing Materials, stores and spare parts which are valued at weighted average cost.

**H. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are recognized when goods are supplied. Turnover includes sale of goods, services, scrap, export incentives and are net of sales tax/Value Added Tax and Excise Duty.

Dividend income is recognized when right to receive the payment is established by the Balance Sheet Date.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Exports are accounted on CIF basis.

**I. Accounting of Claims**

- (a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax claims and duty drawback claims are accounted on accrual basis.

**J. Foreign Currency Transactions**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities on the closing date denominated in foreign currencies are recognized in the Statement of Profit and Loss as per AS 11. In case such monetary items are covered by forward contracts, gain or loss on the same is accounted in the statement of profit and loss as per AS 11.

Hedge Reserve : In order to recognize the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transactions, in appropriate accounting periods, the Company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India.



Accordingly, the unrealized gain/(loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments, represented by simple forward covers, to hedge future exports, are carried as a Hedging Reserve and ultimately set off in the statement of Profit and Loss account when the underlying transaction arises.

#### **K. Sundry Debtors**

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

#### **L. Impairment of Assets**

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

#### **M. Employee Benefits**

Defined Contribution Plan

- (a) Annual contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the Accounts. The Company does not retain an obligation to pay further amounts if insurer does not pay all future employee benefits so the plan is not treated as defined benefit plan. Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of profit and loss.
- (b) Entitlements to annual leave and sick leave are recognized when they accrue to the employees. Sick leave can only be availed and annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for Leave Encashment is based on year end leave balance.

#### **N. Taxes on Income**

##### **Current Tax**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year after availing exemptions and deductions at the rates applicable under the Income Tax Act, 1961.

##### **Deferred Taxation**

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed as at each Balance Sheet date to reassess realization.

##### **Minimum Alternative Tax (MAT)**

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income Tax Act, 1961.



**O. Earnings Per Share (EPS)**

A basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

**P. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**Q. Provisions and Contingent Liabilities**

i) A provision is recognised when

The Company has a present obligation as a result of past event/(s);

It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

A reliable estimate can be made of the amount of the obligation.

ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

iii) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**R. Proposed Dividend**

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

**S. Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**T. Current / Non-Current Classification**

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities



## U. Leases

### i) Where the Company is the Lessee

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

### ii) Where the Company is the Lessor

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

## V. Segment Reporting

### Identification of Segments

The Company's Operating businesses are organised and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### Unallocable Items

Includes general corporate income and expense items which are not allocated to any business segment.

### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014****Note 2: Share Capital****(a) Authorised/Issued/Subscribed & Paid Up**

Particulars	2014		2013	
	Number	₹	Number	₹
<b>Authorised</b>				
Redeemable Preference Shares of ₹5/- each	6,000,000	30,000,000	6,000,000	30,000,000
Equity Shares of ₹5/- each	79,000,000	395,000,000	79,000,000	395,000,000
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹5/- each fully paid up	15,000,000	75,000,000	15,000,000	75,000,000
	15,000,000	75,000,000	15,000,000	75,000,000
<b>(b) Reconciliation of outstanding number of shares</b>				
Shares outstanding at the beginning of the year	15,000,000	75,000,000	15,000,000	75,000,000
Shares outstanding at the end of the year	15,000,000	75,000,000	15,000,000	75,000,000

**(c) Details of shareholders holding more than 5 % shares**

Name of Shareholders	2014		2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayant Finvest Limited	7,584,390	50.56%	7,551,390	50.34%

**(d) Rights, preferences and restrictions attached to equity shares:** The company has one class of equity shares having a face value of ₹5/- each per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Equity Shares held by holding company:****Holding Company:**

7,584,390 (P.Y. 7,551,390) equity shares held by Jayant Finvest Limited.



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 3: Reserves and Surplus

(Amount in ₹)

Particulars	2014	2013
<b>Capital Reserves</b>		
Balance at the beginning of the year	62,925,000	62,925,000
<b>Add:</b> During the year	-	-
Balance at the end of the year	(a) 62,925,000	62,925,000
<b>Capital Redemption Reserve</b>		
Balance at the beginning of the year	30,000,000	30,000,000
Changes during the year	-	-
Balance at the end of the year	(b) 30,000,000	30,000,000
<b>Securities Premium Account</b>		
Balance at the beginning of the year	228,588,000	228,588,000
Add: During the year	279,170,331	-
Balance at the end of the year	(c) 507,758,331	228,588,000
<b>General Reserve</b>		
Balance at the beginning of the year	284,457,091	245,857,091
Add : Transfer from Surplus in Statement of Profit and Loss	43,500,000	38,600,000
Balance at the end of the year	(d) 327,957,091	284,457,091
<b>Foreign Currency Fluctuation Reserve</b>		
Balance at the beginning of the year	(16,432,280)	(18,493,679)
Add/(Less) During the year	130,943,552	2,061,399
Balance at the end of the year	(e) 114,511,272	(16,432,280)
<b>Surplus</b>		
Balance at the beginning of the year	1,071,941,996	840,068,978
<b>Add:</b> Net Profit/(Loss) For the current year	405,858,699	362,418,246
<b>Less:</b> Proposed Dividend	11,161,785	67,500,000
Interim Dividend	187,540,000	15,950,000
Dividend Distribution Tax	26,928,880	8,323,302
Transfer to General Reserve	43,500,000	38,600,000
Minority Interest	125,209,072	171,926
Balance at the end of the year	(f) 1,083,460,958	1,071,941,996
<b>Total (a+b+c+d+e+f)</b>	<b>2,126,612,652</b>	<b>1,661,479,807</b>



**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 4: Long Term Borrowings**

Particulars	(Amount in ₹)	
	2014	2013
<b>Term Loans (Secured)</b>		
From Banks#	349,323,064	482,640,157
From Bank (Secured against hypothecation of vehicle)	1,022,569	361,475
From Companies (Secured against hypothecation of vehicles)	261,209	1,006,547
	<u>350,606,842</u>	<u>484,008,179</u>

#(4.1) Loans are secured against hypothecation of equipments and mortgage of office premises acquired out of sanctioned loan amount and also secured by way of charge on pari passu basis on block of asset (present and future) of the Company excluding the assets which are under first charge of term lenders. Also secured against mortgage of factory premises on pari passu basis in consortium.

#(4.2) Loan is also secured against Equitable mortgage of land and building, factory premises, warehouse of the Company. Hypothecation of Fixed Assets (Present and Future), Capital Work-in-Progress (Present and Future) and Advance against capital expenses and all current assets of the Company. Corporate Guarantee has been provided by the Holding Company and Personal Guarantee given by 4 directors.

#(4.3) All the term loans are personally guaranteed by promoter directors, some of the term loans by Chief Financial Officer (“CFO”) of the Company along with promoter director as well as individually by CFO.

#(4.4) Term loan maturity profile from:

Financial Year	Amount in ₹
2015-16	188,174,189
2016-17	100,591,131
2017-18	56,151,802
2018-19	5,689,720

**Note 5: Deferred Tax Liability**

Particulars	2014	2013
<b>Opening Deferred Tax Liability</b>	271,133,683	216,062,661
<b>Add: Deferred Tax Liability</b>		
Difference of net block claimed as per Income Tax Act over net block as per the books of accounts	65,911,249	57,098,501
	(a) <u>337,044,932</u>	<u>273,161,162</u>
<b>Less: Deferred Tax Assets</b>		
Expenses allowable on actual payment basis	2,455,060	2,027,479
	(b) <u>2,455,060</u>	<u>2,027,479</u>
<b>Deferred Tax Liability (Net)</b>	<b>Total (a-b) <u>334,589,872</u></b>	<u>271,133,683</u>

**Note 6: Other Long Term Liabilities**

Trade Payables	306,152	306,152
	<u>306,152</u>	<u>306,152</u>



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 7: Short Term Borrowings

(Amount in ₹)

Particulars	2014	2013
<b>Secured</b>		
From Banks *	3,224,211,380	2,269,899,638
<b>Unsecured</b>		
From Bank **	-	97,720,256
	<b>3,224,211,380</b>	<b>2,367,619,894</b>

\*7.1) Short term loans are secured in consortium by joint deed of hypothecation, pari passu basis on raw material, work in process, finished goods, spares and receivables and personal guarantee of the directors. Further, collaterally secured by equitable mortgage of all present and future immovable properties comprising inter alia machinery, equipment, plant and spares.

\*7.2) Working capital loan from banks is secured by pari passu charge on current assets, hypothecation of stock and second charge by way of mortgage on land and buildings. Corporate guarantee given by Holding Company and personal guarantee by 4 directors of the Company.

\*\*7.3) Unsecured loan from bank is against pledge of agri commodity of an enterprise controlled by directors and personal guarantee of Chief Financial Officer of the company.

### Note 8: Other Current Liabilities

Interest Accrued but not due on Borrowings	3,513,048	4,668,117
Current Maturities on Long-Term Debt	231,225,346	219,300,808
Advances from Customers	3,943,554	2,055,875
Creditors for Capital Goods	18,419,952	18,453,172
Mark to Market Loss on Forward Contracts	-	6,598,533
Others Payable	7,972	176,305
Statutory Dues	9,785,985	5,684,258
Bank Account Overdrawn	349,149,191	211,728,691
Security Deposit	801,333	701,333
Unclaim Dividend	4,658,371	2,135,472
	<b>621,504,752</b>	<b>471,502,564</b>

### Note 9: Short Term Provisions

#### Provision for Employee Benefits:

Bonus	7,721,763	6,686,949
Leave Encashment	30,812,666	26,762,612
Contribution to Provident Fund	523,386	730,393
Gratuity	617,587	-
<b>Other Provisions:</b>		
Proposed Dividend	11,161,785	67,500,000
Dividend Distribution Tax	1,429,582	5,735,813
Income Tax	4,436,015	20,947,135
Wealth Tax	115,000	65,000
	<b>56,817,784</b>	<b>128,427,902</b>



**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

Note 10: Fixed Asset

(Amount in ₹)

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2013	Additions during the year	Deductions during the year	As at 31.03.2014	As at 01.04.2013	For the year	Deductions during the year	As at 31.03.2014	As at 31.03.2013
<b>Tangible Assets</b>									
Freehold Land	81,549,357	596,800	2,584,870	79,561,287	-	-	-	79,561,287	81,549,357
Building	544,370,513	24,678,246	-	569,048,759	36,541,874	12,795,282	-	519,711,603	507,828,639
Plant and Machinery	1,955,215,571	86,516,203	9,173,413	2,032,558,361	423,983,718	102,766,793	1,022,507	1,506,830,357	1,531,231,853
Office Equipments	9,673,190	6,534,321	-	16,207,511	2,196,038	668,563	-	13,342,910	7,477,152
Computers	17,072,551	3,224,154	-	20,296,705	14,838,107	1,714,115	-	3,744,483	2,234,444
Furnitures and Fixtures	23,631,815	22,629,855	-	46,261,670	8,660,634	2,284,070	-	35,316,966	14,971,181
Vehicles	32,711,734	3,808,154	2,832,493	33,687,395	11,108,962	2,653,844	1,659,265	21,583,854	21,602,772
<b>Sub Total</b>	<b>2,664,224,731</b>	<b>147,987,733</b>	<b>14,590,776</b>	<b>2,797,621,688</b>	<b>497,329,333</b>	<b>122,882,667</b>	<b>2,681,772</b>	<b>2,180,091,460</b>	<b>2,166,895,399</b>
<b>Leased Assets</b>									
Leasehold Land	10,126,777	-	-	10,126,777	1,603,973	104,742	-	8,418,062	8,522,804
Leasehold Building	1,603,170	-	-	1,603,170	1,402,400	200,770	-	-	200,770
<b>Sub Total</b>	<b>11,729,947</b>	<b>-</b>	<b>-</b>	<b>11,729,947</b>	<b>3,006,373</b>	<b>305,512</b>	<b>-</b>	<b>8,418,062</b>	<b>8,723,574</b>
<b>Total</b>	<b>2,675,954,678</b>	<b>147,987,733</b>	<b>14,590,776</b>	<b>2,809,351,635</b>	<b>500,335,706</b>	<b>123,188,179</b>	<b>2,681,772</b>	<b>2,188,509,522</b>	<b>2,175,618,973</b>
<b>Previous year figures</b>	2,347,809,161	332,770,104	4,624,587	2,675,954,678	386,469,449	115,277,478	1,411,222	2,175,618,973	
<b>Intangible Assets</b>									
Technology	54,221,563	-	-	54,221,563	17,269,197	13,555,391	-	23,396,975	36,952,366
<b>Total</b>	<b>54,221,563</b>	<b>-</b>	<b>-</b>	<b>54,221,563</b>	<b>17,269,197</b>	<b>13,555,391</b>	<b>-</b>	<b>23,396,975</b>	<b>36,952,366</b>
<b>Previous year figures</b>	54,221,563	-	-	54,221,563	3,713,806	13,555,391	-	36,952,366	
<b>Capital Work in Progress</b>									
								<b>148,611,172</b>	<b>155,000,872</b>

Note: Deduction in plant and machinery is on account of asset discarded. There is no sale consideration.



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 11: Non Current Investments

(Amount in ₹)

Particulars	Current year		Previous Year		2014	2013
	No. of shares	% of Holding	No. of shares	% of Holding		
<b>A) Trade Investments (Valued at cost)</b>						
<b>Equity Shares (unquoted fully paid up)</b>						
<b>In Joint Venture</b>						
Vithal Castor Polyols Private Limited (Face Value of ₹.5/-)	18,000,000	50	-	-	90,000,000	-
<b>In Other Companies:</b>						
Enviro Infrastructure Company Limited (Face Value of ₹.10/-)	75,000	-	75,000	-	750,000	750,000
Ahmedabad Commodity Exchange Limited (Face Value of ₹.10/-)	121,600	-	121,600	-	1,153,000	1,153,000
<b>B) Other Investments (Valued at cost)</b>						
National Savings Certificate					11,000	11,000
					<b>91,914,000</b>	<b>1,914,000</b>

### Note 12: Long Term Loans and Advances

(Amount in ₹)

Particulars	2014	2013
<b>Unsecured, Considered Good</b>		
Capital Advances	10,093,487	13,768,689
Security Deposits	50,118,485	49,370,314
	(a) <b>60,211,972</b>	<b>63,139,003</b>
<b>Other Advances</b>		
Advance to Suppliers	1,333,802	-
Loans to Employees	4,134,317	5,217,644
MAT Credit Entitlement	60,245,640	40,768,219
	(b) <b>65,713,759</b>	<b>45,985,863</b>
<b>Total (a+b)</b>	<b>125,925,731</b>	<b>109,124,866</b>
<b>Note 13: Other Non-Current Assets</b>		
Margin Money with Bank	150,500	871,100
Bank Deposit with maturity more than 12 months	-	1,133,295
	<b>150,500</b>	<b>2,004,395</b>

**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014****Note 14: Inventories**

(Amount in ₹)

<b>Particulars</b>	<b>2014</b>	<b>2013</b>
Raw Materials, Chemicals and Packing Materials	<b>906,725,643</b>	305,949,623
Finished Goods	<b>1,203,486,220</b>	814,725,325
Traded Goods	<b>42,885,880</b>	63,976,150
Stores and Spares	<b>28,807,569</b>	31,981,697
Work in Process	<b>40,781,495</b>	34,913,718
(For mode and method of valuation refer point G of Note 1)		
	<b><u>2,222,686,807</u></b>	<b><u>1,251,546,513</u></b>
<b>Productwise Description of Finished and Traded Goods:</b>		
Castor Oil	<b>1,011,411,553</b>	567,944,562
Derivatives	<b>145,087,224</b>	166,597,368
Hybrid seed	<b>8,698,598</b>	126,75,234
By Product	<b>81,174,725</b>	131,484,311
	<b><u>1,246,372,100</u></b>	<b><u>878,701,475</u></b>
<b>Note 15: Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Over Six months	<b>3,043,687</b>	11,673,475
Others	<b>1,513,656,145</b>	1,188,283,214
	<b><u>1,516,699,832</u></b>	<b><u>1,199,956,689</u></b>
<b>Note 16: Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	<b>1,265,124</b>	885,498
Balance with Banks		
- in Current Accounts	<b>112,508,618</b>	86,055,285
- Unclaimed Dividend	<b>4,658,371</b>	2,135,472
<b>Other Bank Balance:</b>		
Margin Money with Bank	<b>115,000</b>	2,409,150
Fixed Deposit with Bank	<b>6,685,998</b>	647,369
	<b><u>125,233,111</u></b>	<b><u>92,132,774</u></b>



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 17: Short Term Loans and Advances

(Amount in ₹)

Particulars	2014	2013
<b>Others-Unsecured, Considered Good</b>		
VAT, Excise and Other Taxes Recoverable	781,036,038	510,882,303
Prepaid Expenses	613,075	2,469,498
Loan to Employees	1,649,444	1,613,679
	<b>783,298,557</b>	<b>514,965,480</b>

### Note 18 : Other Current Assets

Advance to Others	5,599,351	4,035,754
Advance to Suppliers	4,971,188	103,544,323
Mark to Market Gain on Forward Contracts	207,920,975	15,136,345
Export Incentive Receivable	118,954,431	149,044,404
	<b>337,445,945</b>	<b>271,760,826</b>

### Note 19: Revenue from Operations

#### Sale of Products

Finished Goods	15,532,548,873	16,251,038,778
Less: Excise Duty	59,085,586	35,952,460
	<b>15,473,463,287</b>	<b>16,215,086,318</b>

Power Generation Income	30,825,300	34,414,250
-------------------------	------------	------------

#### Other Operating Revenue

Foreign Exchange Gain/(Loss)	(126,235,983)	(39,476,756)
	<b>15,378,052,604</b>	<b>16,210,023,812</b>

#### 19.1) Details of Product Sold

Castor Oil	8,277,523,930	8,847,077,215
Derivatives	5,862,409,015	5,486,722,657
By Product	1,123,095,072	688,011,276
Castor Seed	8,156,440	1,029,569,160
Others	202,278,830	163,706,010
	<b>15,473,463,287</b>	<b>16,215,086,318</b>

#### 19.2) Details of Traded and Manufactured Goods

Traded Goods	2,051,175,881	2,367,426,411
Manufactured Goods	13,422,287,406	13,847,659,907
	<b>15,473,463,287</b>	<b>16,215,086,318</b>





**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 20: Other Income**

(Amount in ₹)

Particulars	2014	2013
Net Gain on Foreign Exchange Fluctuation	39,422,982	-
Storage Charges	753,540	2,303,750
Dividend Income	183,902,500	29,812,500
Interest Income	2,817,580	13,832,538
Insurance Claim	3,640,239	1,636,158
Miscellaneous Receipts	16,970	1,307,550
Refund of Duties and Claims	2,944,199	905,184
	<b>233,498,010</b>	<b>49,797,680</b>

**Note 21: Cost of Raw Materials Consumed**

Raw Material	10,845,232,229	10,586,216,876
Chemicals	497,086,251	484,612,940
	<b>11,342,318,480</b>	<b>11,070,829,816</b>

**Note 22: Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade**

**Increase/(Decrease) in Stock**

**Opening Stock**

Work in Process	34,913,718	43,357,080
Traded Goods	63,976,150	47,744
Finished Goods	814,725,325	722,188,354
	<b>913,615,193</b>	<b>765,593,178</b>

**Closing Stock**

Work in Process	40,781,495	34,913,718
Traded Goods	42,885,880	63,976,150
Finished Goods	1,203,486,220	814,725,325
	<b>1,287,153,595</b>	<b>913,615,193</b>

**Increase/(Decrease) in Stock**

	<b>373,538,402</b>	<b>148,022,015</b>
--	--------------------	--------------------

**22.1) Major component of Finished and Traded Goods:**

**Opening Stock**

- Work in Process	34,913,718	43,357,080
- Hybrid Seeds	12,675,234	523,050
- Castor Oil	567,944,562	539,049,999
- Derivatives	166,597,368	113,689,048
- By Product	131,484,311	68,974,001
	<b>913,615,193</b>	<b>765,593,178</b>

**Closing Stock**

- Work in Process	40,781,495	34,913,718
- Hybrid Seeds	8,698,598	12,675,234
- Castor Oil	1,011,411,553	567,944,562
- Derivatives	145,087,224	166,597,368
- By Product	81,174,725	131,484,311
	<b>1,287,153,595</b>	<b>913,615,193</b>



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 23: Employee Benefits Expense

(Amount in ₹)

Particulars	2014	2013
Salaries and Incentives	172,736,551	149,808,206
Contributions to Provident fund and other Funds	18,496,731	14,099,080
Staff Welfare Expenses	7,104,400	8,334,548
	<b>198,337,682</b>	<b>172,241,834</b>
<b>Note 24: Finance Costs</b>		
<b>Interest Expense</b>		
Banks	330,852,064	339,017,434
Companies	4,623,277	1,112,444
<b>Other Borrowing Cost</b>		
Processing Fees	10,150,663	18,095,211
	<b>345,626,004</b>	<b>358,225,089</b>
<b>Note 25: Other Expenses</b>		
Consumption of Stores and Spares	70,437,384	65,294,733
Consumption of Packing Materials	151,708,780	146,934,214
Power and Fuel	240,528,886	240,246,342
Rent, Rates and Taxes	6,841,290	8,271,612
Job Work Charges	3,071,714	318,229
<b>Repairs &amp; Maintenance</b>		
- Building	5,341,504	4,978,607
- Machinery	35,470,007	35,079,229
- Others	11,021,721	7,537,139
Insurance	30,618,812	24,645,970
Freight, Coolie and Cartage	675,544,978	656,220,337
Storage Charges	36,792,657	26,203,786
Brokerage on Sales	20,235,092	21,615,022
Brokerage on Purchases	11,189,272	16,900,371
Loss on Discarded Asset	7,190,382	13,235,286
Research and Development expenses (Refer Note 31)	2,980,987	2,371,392
Loss on Foreign Exchange Fluctuation	-	907,793
Other operating expenses	172,803,711	127,942,804
Auditors Remuneration (Refer Note 30)	6,050,586	9,788,148
	<b>1,487,827,763</b>	<b>1,408,491,014</b>



**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 26: Expenditure in Foreign Currency**

(Amount in ₹)

Particulars	2014	2013
Travelling Expenses	3,353,287	1,968,350
Professional Fees	2,866,572	3,340,113
Brokerage and Commission	9,731,534	10,735,711
Membership and Subscription	4,201,705	506,618
Others	148,569	161,534
Ocean Freight	85,210,407	-
	105,512,074	16,712,326

**Note 27: Value of Imports on C.I.F. Basis**

Chemicals	85,608,247	68,586,606
Packing Materials	11,647,937	-
Purchases	-	119,353
Capital Goods	2,129,747	847,940
	99,385,931	69,553,899

**Note 28: Earning in Foreign Currency**

FOB Value of Export	13,223,404,096	12,884,418,108
	13,223,404,096	12,884,418,108

**Note 29: Break up of Consumption**

(Amount in ₹)

Particulars	2014		2013	
	%	Value	%	Value
<b>Raw Material and Chemicals</b>				
Indigenous	99.13	11,243,533,088	99.38	11,002,587,433
Import	0.87	98,785,392	0.62	68,242,383
<b>Total</b>	100.00	11,342,318,480	100.00	11,070,829,816
<b>Stores and Spares</b>				
Indigenous	100.00	70,437,384	100.00	65,294,733



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 30: Auditors' Remuneration

(Amount in ₹)

Particulars	2014	2013
Statutory Audit Fees	2,752,820	2,500,010
Transfer Pricing Audit Fees	117,978	29,776
Tax Audit Fees	735,958	707,868
Income Tax Matters	1,752,816	5,675,866
Certification	348,316	367,979
Other matters	342,698	506,649
	<b>6,050,586</b>	<b>9,788,148</b>

### Note 31: Research and Development Expenditure

Capital other than Building	1,009,803	81,142
Revenue	12,083,341	9,566,672
	<b>13,093,144</b>	<b>9,647,814</b>

### Note 32: Contingent Liabilities :

#### Claims against Company not acknowledged as debts -

Excise/Service Tax	159.12	150.20
Income Tax	381.08	181.82
Custom	200.00	200.00
Gujarat VAT, 2003	43.20	-
Bank Guarantee Given to Peninsula Land Ltd.	72.06	72.06
Bank Guarantee Given to GSAMB (Gujarat State Agricultural Marketing Board)	30.00	30.00
Liability on account of co-borrowing	810.00	810.00

#### Guarantees Given to Banks on behalf of Enterprises

##### Controlled by Directors -

for Discounting of Bills	2,000.00	2,000.00
for Collateral Management Arrangement Financing Facilities	4,500.00	4,500.00

#### Notes:

- Advances recoverable includes an amount of ₹1,877,566 (P.Y. ₹1,877,566) paid to the excise authorities under protest on account of disputed availment of Cenvat Credit of Service Tax.
- Unclaimed Dividend:  
The balance with banks in current accounts include ₹4,658,371 (P.Y. ₹2,135,472) set aside for payment of dividends.
- Out of the demand raised by Commissioner of Customs, Airport, Mumbai of ₹2 crores shown as contingent liability ₹1,000,000/- (P.Y. ₹1,000,000/-) paid by the Company and the same has been shown as deposit with government and others.

### Note 33: Capital Commitment

Estimated amount of contracts remaining to be executed on Capital accounts amounted to ₹12,084,100 (P.Y. ₹45,700,000)



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 34: Outstanding Forward Contracts

Forward Contracts of ₹3,392,361,666 (USD 56.92 Million) (PY ₹2,812,184,947 (USD 36.97 Million)) are outstanding as on March 31, 2014.

### Note 35: Related Party disclosures:

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

#### a) Related Parties and their relationship :

##### i. Holding Company :

Jayant Finvest Ltd.

##### ii. Subsidiary companies :

Ihsedu Agrochem Pvt. Ltd.

Ihsedu Coreagri Services Pvt. Ltd.

Ihsedu Itoh Green Chemicals Marketing Pvt. Ltd.

##### iii. Joint Venture :

Vithal Castor Polyols Private Limited

##### iv. Associate Company :

Itoh Oil Chemicals Co. Limited, Japan.

Arkema Asie SAS

##### v. Enterprises Controlled by directors/relatives:

Enlite Chemical Industries Ltd.

Gokuldas K. Udeshi Investments.

Innovative Micro Systems Pvt. Ltd.

Varun Leasing & Finance Pvt. Ltd.

Kalyan Impex Pvt. Ltd.

Gokulmani Agricom Ltd.

Akhandanand Engineering & Trading Company.

##### vi. Key Management Personnel:

Mr. Vithaldas G. Udeshi	-	Chairman (Till 14 <sup>th</sup> April, 2013)
Mr. Abhay V. Udeshi	-	Chairman (w.e.f. from 13 <sup>th</sup> May, 2013)
Mr. Hemant V. Udeshi	-	Managing Director
Dr. Subhash V. Udeshi	-	Executive Director
Mr. Dilipsinh G. Udeshi	-	Wholetime Director (Till 11 <sup>th</sup> October, 2013)
Mr. Mulraj G. Udeshi	-	Wholetime Director
Mr. Jayraj G. Udeshi	-	Wholetime Director
Mr. Bharat M. Udeshi	-	Wholetime Director
Mr. Vikram V. Udeshi	-	Chief Financial Officer
Mr. Sudhir V. Udeshi	-	Director
Mr. Takaaki Ando	-	Director
Mr. Masatsugu Akita	-	Director
Mr. BHavani Singh Yadav	-	Director
Mr. Jean Marc Bragnet	-	Director

##### vii. Relative of Key Management Personnel:

Mr. Hitesh J. Udeshi	Mr. Varun A. Udeshi
Mrs. Trupti A. Udeshi	Mr. Sandeep S. Udeshi



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 35: Related Party disclosures (Continued...)

#### b) Details of Transactions with related parties referred to in items above :

(₹ in lacs)

Particulars	Holding Company	Joint Venture	Associate company	Controlled by Directors & personnel	Key Management Personnel	Others/ Relatives
<b>Purchase of Raw Materials:</b>						
Jayant Finvest Limited	1441.50 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	2,757.12 (7,810.18)	- (-)	- (-)
Gokulmani Agricom Limited	- (-)	- (-)	- (-)	- (2,501.19)	- (-)	- (-)
<b>Services Received</b>						
<b>- Storage Charges</b>						
Gokulmani Agricom Limited	- (-)	- (-)	- (-)	20.22 (2.28)	- (-)	- (-)
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	3.77 (13.41)	- (-)	- (-)
Jayant Finvest Limited	3.77 (9.63)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Sale of Goods :</b>						
Jayant Finvest Limited	- (1,386.86)	- (-)	- (-)	- (-)	- (-)	- (-)
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	(-) (8,837.74)	- (-)	- (-)
Itoh Oil Chemicals Co. Limited	- (-)	- (-)	4,512.28 (4,553.07)	- (-)	- (-)	- (-)
<b>Interest Paid</b>						
Jayant Finvest Limited	44.95 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Relative of Key Management Personnel</b>						
- Rent paid	- (-)	- (-)	- (-)	- (-)	- (-)	8.40 (8.40)
- Remuneration	- (-)	- (-)	- (-)	- (-)	85.23 (124.33)	22.18 (20.92)
<b>Subscription to Share Capital:</b>						
Arkema Asie SAS	- (-)	- (-)	182.36 (-)	- (-)	- (-)	- (-)
Vithal Castor Polyols Private Limited	- (-)	900 (-)	- (-)	- (-)	- (-)	- (-)



**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 35: Related Party disclosures (Continued...)**

Particulars	Holding Company	Joint Venture	Associate company	Controlled by Directors & personnel	Key Management Personnel	Others/ Relatives
<b>Subscription to Share Premium:</b>						
Arkema Asie SAS	- (-)	- (-)	2,791.70 (-)	- (-)	- (-)	- (-)
<b>Remuneration to Managing Director:</b>	- (-)	- (-)	- (-)	- (-)	26.66 (26.57)	- (-)
<b>Remuneration to Executive Director:</b>	- (-)	- (-)	- (-)	- (-)	142.82 (183.25)	- (-)
<b>Balance Outstanding at the Year End:</b>						
<b>i) Trade Receivable:</b>						
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	- (601.14)	- (-)	- (-)
Jayant Finvest Limited	40.45 (539.86)	- (-)	- (-)	- (-)	- (-)	- (-)
Itoh Oil Chemicals Co. Limited	- (-)	- (-)	123.86 (283.64)	- (-)	- (-)	- (-)
<b>ii) Trade Payable:</b>						
Gokulmani Agricom Limited	- (-)	- (-)	- (-)	18.42 (1,251.87)	- (-)	- (-)
<b>iii) Advance to Supplier</b>						
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	- (977.20)	- (-)	- (-)
<b>iv) Share Capital Owned</b>	- (-)	900 (-)	232.36 (50.00)	- (-)	- (-)	- (-)
<b>v) Deposits:</b>						
Akhandanand Engineering & Trading Company	- (-)	- (-)	- (-)	161.00 (161.00)	- (-)	- (-)

**Notes:**

1. The above information has been reckoned on the basis of information available with the Company.
2. Figures in the bracket are in respect of the Previous Year.



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note: 36

Deputy Commissioner of commercial tax, Vadodara (“Department”) has completed the re-assessment at the year end under Gujarat Value Added Tax Act, 2003 for the F.Y 2009-10, based on the order of Gujarat Value Added Tax Tribunal (“Tribunal”) dated 13.08.2012. Accordingly a refund of ₹99,875,275/- has been determined and receivable by the Company which includes interest on the refund of ₹19,952,968/-. However Department has filed an appeal against the said order of Tribunal in Gujarat High Court. Further the Company during the re-assessment proceedings also has given an undertaking to the Department that in case Gujarat High Court reverses the decision of the Tribunal, it will be liable to pay the relevant tax including interest and penalty and hence pending the disposal of appeal by High Court, no effect of the said order passed resulting in refund has been given in accounts for the year under review.

### Note 37: Segment Information

‘The business segment has been considered as the primary segment. The Company is organized into three business segments namely Castor Oil, Derivatives and Power Generation. These business segments have been identified considering the customers, the differing Risks and Returns and the Internal Financial Reporting System. Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and the amounts allocated on a reasonable basis. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the significant accounting policies. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of the costs are categorized in relation to the associated turnover of the segment.

Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as “unallocated” and directly charged against total income. Fixed assets used in the Company’s business or liabilities contracted have been identified to the reportable segments.





**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note 37: Segment Information (Continued...)**

Particulars	2014					2013				
	Castor Oil	Derivatives	Power Generation	Unallocable	Total	Castor Oil	Derivatives	Power Generation	Unallocable	Total
<b>REVENUE</b>										
Net Sales/Income from Operation										
Local	3,822.68	13,696.60	308.25	-	17,827.53	14,470.43	11,344.17	344.14	-	26,158.74
Export	88,529.62	47,423.38	-	-	135,953.00	89,856.06	46,085.44	-	-	135,941.50
<b>Total Revenue</b>	<b>92,352.30</b>	<b>61,119.98</b>	<b>308.25</b>	<b>-</b>	<b>153,780.53</b>	<b>104,326.49</b>	<b>57,429.61</b>	<b>344.14</b>	<b>-</b>	<b>162,100.24</b>
<b>RESULT</b>										
Segment Result	2,684.60	5,232.55	272.68	1,839.47	10,029.30	3,192.30	5,989.53	280.58	298.11	9,760.52
Unallocated Corporate Expenses	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>2,684.60</b>	<b>5,232.55</b>	<b>272.68</b>	<b>1,839.47</b>	<b>10,029.30</b>	<b>3,192.30</b>	<b>5,989.53</b>	<b>280.58</b>	<b>298.11</b>	<b>9,760.52</b>
Finance Cost					3,456.26					3,582.25
Interest Income					28.18					138.33
Income Tax					539.49					852.73
Wealth Tax					1.15					0.65
Deferred Tax					634.56					550.71
Net Profit after tax and before depreciation					5,426.02					4,912.51
<b>REVENUE OTHER INFORMATION</b>										
Segment Assets	32,682.06	36,117.80	1,152.88	5,870.43	75,823.17	23,854.19	28,630.47	1,046.92	4,582.67	58,114.25
<b>Total Assets</b>	<b>32,682.06</b>	<b>36,117.80</b>	<b>1,152.88</b>	<b>5,870.43</b>	<b>75,823.17</b>	<b>23,854.19</b>	<b>28,630.47</b>	<b>1,046.92</b>	<b>4,582.67</b>	<b>58,114.25</b>
Segment Liabilities	22,254.80	25,617.75	162.46	5,772.04	53,807.05	15,296.01	20,401.52	147.91	4,904.01	40,749.45
<b>Total Liabilities</b>	<b>22,254.80</b>	<b>25,617.75</b>	<b>162.46</b>	<b>5,772.04</b>	<b>53,807.05</b>	<b>15,296.01</b>	<b>20,401.52</b>	<b>147.91</b>	<b>4,904.01</b>	<b>40,749.45</b>
Capital Expenditure	206.25	795.31	-	478.31	1,479.87	531.00	192.03	-	2,604.67	3,327.70
<b>Total Capital Expenditure</b>	<b>206.25</b>	<b>795.31</b>	<b>-</b>	<b>478.31</b>	<b>1,479.87</b>	<b>531.00</b>	<b>192.03</b>	<b>-</b>	<b>2,604.67</b>	<b>3,327.70</b>
Depreciation	372.22	825.03	76.00	94.18	1,367.43	357.87	822.62	75.99	31.85	1,288.33
<b>Total Depreciation</b>	<b>372.22</b>	<b>825.03</b>	<b>76.00</b>	<b>94.18</b>	<b>1,367.43</b>	<b>357.87</b>	<b>822.62</b>	<b>75.99</b>	<b>31.85</b>	<b>1,288.33</b>



## Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014

### Note 38: Remittance in Foreign Currency of Dividend on Equity Shares

Particulars	2014	2014	2013
	Interim	Final Dividend FY: 2012-13	
Number of Non - Resident Shareholders	59	55	58
Number of Other Body Corporate	-	1	1
Number of Ordinary Shares held by Non Resident Shareholders	29,548	26,633	27,168
Number of Ordinary Shares held by Other Non Resident Body Corporate	-	600,000	600,000
Gross Amount of Dividend (in ₹)	73,870	1,409,924*	1,254,336*
* Amount credited to Rupee account in India out of which ₹1,350,000 (P.Y. ₹1,200,000) amount of equity dividend has been credited to other than Rupee account in India			
In case of Interim Dividend whole amount is credited to Rupee account in India			

### Note 39: Earnings Per Share

Particulars	2014	2013
<b>Weighted Average Number of Shares for Earning Per Share computation</b>		
For Basic Earnings Per Share of ₹5/- each	15,000,000	15,000,000
For Diluted Earnings Per Share of ₹5/- each	15,000,000	15,000,000
Net Profit Available for Equity Shareholders	405,858,699	362,418,246
<b>Earning Per Share (Weighted Average)</b>		
Basic Earnings Per Share ₹	27.06	24.16
Diluted Earnings Per Share ₹	27.06	24.16

**Consolidated Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2014****Note 40 : Details related to Joint Venture**

The Company has the following joint ventures as on 31<sup>st</sup> March 2014 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint venture is given below:

(Amount in ₹)

Name of the Joint Venture	Country of Incorporation	Percentage of Holding	As at 31st March, 2014
Vithal Castor Polyols Private Limited	India	50%	
<u>Share of Company in Joint Venture</u>			
Assets			93,311,951
Liabilities			3,354,086
Contingent Liabilities			-
Capital Commitments			-

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – “Financial Reporting of Interests in Joint Ventures” notified by Companies (Accounting Standards) Rules, 2006.

**Note 41: Micro, Small and Medium Enterprises Dues:**

The Company is in the process of identifying the Micro, Small and Medium Enterprises as defined under the “The Micro, Small and Medium Enterprises Development Act, 2006.” However, based on the information so far available with the Company, the Company has no dues to micro and small enterprises during the year ended March 31, 2014.

**Note 42: Export Incentive on Incremental Export Turnover**

Claim for export incentive on its incremental export turnover achieved is not recognised in the books of accounts in absence of certainty and notification issued by Directorate General of Foreign Trade from time to time.

**Note 43: Previous Year Figures**

Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year’s classification.

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No. 30848

Place: Mumbai  
Date : May 17, 2014

**For and on behalf of the Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Dinesh M. Kapadia**  
Company Secretary

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer


**Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary.**

Sr. No.	Name of the Subsidiary	Ihsedu Agrochem Private Limited	Ihsedu Coreagri Services Private Limited	Ihsedu Itoh Green Chemicals Private Limited
1	Financial years/ for period of the subsidiary	1st April, 2013 to 31st March, 2014	1st April, 2013 to 31st March, 2014	1st April, 2013 to 31st March, 2014
2	Shares of the subsidiary held by the Company on the above date:			
	(a) Number and face value	5,500,000 Equity shares of ₹10/- each fully paid up.	50,000 Equity shares of ₹10/- each fully paid up.	750,000 Equity shares of ₹10/- each fully paid up.
	(b) Extent of holding	75.10%	100%	60%
3	Subscribed Share Capital (No. of shares) of the subsidiary Company	7,323,570 Equity shares of ₹10/- each fully paid up.	50,000 Equity shares of ₹10/- each fully paid up.	1,250,000 Equity shares of ₹10/- each fully paid up.
4	Net aggregate amount of profits/ losses of the subsidiary for the above financial year of the subsidiary not dealt with in the company's accounts.			
	(a) for the financial year of the subsidiary - profit.	NIL	NIL	NIL
	(b) for the previous financial year since it became a subsidiary.	NIL	NIL	NIL
5	Net aggregate amount of profits/ losses of the subsidiary for the above financial year of the subsidiary dealt with in the company's accounts.			
	(a) for the financial year of the subsidiary	₹321.80 Lacs	₹(2.95) Lacs	₹8.12 Lacs
	(b) for the previous financial year since it became a subsidiary.	₹852.58 Lacs	₹(7.34) Lacs	₹5.72 Lacs

**For and on Behalf of Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Hemant V. Udeshi**  
Managing Director

Place: Mumbai  
Date : May 17, 2014

**Dinesh M. Kapadia**  
Company Secretary

**Vikram V. Udeshi**  
Chief Financial Officer



## JAYANT AGRO-ORGANICS LTD.

(CIN L24100MH1992PLC066691)

Regd. Office: 701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.  
Email : investors@jayantagro.com, Website : jayantagro.com  
Phone : 022- 40271300, Fax: 022-40271399

### ATTENDANCE SLIP

22ND ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 27, 2014 AT 11.00 A.M. at  
M.C.Ghia Hall, Bhogilal Hargovindas Bldg., 4th floor, 18/20, K. Dubash Marg, Mumbai 400 001

Folio No.	DP ID. No.	Client Id No.

Name of the Member ..... Signature .....

Name of the Proxyholder ..... Signature .....

#### Notes:

1. Only Member/Proxyholder can attend the Meeting.
2. Please complete the Folio / DP ID –Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
3. A Member/Proxyholder attending the meeting should bring copy of the Annual Report for reference at the Meeting.



# JAYANT AGRO-ORGANICS LTD.

(CIN L24100MH1992PLC066691)

Regd. Office: 701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.  
Email : investors@jayantagro.com, Website : jayantagro.com  
Phone : 022- 40271300, Fax: 022-40271399

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of Member(s)	
Registered address	
E-mail I d:	

Folio No/Client ID.	
DP ID	

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

- Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;
- Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;
- Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Saturday, September 27, 2014 at 11.00 a.m. at M.C.Ghia Hall, Bhogilal Hargovindas Bldg., 4th Floor, 18/20, K. Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res No.	RESOLUTIONS	Type of Resolution	Optional*	
			For	Against
<b>Ordinary Business</b>				
1.	Adoption of the Audited Statement of Profit & Loss for the year ended March 31, 2014 and Balance Sheet as at that date together with the Report of the Directors & Auditors thereon.	Ordinary		
2.	Confirmation of Interim Dividend and Declaration of Final Dividend for the year ended March 31, 2014.	Ordinary		
3.	Re-appointment of Dr. Subhash V. Udeshi, who retires by rotation.	Ordinary		
4.	Appointment of Auditor and fixing their remuneration.	Ordinary		
<b>Special Business</b>				
5.	Approval of Remuneration of Cost Auditor, pursuant to Section 148(3) of the Companies Act, 2013.	Ordinary		
6.	Appointment of Mr. Jayasinh V. Mariwala as an Independent Director	Ordinary		
7.	Appointment of Mr. Deepak V. Bhimani as an Independent Director	Ordinary		
8.	Appointment of Mr. Vijay Kumar Bhandari as an Independent Director	Ordinary		
9.	Appointment of Mr. Mukesh C. Khagram as an Independent Director.	Ordinary		
10.	Variation in retirement terms of Dr. Subhash V. Udeshi, Whole-time Director.	Ordinary		
11.	Variation in retirement terms of Mr. Abhay V. Udeshi, Whole-time Director.	Ordinary		

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

Signature of shareholder .....

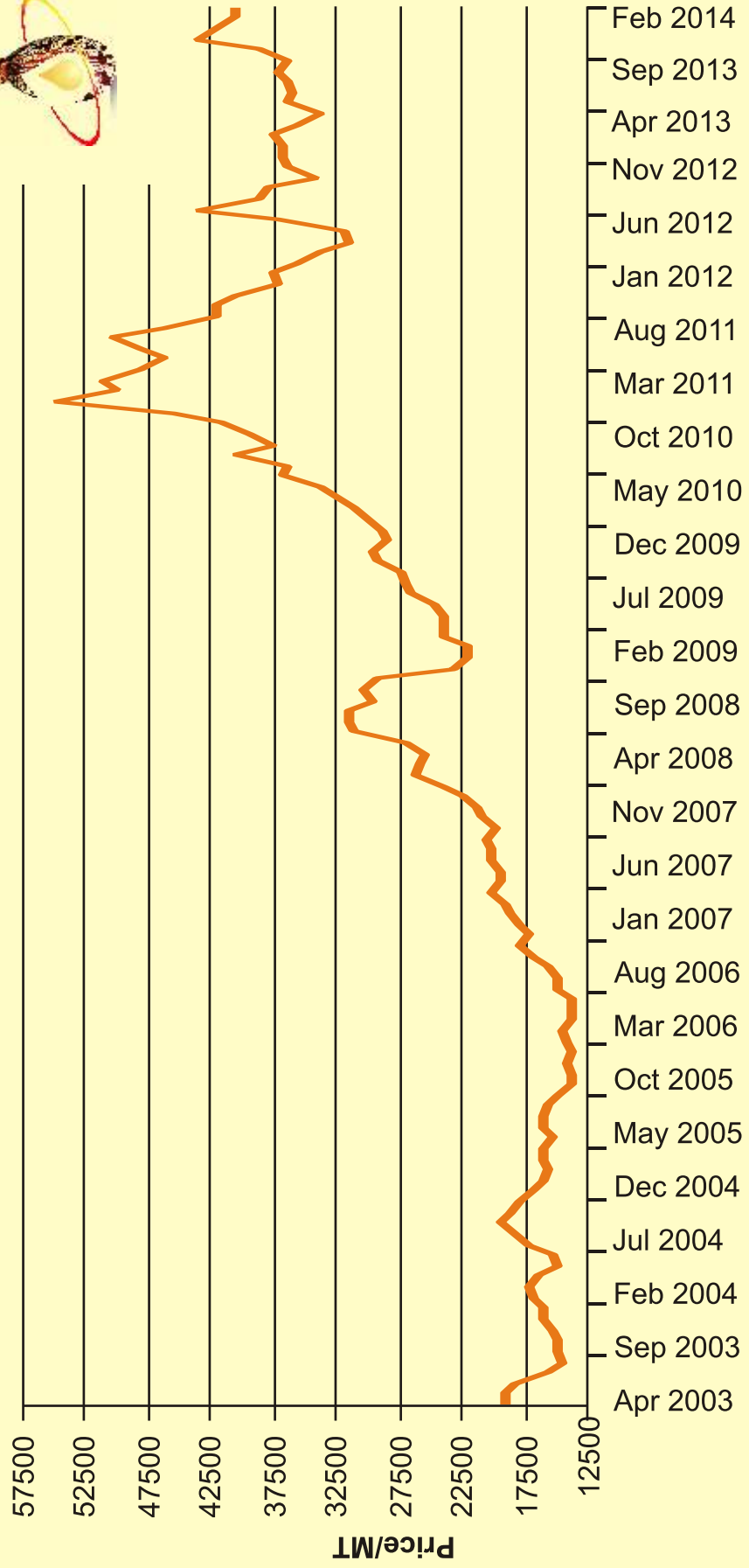
Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp  
Re 1/-

### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 22nd Annual General Meeting.
- It is optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.

# Average Castor Seed - Market Yard Price - April 2003 to March 2014





**JAYANT AGRO-ORGANICS LTD.**

*Leadership through Innovation*

[www.jayantagro.com](http://www.jayantagro.com)

701, Tower "A", Peninsula Business Park,

Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.

Tel: +91-22-4027 1300 | Fax: +91-22-4027 1399 | Email: [info@jayantagro.com](mailto:info@jayantagro.com)