



# JAGJANANI TEXTILES LIMITED

## Annual Report 2015-16

### BOARD OF DIRECTORS

S. G. Vyas  
(Managing Director)  
S. K. Singhal  
N. K. Khurana  
Akash B. Shah  
R. N. Swami  
Mrs. Shakuntala

### AUDITORS

G. Dutta & Co.  
Chartered Accountants  
G-26, Shyam Nagar, Jaipur-302019

### REGD. OFFICE & MILLS

E-228, RIICO Industrial Area  
Bagru Extn-I, Bagru  
Jaipur – 303007  
Phone: 0141-4104745  
E-mail: [compliance@jagjanani.com](mailto:compliance@jagjanani.com)  
Web site: [www.jagjanani.com](http://www.jagjanani.com)

### REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited  
44, Community Centre, 2nd Floor,  
Naraina Industrial Area, Phase-I,  
New Delhi-110028 Ph.: 011-41410592,



## JAGJANANI TEXTILES LIMITED

### NOTICE

Notice is hereby given that Nineteenth Annual General Meeting of Jagjanani Textiles Limited will be held on Friday, September 30, 2016 at 10.00 a.m. at E-228, RIICO Industrial Area Bargu Extn.I, Bagru, Jaipur-303007 to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Shakuntala (DIN 01905333), who retires by rotation and, being eligible, offers herself for re-appointment.
3. 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 all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/S G. Dutta & Co., Chartered Accountants (Firm Registration No. 002136), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twentieth AGM of the Company to be held in the year 2017 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### NOTES:

- (i) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of the Meeting.
- (ii) Corporate Members are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- (iii) The Register of Members and the Share Transfer Books of the Company shall remain closed from 24th September, 2016 to 30th September, 2016 (Both days inclusive).
- (iv) Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the Notice. The Directors have furnished the requisite declarations for their appointment /reappointment.
- (v) Members holding shares in the same/identical name(s) under different folios are requested to apply for consolidation of such folios and send relevant share certificates to the Company/Registrar and Transfer Agent. The Members holding shares in physical mode are requested to notify the change in their address, if any, at the earliest to the Registrar & Transfer Agent/Company. However members, holding shares in electronic mode may notify the change in their address, if any, to their respective Depository Participants.
- (vi) Members desiring any information, as regards Accounts, are requested to write to the Company at its Regd. Office at least 10 days before the date of Annual General Meeting so as to enable the Management to compile the requisite information.
- (vii) Members are requested to bring their copy of Annual Report along with them to the Annual General Meeting.



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- (viii) The Ministry of Corporate Affairs (“MCA”) has vide Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively, taken a 'Green Initiative in Corporate Governance', by allowing paperless compliances through electronic mode, allowing to send documents such as Notice convening General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report, etc. and any other notice/documents, henceforth in electronic form in lieu of the paper form. You are requested to register your E-mail ID with your DP, if you hold the Company's shares in electronic form, under intimation to the Registrar & Transfer Agent through your registered E-mail ID. However, if you hold the shares in physical form, then you may register your E-mail ID with Registrar & Transfer Agent/ Company by sending a letter under your registered signature.
- (ix) Electronic copy of the Annual Report is being sent to such Members whose email IDs are registered with the Company/ Registrar & Transfer Agent /Depository Participant(s) However, the Members may ask for a physical copy of the same.
- (x) Voting through electronic means:
- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 The Company is pleased to offer e-voting facility for its Members to enable them to cast their votes electronically and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under
  - Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - Click on “Shareholders” tab.
  - Now, select the Electronic Voting Sequence Number - “EVSN” along with “Jagjanani Textiles Limited” from the drop down.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used & if you are a first time user follow the steps given in next page:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha -numeric *PAN issued by Income Tax Department when prompted by the system while e -voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned above in user ID column.	



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\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip.

After entering these details appropriately, click on “SUBMIT” tab.

Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant “Jagjanani Textiles Limited” on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.

### General:

- The voting period begins on 27th September, 2016 (10:00 am) and ends on 29th September, 2016 (5:00 pm) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The cutoff date for e-voting will be 23rd September, 2016.
- Mr. Manish Sharma, Practicing Company Secretary, (Membership No.FCS-4750), has been appointed as the Scrutinizer to scrutinize the e-voting.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



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- The Scrutinizer shall within a period not exceeding three working days from the date of close of e-voting unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
- The results of e-voting and poll on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favor of the resolutions.
- The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.jagjanani.com](http://www.jagjanani.com) and shall be communicated to BSE.
- Poll will also be conducted at the Annual General Meeting and members who has not cast his/her vote through e-voting facility may attend the Annual General Meeting and cast his/her vote

Jaipur

03.09.2016

(S. G. Vyas)

MANAGING DIRECTOR

(DIN-01905310)

INFORMATION PURSUANT TO CORPORATE GOVERNANCE CLAUSE OF THE LISTING AGREEMENT(s) REGARDING THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING.

Name of the Director	Mrs. Shakuntala
Date of Birth	12/04/1957
Date of appointment	29/09/2014
Expertise in specific or more functional area	Business Management
Qualification	B.A.
Directorships of other Companies as on 31 <sup>st</sup> March, 2015	Nil
Chairman/Member of Committees of other Companies as on 31 <sup>st</sup> March, 2015.	Nil
No. of shares held	Nil



## JAGJANANI TEXTILES LIMITED

### Corporate Governance Report for the year 2015-16

#### 1. COMPANY'S POLICY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has adopted a Code of Conduct for its employees including the Managing Director which was revised during the year to align with changing cultural and regulatory norms. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act").

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

#### 2. BOARD OF DIRECTORS

(a) As on March 31, 2016, the Company has six Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

(b) None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2016 have been made by the Directors.

(c) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

(d) The composition of the Board of Directors and their attendance at the Board Meetings during the year and at last Annual General Meeting of the Company as also the number of Directorship/Chairmanship of Board and Chairmanship/Membership of Committees (as stipulated in clause 49 of the listing agreement) of other Indian Public Limited Companies are as follows:



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Name of Director	Designation & Category	No. of Board meetings attended	Attendance at last AGM	Total no. of Directorships in other companies	No. of committee memberships in other companies	Total No. of Board Chairmanships in other Companies	Total No. of Committee Chairmanships in other Companies
Mr. S. G. Vyas	Promoter Director	6	Yes	Nil	Nil	Nil	Nil
Mr. S. K. Singhal	Promoter Director	6	Yes	Nil	Nil	Nil	Nil
Mr. N. K. Khurana	Non-Executive and Independent Director	5	No	1	Nil	Nil	Nil
Mr. Akash Bharatbhai Shah	Non-Executive and Independent Director	1	No	2	Nil	Nil	Nil
Mr. R. N. Swami	Non-Executive and Independent Director	6	No	1	Nil	Nil	Nil
Mrs. Shakuntala	Non-executive non-Independent Director	2	No	Nil	Nil	Nil	Nil

(e) Six Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:

May 30, 2015; August 11, 2015; September 1, 2015; November 14, 2015; February 12, 2016; February 26, 2016.

The necessary quorum was present for all the meetings.

(f) During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

(g) During the year, one meeting of the Independent Directors was held on March 02, 2016. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.



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(h) The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

(i) Details of equity shares of the Company held by the Directors as on March 31, 2016 are given below:

Name	Category	Number of equity shares
S G Vyas	Promoter Director	1060000
S K Singhal	Promoter Director	2654000

### 3. COMMITTEE OF THE BOARD

#### A. AUDIT COMMITTEE:

As on 31st March, 2016 the Audit Committee comprised of three Non- Executive, Independent Directors and one Promoter Director. The terms of reference to the Audit Committee are wide enough to cover all matters specified under the Listing Agreement and the Companies Act, 2013.

The Audit Committee met Five times during the financial year 2015-16 on 20/05/2015, 10/08/2015, 03/09/2015, 09/11/2015, 03/02/2016. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Designation	No. of meetings attended
1.	S.K. Singhal	Director	5
2.	N. K. Khurana	Director	1
3.	Akash B. Shah	Director	3
4.	R.N. Swami	Chairman	5

#### B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The terms of reference of the Shareholders'/Investor's Grievance Committee comprise of redressal of shareholders'/investor's complaints. The Committee consists of two Non-Executive, Independent Directors and one Promoter Director. The Secretary of the Company acts as the Secretary to the Committee.

The Shareholders'/ Investors' Grievance Committee met Four times during the year 2015-16 on 30.05.2015, 13.08.2015, 14.11.2015 & 12.02.2016. The attendance of Members at the Meetings was as follows:

Sr. No	Name of Director	Designation	No. of meetings attended
1.	S. K. Singhal	Chairman	4
2.	N. K. Khurana	Director	3
3.	Akash B. Shah	Director	1

During the financial year 2015-16, the Company received no complaint from investors.



**C. NOMINATION AND REMUNERATION COMMITTEE:**

The Company constituted Remuneration committee. The terms of reference to the Nomination and Remuneration Committee are wide enough to cover all matters specified under the Listing Agreement and the Companies Act, 2013.

The Remuneration Committee as on date comprises of three members i.e. Mr. N. K. Khurana, Mr. Akash B. Shah, Mr. R. N. Swami. All of them are Non-Executive Independent Directors. The Chairman of the Committee is Mr. Akash B. Shah who is a Non-Executive and Independent Director. The Secretary of the Company acts as the Secretary to the Committee.

The Nomination and Remuneration Committee met two times during the year 2015-16 on 28.08.2015, & 20.01.2016.

Sr. No	Name of Director	Designation	No. of meeting attended
1.	Akash B. Shah	Chairman	2
2.	N. K. Khurana	Director	0
3.	R.N. Swami	Director	2

**4. GENERAL BODY MEETINGS:**

The details of General Body Meetings held during the last three financial years are given as follows:

Year	Location	Date	Time	No. of Special Resolutions
2014-15	E-228, RIICO Industrial Area, Bagru Extn -1, Bagru Jaipur-303007.	30th September, 2015	10.00 AM	3
2013-14	138, Laxman Path, Shyam Nagar, Jaipur - 302019 (Rajasthan)	29th September, 2014	10.00 AM	-
2012-13	138, Laxman Path, Shyam Nagar, Jaipur - 302019 (Rajasthan)	27th September, 2013	11.00 AM	-

**DISCLOSURES:**

During the year, there was no transaction of material nature with the Directors, management and their relatives etc. that have any potential conflict with the interest of the Company at large except, as disclosed under the related party transaction as per the Accounting Standard 18 Related Party Disclosures' issued by the Institute of Chartered Accountants of India which are set out in the Annual

Report. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

Further, the Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company may also take up the non-mandatory requirements of Clause 49 in due course of



time.

## **5. MEANS OF COMMUNICATION**

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The Quarterly Financial Results are published in prominent daily newspapers.

## **6. BOARD LEVEL PERFORMANCE EVALUATION**

The Companies Act, 2013 and revised Clause 49 of the Listing Agreement entered with the Stock Exchanges stipulates the performance evaluation of the Directors including Chairperson, Board and its Committees. Considering the said provisions, the Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination & Remuneration Committee and approved by the Board at their meetings.

The process for performance evaluation is as under:

Independent Directors evaluates the performance of Non-Independent Directors including Chairperson of the Company taking into account the views of Executive Director and Non-Executive Director, and the Board as a whole and submit its report to the Nomination & Remuneration Committee (N&RC).

The Board evaluates the performance of the Independent Directors excluding the director being evaluated and submit its report to the N&RC.

Self Assessment of Performance Evaluation of the Board level committees are done by the respective committees and reported to the Board.

Nomination & Remuneration Committee reviews the reports of the Independent Directors and Board and accordingly, recommends the appointment/re-appointment/continuation of Directors to the Board.

Based on the recommendation of N&RC, Board will take the appropriate action.

The criteria for performance evaluation are as under

### **Performance Evaluation of Non-Executive Directors, MD & CEO and Chairperson**

Attendance at the meetings; Participation and contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Participation; Performance Evaluation and Updating of Knowledge.

In addition to the above criteria, following are the parameters for the performance evaluation of MD and Chairperson. Performance of the Company; Recognition and awards to the Company; Recognition and awards to the MD; Leadership; Relationships and Communications; Resources; Conduct of Meetings; Resources.

### **Performance Evaluation of Board**

Composition and Diversity; Committees of the Board; Board & Committee meetings; Induction Program; Team Work; Cohesiveness of Board decisions; Board Procedure; Performance Culture; Succession planning; Discussions at Board Meetings; Understanding of the business of the Company; Understanding the role and effectiveness; Foresight to avoid crisis and effectiveness in crisis management; Understanding of the regulatory environment; Strategy and Growth; Risk Management and Financial Controls; Quality of Decision making and Board's Communication AGM & Annual Report.