

# Directors' Report



## To the Shareholders

The Directors have pleasure in presenting their Report and Statement of Accounts for the financial year ended 31st March, 2013.

## FINANCIAL RESULTS

		(Rs. In lacs)
	2012-13	2011-12
Profit for the year after charging all expenses excluding financing charges and depreciation	4,726	7,520
Deduct: Financing Charges	2,308	2,210
Cash Profit	2,418	5,310
Deduct : Depreciation/ Amortisation	1,750	2,463
Profit/(Loss) for the year before taxation	668	2,847
Tax Expenses		
Current Tax		
- For the year	135	577
- Mat Credit Entitlement	(352)	(627)
- Deferred Tax (Benefit)/Charge	380	(606)
- ( Excess ) Tax provision for the earlier years	—	(7)
Profit/(Loss) after tax for the year	505	3,510
Profit brought forward from previous year	12,551	9,041
Total profit available for appropriations	13,056	12,551
APPROPRIATIONS		
Balance Carried to Balance Sheet	13,056	12,551
	13,056	12,551

## SALES & PROFIT

During the year under report, the Gross Turnover (including income from Services & Other Sources) was Rs.1451.01 Crores as compared to Rs.1604.84 Crores during the previous year. The profit before taxation was Rs.6.68 Crores as compared to Rs.28.47 Crores during the previous year.

## DIVIDEND

The Board of Directors of your Company proposes to retain the profits for use in the business expansion programs. Accordingly, no dividend is recommended for the year under report.

## DIRECTORS

Mr. Arvind Behl and Mr. Surjit Singh Bawa ceased to be Directors of the Company during the period under review. Mr. Gautam Pal was appointed as an Additional Director of the Company on 2nd April, 2013 and ceased to be Director of the Company w.e.f. 30th May, 2013. The Board places on record, their appreciations for the services rendered by Mr. Arvind Behl, Mr. Surjit Singh Bawa and Mr. Gautam Pal during their tenure as Directors.

Mr. Peri Kameswara Sharma was appointed as an Additional Director of the Company on 30th May, 2013 by the Board of Directors, who holds office upto the date of this Annual General Meeting. The Company has received a notice in writing, under Section 257 of the Companies Act, 1956, from a member proposing his name as candidate for the office of Director.

Mrs. Gita Bawa, Director retires by rotation, is eligible and offers herself for re-appointment.

## SUBSIDIARIES

During the year under review M/s Anjani Estates Limited and M/s. L. P. Investments Limited have become subsidiaries of the Company.

In terms of the General Circular No.2/2011, dated 8th February, 2011, issued by the Ministry of Corporate Affairs, the documents as prescribed under Section 212(1) of the Companies Act, 1956, in respect to the subsidiary companies viz. M/s Anjani Estates Limited , M/s. JIL Trading Private Limited, M/s. L. P. Investments Limited , M/s. Sea Bird Securities Private Limited and M/s. S. R. K. Investments Private Limited are not being attached with the balance sheet of the

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Company. However, the consolidated financial statements of the Company and all its subsidiary companies duly audited by the Statutory Auditors are being presented in the Annual Report of the Company. We undertake that annual accounts of the subsidiary companies and the detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The Annual Accounts of the subsidiary companies shall also be kept for inspection by any shareholder at the Registered Office of the Company and of the subsidiary companies concerned.

## **FIXED DEPOSITS**

As on 31st March, 2013, 322 persons whose Fixed Deposits/Loans with the Company amounting to Rs.116.98 Lacs had become due for payment during the year, did not claim or renew their Deposits/Loans. Out of these, Fixed Deposits/Loans of 78 persons amounting to Rs.39.60 Lacs have since been renewed/paid.

## **AUDITORS**

Messrs Mittal Chaudhry & Co., Chartered Accountants, Auditors of the Company, retire and being eligible, offer themselves for re-appointment.

## **COST AUDITORS**

M/s. R. J. Goel & Co., Cost Accountants, Delhi have been reappointed as Cost Auditors to carry out the audit of the Company's cost records for the Financial year ending 31st March, 2014. The reports of Cost Auditors for the year ended on 31st March, 2013, will be submitted to the Central Government in due course.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors hereby state that :

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii) The Directors have 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 at the end of the financial year and of the profit or loss of the Company for that period.
- iii) The Directors have 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) The Directors have prepared the Annual Accounts on a going concern basis.

## **CORPORATE GOVERNANCE**

A report on Corporate Governance and the Management Discussion and Analysis Report are annexed separately and form part of this report.

## **PARTICULARS OF EMPLOYEES**

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the statement of particulars of employees. Any shareholder interested in obtaining a copy of the said statement may write to the Secretary at the Registered Office of the Company.

## **INFORMATION UNDER THE LISTING AGREEMENTS WITH STOCK EXCHANGES**

The shares of your Company are listed at the Ludhiana, Delhi and Mumbai Stock Exchanges. The Listing fees for the financial year 2013-14 have been paid.

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

As required under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed.

## **GENERAL**

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Directors place on record their appreciation for the services rendered by the employees of the Company, banks and government officials.

For and on behalf of the Board

Sd/-

Narender Sapra  
Managing Director

Place : New Delhi  
Date : 30th May, 2013

## ANNEXURE TO THE DIRECTORS' REPORT 2012-13

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

#### A. CONSERVATION OF ENERGY

##### (a) Energy Conservation Measures Taken

The Company lays great emphasis on the conservation of energy and to give impetus to this objective, pollution control devices have been installed with generation of Bio Gas which is used as an alternate source of fuel for energy generation. Steam turbines have been installed for self generation of power thereby saving the cost of energy consumption.

##### (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

The Company is continuously investing on the waste heat recovery system and other energy saving devices at appropriate units.

##### (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

With implementation of the above measures, energy consumption may reduce to a certain extent resulting in a marginal reduction of cost of production.

##### (d) Total energy consumption as per prescribed Form A together with Comparative Figures for 2011-12 is as under (in respect of Dairy, Food Processing and Glass Units).

#### FORM A

#### CONSERVATION OF ENERGY

##### (A) Power & Fuel Consumption

	2012-13	2011-12
<b>1. Electricity</b>		
(a) Purchases		
Units (KWH)	13,589,700	16,165,300
Total amount (Rs.)	71,881,150	73,734,016
Rate/Unit (Rs.)	5.29	4.56
(b) Own Generation		
(i) Through Diesel generator Units (KWH)	1,268,862	816,190
Units per litre of diesel oil (KWH)	3.41	3.14
Cost/Unit (Rs.)	11.91	12.10
(ii) Through Steam turbine/generator		
Units (KWH)	11,263,071	8,668,656
Units per kg. of steam (KWH)	0.74	0.74
Cost/Unit (Rs.)	1.21	1.11
<b>2. Furnace Oil</b>		
Quantity (Tonnes)	35	—
Total Amount (Rs.)	999,861	—
Average Rate (Rs.)	28,251	—
<b>3. Natural Gas</b>		
Quantity (Cubic Meters)	13,073,522	14,330,863
Total Cost (Rs.)	369,252,676	289,606,097
Rate/Cubic Meter (Rs.)	28.24	20.21
<b>4. LPG Gas</b>		
Quantity (Tonnes)	5	—
Total Cost (Rs.)	2,502,684	—
Rate/MT (Rs.)	544,062	—
<b>5. Others/Internal Generation</b>		
Husk		
Quantity (Tonnes)	40,474	39,216
Total Cost (Rs.)	182,152,937	158,035,995
Rate/Unit (Rs.)	4,500	4,030

##### (e) The Company operates with a number of factories and produces various products and uses different sources of energy in different combinations for different products. It is, therefore, not feasible to arrive at the energy consumption per unit for each source of energy as prescribed.

#### B. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

Continuous R&D efforts so as to improve existing products and to develop newer products to meet the challenges of increasing competition is an on-going part of the Company's activities.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Complete information required under this head is shown in Note No. 29.3, 29.4, 29.5 and 45 of Financial Statements. Members are requested to please refer to these Notes for the relevant information.

# Directors' Report

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is a multi-product company manufacturing Alcoholic Beverages (being Indian Made Foreign Liquor and Country Liquor), Malted Milkfood, Dairy Products and Glass Containers. However, as the Alcoholic Beverages business is the major activity, the Management Discussion and Analysis Report is mainly restricted to the Alcoholic Beverages only.

### A. INDUSTRY OVERVIEW

Alcoholic Beverage industry in India comprises of Indian Made Foreign Liquor (IMFL) and Country Liquor. IMFL consists of Whisky, Brandy, Rum, Gin and Vodka etc.. Whisky comprises of large portion of IMFL market and accounts for nearly 60% of the market followed by Brandy at around 20% and Rum at around 15%. White spirits viz. Vodka, Gin and white Rum account for the balance of 5% only. The total IMFL industry in India is presently estimated at around 250 million cases growing @ 12-15% per annum. The increase rate is much higher in the low-priced segment as compared to the upper segment. Country Liquor segment is about 20 million cases per annum in the state of Punjab.

Your Company has a market share of around 8% of IMFL industry with ARISTOCRAT, ARISTOCRAT PREMIUM, AC BLACK, BONNIE SPECIAL, BINNIES and AC SEKC as the leading brands available across the Country. The Company has introduced two new brands in the market in the current year. While King Henry Scotch whisky has been introduced in the Bottled in India Scotch Whisky Segment, Ilce Vodka has been introduced in the premium Indian vodka range keeping in view the increasing market of Vodka in the Country. Country liquor is manufactured and sold in the State of Punjab and your Company has market share of around 12% in the state of Punjab.

The Company also manufactures Malted Milkfood and Dairy products for home production and also on the Contract Manufacturing basis for the leading manufacturers in this industry.

The Industry experienced the effect of the recessionary trend during the previous years. However, the things have now started improving and also the prices of main raw materials viz. molasses, grains and spirit have stabilized. The increase of production of contributory brands will increase the margins leading to higher profitability.

Further, the outlook of the Liquor Industry appears to be promising. Vodka is the fastest growing IMFL segment in India growing @ around 15-20% per annum. The overall industry is growing @ 12-15% per annum and the growth is likely to continue in near future. The consumption of liquor in India has been in an uptrend in the past few years and is expected to improve further. The Glass Container industry has suffered a slowdown during the year due to the increase in natural gas prices and substantial increase of the capacity in north India.

### B. REGULATORY ENVIRONMENT

Alcoholic Beverage industry in India is highly regulated. The State Governments control the production, Excise Duty structure and the distribution. Some State Governments also control the prices. The incidence of duties is very high and there is no unanimity of policies amongst various States. The advertising of alcoholic beverages is not permitted in India.

### C. OPPORTUNITIES AND THREATS

The industry suffers due to heavy taxation and over-regulations which have affected the profitability. Heavy Excise Duty levied on the products increases the selling price thus restricting the sales. Further, the competition from domestic, multinationals and unlicensed manufacturers have also increased which is effecting the margins and restricting the sales. In line with its commitment with WTO, the Government of India has been consistently reducing the import duty on spirits, which is also a cause of concern for the liquor industry. The liquor industry is also suffering due to illicit liquor production, whereby not only the industry is suffering but also the State Governments are losing heavily on account of excise duty and sales tax etc. However, with the changing life style and increase of spending power, the Industry is witnessing a strong growth in the middle and lower price segments, where your Company is a leading player.

### D. OUTLOOK

After observing a regular increase of around 10% for past many years, the sales of Alcoholic Beverages (IMFL) remained stable during the year under review. However, the Company foresees the increasing trend inline with the industry in the current year and years to come. With the cost of raw materials remaining favourable and increasing sales turnover, your company is hopeful of posting better results in the current year and maintain the same in the coming years. The market scenario during the current year also appears to be encouraging and the demand of liquor is improving constantly. To meet its production requirements in IMFL, the Company has also entered into lease and bottling agreements to augment its production capacity. To further improve the market share and the profitability, the Company proposes to enter in the premium segment of Alcoholic Beverages. The Company has already launched King Henry Scotch whisky in Bottled in India Scotch Whisky Segment and iice Vodka in the premium Indian Vodka segment and both the products have been well accepted by the public.

The Company is also expecting increase in the volumes of the malted milkfood products. This will increase the profitability of the Company. The profitability of the glass division was adversely affected due to the increase in natural gas prices and substantial increase of the capacity in north India. The substantial increase in capacity is the result of cheap natural gas being supplied in the Firozabad area in Uttar Pradesh. The Company has temporarily stopped the production in the glass division.

Prices of raw materials continued to put pressure on the margins during the year. Effective measures are being taken regularly to reduce the overheads costs coupled with optimum utilization of resources and better product mix.

### E. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems supplemented by internal audits by professional firms commensurate with its size and nature of business to ensure to safe guard and protect the interests and assets of the Company. A strong net work of Management Information System has been implemented to ensure the reliability of the reports and documents.

## CORPORATE GOVERNANCE REPORT

### 1. Company's Philosophy on Corporate Governance

The Company believes that compliance of the code of Corporate Governance is always helpful for smooth operations of the Company and to maintain the transparency and accountability in all the transactions of the Company. To excel with due diligence, is the underlying guiding force to further strengthen management and decision making process. The Board of Directors and Management of the Company always keep in mind the confidence of the Shareholders reposed in them.

### 2. Board of Directors

The Board of Directors Comprises of eminent persons who have the expertise and experience to guide and manage the Company. The Board presently consists of five members consisting of two executive and three non executive Directors.

The Composition of Board of Directors and other details are as under :

Name of the Director	Category	No. of Board Meetings held during the tenure	No. of Board Meetings attended	No. of other Directorships	No. of memberships/ Chairmanships in other Board Committees	Last Annual General Meeting attended
Mrs. Gita Bawa	Non-Executive Independent	8	8	—	—	Yes
Mr. Surjit Singh Bawa *	Non-Executive Independent	8	—	—	—	No
Mr. Narender Sapra	Executive	8	8	6	—	No
Mr. Arvind Behl **	Executive	3	1	6	—	No
Mr. Ravi Manchanda	Executive	8	6	7	—	No
Mrs. Kiran Kapur	Non-Executive Independent	8	8	2	—	No
Mr. Gautam Pal ***	Non-Executive Independent	—	—	1	—	N/A
Mr. Peri Kameswara Sharma ****	Non-Executive Independent	—	—	2	—	N/A

\*Mr. Surjit Singh Bawa ceased to be Director of the Company w.e.f. 14th February, 2013.

\*\*Mr. Arvind Behl ceased to be Director of the Company w.e.f. 7th July, 2012.

\*\*\* Mr. Gautam Pal was appointed as an Additional Director of the Company on 2nd April, 2013 and ceased to be Director of the Company w.e.f. 30th May, 2013.

\*\*\*\* Mr. Peri Kameswara Sharma has been appointed as an Additional Director of the Company w.e.f. 30th May, 2013 and holds the office of the Director till the ensuing Annual General Meeting. The Company has received a notice from a shareholder proposing to appoint Mr. Peri Kameswara Sharma as a Director liable to retire by rotation.

Mr. Peri Kameswara Sharma aged about 63 years is a Graduate in Economics and holds post graduation diplomas in Marketing Management, Material Management and Import-Export Management and has around four decades of experience in the fields of marketing and project implementation. He is holding directorship in the following companies :

1. M/s Sterling Agro Industries Limited
2. M/s Farmgate Agro Milch Pvt. Ltd.

He is not holding Chairmanship/membership of any of the Committees in any other Public Limited Company. He holds 100 equity shares in the Company.

The Company held eight Board Meetings during the period under review i.e on 15th May, 2012, 6th June, 2012, 31st July, 2012, 14th August, 2012, 29th September, 2012, 14th November, 2012, 5th January, 2013 and 14th February, 2013.

Mrs. Gita Bawa, Director retires at the ensuing Annual General Meeting, is eligible and offers herself for re-appointment.

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Mrs. Gita Bawa is an undergraduate and has vast business and administration experience of more than three decades. She is well versed with the intricacies of Business Management, Finance, Accounts and Banking. She is not holding directorship in any other company. She is not holding Chairmanship/membership of any of the Committees in any other public limited Company. She holds 308 shares in the Company.

## 3. Audit Committee

The Audit Committee comprises of Mrs. Gita Bawa, Mrs. Kiran Kapur and Mr. Narender Sapra. Mrs. Gita Bawa is the Chairperson of the Audit Committee.

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

During the year under review the Audit Committee held five meetings i.e on 15th May, 2012, 31st July, 2012, 14th August, 2012, 14th November, 2012 and 14th February, 2013.

### Attendance record of Audit Committee members

Name of Members	No of meetings held during the tenure	Meetings attended
Mrs. Gita Bawa	5	5
Mrs. Kiran Kapur	5	5
Mr. Narender Sapra	5	5

## 4. Remuneration Committee

The Remuneration Committee comprises of Mrs. Gita Bawa, Mrs. Kiran Kapur, Mr. Ravi Manchanda and Mr. Peri Kameswara Sharma. Mr. Gautam Pal was appointed as the member of the Remuneration Committee w.e.f 2nd April, 2013 and ceased to be the member of the Committee w.e.f. 30th May, 2013. Mr. Peri Kameswara Sharma has been appointed as members of the Committee w.e.f. 30th May, 2013. Mrs. Gita Bawa is the Chairperson of the Committee.

The functions and terms of reference of the Committee are as prescribed under the Listing Agreement with the Stock Exchanges. It determines the Company's policy on all elements of remuneration packages of all the Directors including salary, benefits, bonus, stock options, pension rights and compensation payment etc. It also reviews all aspects of benefits and compensation to employees throughout the Company including policies on the same.

Remuneration policy of the Company is such as to retain the employees on long term basis and is comparable with other industries in the region.

During the period under report Mr. Narender Sapra, Mr. Arvind Behl and Mr. Ravi Manchanda, Directors were paid remuneration as under :

Name of the Directors	Salary (Rs.)	Perquisites & others (Rs.)	Total (Rs.)
Mr. Narender Sapra	56,40,000	27,14,002	83,54,002
Mr. Arvind Behl	3,70,968	5,15,681	8,86,649
Mr. Ravi Manchanda	13,80,000	18,13,193	31,93,193

(Perquisites & others include contribution to Funds, Commission and other allowances)

Details of Sitting Fees paid towards attending the Board and Committee Meetings during the Year:

Sl. No.	Name of the Directors	Total Sitting Fees Paid ( Rs.)
1.	Mrs. Gita Bawa	2,80,000
2.	Mrs. Kiran Kapur	2,60,000

During the year under review no meeting of the Remuneration Committee was held.

### Details of shareholding of Non-executive Directors

Sl. No.	Name of the Directors	No. of shares held
1.	Mrs. Gita Bawa	308
2.	Mrs. Kiran Kapur	100
3.	Mr. Peri Kameswara Sharma	100

## 5. Investors Grievance Committee

The Investors Grievance Committee comprises of Mrs. Gita Bawa, Mr. Narender Sapra and Mr. Ravi Manchanda. Mrs. Gita Bawa is the Chairperson of the committee. Mr. K. K. Kohli, Company Secretary, is the Compliance Officer.

The functioning and terms of reference of the Committee are as prescribed under and in due compliance with the Listing Agreement with the Stock Exchanges with particular reference to the transfers and complaints of the shareholders of any nature.

The Company has not received any complaint from shareholders during the year ended 31st March, 2013.

No transfer was pending on 31st March, 2013 for more than 30 days of its receipt.

During the year under review the Investors Grievance Committee held one meeting i.e on 14th November, 2012.

### Attendance record of Investors Grievance Committee members

Sl. No.	Name of Members	No. of meetings held during the tenure	Meetings attended
1.	Mrs. Gita Bawa	1	1
2.	Mr. Narender Sapra	1	1
3.	Mr. Ravi Manchanda	1	1

## 6. General Body Meetings

The last three Annual General Meetings of the Company were held at the Registered Office of the Company at Jagatjit Nagar-144802, Distt. Kapurthala (Punjab), as per details given below :

Year	Date	Day	Time
2010	30.09.2010	Thursday	09.30 A. M
2011	29.09.2011	Thursday	09.30 A. M
2012	28.09.2012	Friday	09.30 A. M

The Company has passed one Special Resolution in the last three Annual General Meetings. No Special Resolution was passed by way of Postal Ballot during the year under report.

## 7. Code Of Conduct

The Code of Conduct for the Directors and senior management of the Company has been laid down by the Board and the same is posted on the website of the Company.

### Declaration as required under Clause 49 of the Listing Agreement

I, Narender Sapra, Managing Director, hereby declare that the Code of Conduct adopted by the Company for its Board and Senior Management personnel has been duly complied by all Board Members and Senior Management personnel of the Company.

Sd/-

Place : New Delhi  
Date : 30th May, 2013

Narender Sapra  
Managing Director

## 8. Disclosures

There was no transaction of material nature with the Directors or the Management or their relatives during the year, which may have conflict with the interests of the Company at large. There was no instance of non-compliance on any matter related to the capital markets during the last three years.

## 9. Means of Communication

The Quarterly and the Annual financial results are submitted to the Stock Exchanges in accordance with the Listing Agreement and are published in newspapers in a widely circulated English daily and a Punjabi daily as required under the Listing Agreement. The results are displayed on the website of the Company [www.jagatjit.com](http://www.jagatjit.com) under the heading investors. The same are also forwarded to the shareholders on their request. Management Discussion and Analysis Report is enclosed and forms part of the Annual Report.

# Directors' Report

## 10. General Shareholders Information

- a) Annual General Meeting  
Date : 30th September, 2013  
Time : 09.30 A. M.  
Venue : Registered Office
- b) Financial Calendar (2013-14)  
(i) First Quarter Results : Mid of August, 2013  
(ii) Second quarter Results : Mid of November, 2013  
(iii) Third Quarter Results : Mid of February, 2014  
(iv) Annual Results : By 30th May, 2014
- c) Dates of Book Closure  
The Register of Members and Share Transfer Books will remain closed from 27th September, 2013 to 30th September, 2013 (both days inclusive).
- d) Dividend Payment Date  
The Board of Directors have not recommended any dividend for the year under review.

e) Listing on Stock Exchanges

The details regarding Listings and payment of Listing Fee to Stock Exchanges are given below :

Sl. No.	Name of Stock Exchanges Where Listed	Stock Code No.
1.	Ludhiana Stock Exchange Ltd.	JIND
2.	Delhi Stock Exchange Ltd.	10004
3.	BSE Limited	507155

The Listing Fees for the year 2013-14 have been paid.

f) Stock Market Data

The monthly high and low share prices of the Company in Rs. and the Sensex during the last financial year at the BSE are as follows :

Month	High	Low	Sensex High	Sensex Low
April, 2012	66.90	56.00	17664.10	17010.16
May, 2012	63.00	51.80	17432.33	15809.71
June, 2012	62.50	49.65	17448.48	15748.98
July, 2012	57.35	50.00	17631.19	16598.48
August, 2012	55.25	50.15	17972.54	17026.97
September, 2012	60.90	50.05	18869.94	17250.80
October, 2012	70.00	57.65	19137.29	18393.42
November, 2012	73.45	59.15	19372.70	18255.69
December, 2012	74.90	65.75	19612.18	19149.03
January, 2013	74.95	66.00	20203.66	19508.93
February, 2013	71.50	53.05	19966.69	18793.97
March, 2013	58.00	47.70	19754.66	18568.43

g) Registrar and Transfer Agent

In line with the guidelines of the Securities and Exchange Board of India and to provide better services to its shareholders, the Company is doing all the share registry related work In-house.

h) Share Transfer System

Share Transfer work of physical segment is attended to by the Company within the prescribed time period under law and the Listing Agreement with Stock Exchanges.

All share transfers are approved by a committee constituted by the Board of Directors, which meets periodically.

i) Distribution of Shareholding as on 31st March, 2013

Category (in Rs.)	No. of Shareholders	% of Share holders	No. of Shares held	% of Share holding
Upto - 5000	3265	78.66	457350	00.99
5001 - 10000	377	09.08	277835	00.60
10001 - 20000	215	05.18	321615	00.70
20001 - 30000	85	02.05	219270	00.48
30001 - 40000	46	01.11	158206	00.34
40001 - 50000	31	00.75	145615	00.32
50001 - 100000	75	01.81	528209	01.14
Above - 100000	57	01.37	44040012	95.43
Total	4151	100.00	46148112	100.00

Shareholding pattern as on 31st March, 2013

Sl. No.	Category	No. of Shares held	% of total Shareholding	% of Voting Rights
1.	Promoters' Holding	17434208	37.78	94.88
2.	Mutual Funds & UTI	1100	00.00	00.00
3.	Banks, Financial Institutions, Govt. Companies	1772	00.00	00.00
4.	Private Corporate Bodies	351985	00.77	00.52
5.	NRIs/FIIs (other than Promoters)	213155	00.46	00.31
6.	Indian Public	2935892	06.36	04.29
	Total	20938112	45.37	100.00
7.	GDRs (Underlying Shares)	25210000	54.63	-
	Grand Total	46148112	100.00	100.00

j) Dematerialisation of Shares and Liquidity.

As on 31st March, 2013, 16545414 equity shares being 35.85 % of the total paid-up Capital have been dematerialised. The shares of the Company are being actively traded at the BSE.

The shares of your Company are traded under compulsory dematerialised form. In view of the Guidelines of the Securities and Exchange Board of India, the Company with its aim to provide better services to its Shareholders is doing all the share registry related operations In-house. All the Shareholders and Depository Participants are advised to correspond with Company only for all the works related to share registry.

k) Outstanding GDRs.

The Company has issued 1260500 GDRs in overseas market representing 25210000 underlying equity shares. GDRs have not been converted into equity shares. GDRs do not carry voting rights.

l) Plants Location

The Company has following plants:

Sl. No.	Location
1.	Jagatjit Nagar, Distt. Kapurthala – 144 802 ( Punjab)
2.	Site No. IV, Plot No. 17, Sahibabad Industrial Area, Sahibabad -201 010 (U.P.)
3.	C-35, Sector 57, Phase-III, NOIDA -201 301 (U.P.)
4.	Plot Nos. 4A-1/1 & 1/2, Sikandrabad Industrial Area, Sikandrabad- 203 205 (U.P.)
5.	Plot No. SP 1-3, Sotanala, RIICO Industrial Area, Behror, Distt. Alwar -301 701 (Rajasthan)

m) Address for Correspondence

Corporate office : Jagatjit Industries Limited, 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110 019.  
Tel: 011- 26432641-42, Fax: 011-26441850, E.mail: jil@jagatjit.com

Registered Office : Jagatjit Industries Limited, Jagatjit Nagar-144 802, Distt. Kapurthala (Punjab)  
Tel: 0181- 2783112-16, Fax: 0181-2783118, E.mail: hamira@jagatjit.com

Investor E. mail address : Investor@jagatjit.com

# Directors' Report

## CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

### To the Members of Jagatjit Industries Limited

We have examined the compliance of conditions of Corporate Governance by Jagatjit Industries Limited for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company entered with the 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 Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no Investor Grievance was pending for a period exceeding one month against the Company as per the records maintained and produced before us by the Company.

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

For Sharma Sarin & Associates  
Company Secretaries

Place : Chandigarh  
Date : 30th May, 2013

Sd/-  
P.D. Sharma  
Partner