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BOARD OF DIRECTORS

MR. J. N. AGARWAL

Chairman & Managing Director

DIN : 01861610

MR. ATIN J. AGARWAL

Director

DIN : 01861554

MR. ATIN J. AGARWAL

CFO

PAN : ADDPA5084C

MR. RAVINDRA MISHRA

Director

DIN : 06904573

MR. SHIRISH GOTECHA

Director

DIN : 02877874

MRS. VEENA J. AGARWAL

Additional Director

DIN : 07104716

AUDITORS

ASHOK K. LOHIYA & ASSOCIATES

Chartered Accountants

4/3, Sonal Apartment, Sonawala Cross Road No. 1,
Goregaon (E), Mumbai - 400 063.

BANKERS

BANK OF BARODA

Goregaon (E) Br., Mumbai

SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
1st Floor, L.B.S. Marg,
Bhandup (W),
Mumbai - 400 078.

REGISTERED OFFICE

17, Cama Industrial Estate,
Walbhat Road,
Goregaon (E),
Mumbai - 400 063.

NOTICE

NOTICE is hereby given that the 50th ANNUAL GENERAL MEETING of JAIPAN INDUSTRIES LIMITED will be held at 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063 on Thursday, 29th September, 2016 at 10.00 am 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 31st March 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Veena Agarwal Din (07104716) who retires by rotation and being eligible offers himself for re-appointment.
3. **Ratification of Appointment of Auditors**

To consider and, if thought fit, to pass with or without modification(s), if any, 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 Rules framed under, as amended from time to time, the Company hereby ratifies the appointment of M/s. Ashok K. Lohiya & Associates, Chartered Accountants (Firm Reg. No. 124406W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 to examine and audit the accounts of the Company for the Financial Year 2016-17 on such remuneration, as may be mutually agreed between the Audit Committee/ Board of Directors of the Company and the Auditors."

NOTES:

- [a] **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**

Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- [b] The Register of Members and Share Transfer Books of the Company will be closed from Monday, 26th September, 2016 to Thursday, 29th September, 2016 (both days inclusive).

- [c] Members holding shares in dematerialized form are requested to intimate all changes pertaining to their mandates, nominations, power of attorney, change of address, change of name and email address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime"). Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Link Intime to provide efficient and better Services. Members holding shares in physical form are requested to intimate such changes to Link Intime.

- [d] **Benefits of Dematerialization:**

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides, risks associated with physical certificates such as forged transfer, fake certificates, bad deliveries, loss of certificates in transit, get eliminated.

Since there are several benefits arising from dematerialization, we sincerely urge you to dematerialize your shares at the earliest, if you are still holding the shares in physical form.

- [e] Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting. As a cost control measure, copies of the Annual Report will not be distributed at the Annual General Meeting.

- [f] The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Depositories for communication purposes. For other Members, physical copies are being sent if not received, a request letter may be sent to the company for the same. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with Link Intime.

- [g] **Updating of Members' Details**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

- [h] In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- (i) The voting period begins on Monday, September 26th, 2016 (9.00 am IST) and ends on Wednesday, September 28th, 2016 (6.00 p.m. IST). (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

A. Other Instructions:

- i. The e-voting period commences on Monday, September 26th, 2016 (9.00 am IST) and ends on Wednesday, September 28th, 2016 (6.00 p.m. IST). (both days inclusive). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The facility for voting, through ballot paper shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- iii. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be

entitled to cast their vote again.

- iv. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date i.e.22.09.2016. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the meeting through ballot.
- (xxi) Mr. Shravan A. Gupta, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Forms at the meeting received from the Members at the meeting) in a fair and transparent manner.
- (xxii) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and physical Ballot shall be treated as invalid.
- (xxiii) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (xxiv) The results declared along with the Scrutinizer's Report shall be placed/communicated to BSE Limited by 03rd October, 2016 where the shares of the Company are listed and the stakeholders can view the same.

For and on behalf of the Board of Directors

JAIPAN INDUSTRIES LIMITED

J. N. AGARWAL

(Chairman & Managing Director)

Mumbai, 30th May, 2016

Registered Office:

17, Cama Industrial Estate, Walbhatt Road,

Goregaon (East), Mumbai 400 063

CIN: L28991MH1965PLC013188

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DIRECTORS' REPORT

To,
The Members,

Your Directors presents their 50th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2016.

STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of sales and service of Electronic Household Accessories. It has a worldwide network, single sales office, a warehouse and a workforce of over 50 people that sell a single product to about 1,00,000 + customers in India and Abroad.

FINANCIAL PERFORMANCE: (Rs. in Lacs)

Particulars	Standalone	
	March 2016	March 2015
Income From Operations	2101.45	2929.63
Other Income	14.11	53.90
Total Income	2115.56	2983.53
Profit/(Loss) Before Interest, Depreciation, Tax and Exceptional Items	151.25	169.28
Less:- Interest Expenses	(81.05)	(86.70)
Less:- Depreciation	(64.78)	(68.32)
Less:- Exceptional Items	--	--
Profit/(Loss) Before Tax	5.42	14.26
Less:- Provision For Taxation	(2.40)	(4.57)
Net Profit/(Loss) After Tax	3.02	9.68

During the financial year 2015-16, the total income decreased by 29.09% to Rs. 2115.56 lacs as compared to previous year's total income of Rs. 2983.53 lacs. There is a Profit before tax of Rs. 5.42 lacs as compared to Profit before tax of Rs. 14.26 lacs in the previous year since Income from operation is Decreased to 2101.45 as compared to the previous year's Income is 2929.63.

DIVIDEND AND BOOK CLOSURE

The Board of Directors does not recommend dividend on equity shares for the current financial year.

The register of members and share transfer books will remain close from 26th September, 2016 to 29th September, 2016 (both days inclusive) for the 50th Annual General Meeting of the Company scheduled to be convened on 29th September, 2016 at 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063.

FINANCIAL SITUATION

Reserves & Surplus

As at 31st March, 2016 Reserves and Surplus amounted to Rs. 483.06 lacs as compared to Rs. 480.04 lacs of previous year. The said scenario is due to inadequate profitability during the year under review and contribution of losses by the company.

Long Term Borrowings

There has been decreased in the Long Term Borrowings as Rs. 2.84 lacs in the current financial year as compared to Rs. 19.03 lacs during the previous year.

Short Term Borrowings

The Short Term Borrowings have also decreased to Rs. 670.37 lacs in the year under review as compared to Rs. 688.82 lacs in the previous year.

Fixed Asset

Net Fixed Assets as at 31st March, 2016 has increased to Rs. 172.61 lacs as compared to Rs. 235.25 lacs in the previous year.

Investments

The Company has not made any investment in the current period under review.

SHARES CAPITAL

During the year there is no change in share capital of the Company.

MEETINGS BOARD OF DIRECTORS

The Board normally meets once in a quarter and additional meetings are held as and when required. During the year, the Board of Directors met 4 times i.e. on 29th May, 2015, 14th August, 2015, 14th November, 2015 and 15th February, 2016. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members.

APPOINTMENT / RESIGNATION OF DIRECTORS (SECTION 168(1)) AND KEY MANAGERIAL PERSONNEL (KMP):

During the year:

Mrs. Veena Agarwal is retiring by rotation and being eligible offers him for reappointment.

INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from Mr. Shirish D Gotecha and Mr. Ravindra A Mishra, Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

AUDIT COMMITTEE

The Company has an Independent Audit Committee comprising of 2 (Two) Independent Directors and 1 (one) Executive Director. Mr. Shirish D Gotecha and Mr. Ravindra A Mishra and Mr. Jainarain O Agarwal, Managing Director of the Company are Members of the Committee. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

EVALUATION OF PERFORMANCE OF BOARD

During the year a separate Meeting of Independent Directors of the Company was held on 28th March, 2016, which was attended by all the Independent Directors to discuss and review the self-assessment of Directors, Board and Committees thereof and also assess the quality, content and timeliness of flow of information between the Management and the Board.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other

irregularities;

- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has implemented several best Corporate Governance Practices as prevalent globally.

In compliance with Regulation 17 to 27 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, a Report on the Corporate Governance, along with the certificate from the Statutory Auditors of the Company on compliance with the provisions of the said Clause is annexed and forms part of the Annual Report.

LOANS MADE, GUARANTEES GIVEN OR INVESTMENTS IN SECURITIES BY THE COMPANY.

Particulars of loans made, guarantees given or investments in securities by the Company are provided in the Note 13 of notes to the Financial Statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES IN A PRESCRIBED FORM ALONGWITH THE JUSTIFICATION FOR ENTERING INTO SUCH CONTRACT OR ARRANGEMENT.

During the year there was no related party transactions of material nature that may have a potential conflict with interests of the Company, all transactions with related parties were in the normal course of business. On recommendation of Audit Committee the Board ratifies all the related party transactions on quarterly basis. The details of the transaction is annexed herewith as 'Annexure- I' in the prescribed form AOC-2

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

Energy conservation dictates how efficiently a company can conduct its operations. Jaipan Industries Limited has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices that have reduced the growth in carbon di-oxide (CO₂) emissions and strengthened the Company's commitment towards becoming an environment friendly organisation. A dedicated 'Energy Cell' is focusing on energy management and closely monitor energy consumption pattern across all manufacturing sites. Periodic energy audits are conducted to improve energy performance and benchmark with other international refineries and petrochemicals sites

Jaipan Industries Limited Focuses on (i) new products, processes and catalyst development to support existing business and create breakthrough technologies for new businesses (ii) advanced troubleshooting, and (iii) support to capital projects, and profit and reliability improvements in manufacturing plants.

Jaipan Industries Limited has only Domestic Clients, Hence Company's Export Earning and outgoing is NIL

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments has been done by management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as

Annexure II to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it is suffering losses since last three consecutive years; hence disclosure in this regard is not provided.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES (SECTION 177(10))

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the board of directors of the company formulated and adopted "Whistle Blower Policy and Vigil Mechanism"

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organisation either financially or otherwise.

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12))

Details pertaining to remuneration as required under section 197(12) of the Companies act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014 are provided in 'Annexure-III' to the Board's Report.

MANAGERIAL REMUNERATION AND RELATED DISCLOSURES

Disclosures pertaining to remuneration to directors and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Pertaining to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No any employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- (ii) No any employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- (iii) No any employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

SUBSIDIARY COMPANIES

The Company has no subsidiary companies and hence company does not need to make disclosure of contracts or arrangements or transactions not at arm's length basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board Of India (Listing Obligations And

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Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 and rules, amendments made there under, Mr. Shravan A Gupta, Practicing Company Secretary was appointed to conduct the secretarial audit of our company for FY 2015-16. The Secretarial Audit report is given separately under Annexure IV. There are no qualifications or observations or other remarks made by the Secretarial Auditor on the audit conducted by him in his Report

STATUTORY AUDITOR

The Auditors, M/s Ashok K Lohiya and Associates, Chartered Accountants, who are statutory auditors of the company, hold office until the conclusion of the ensuring AGM and are eligible for re-appointment, Members of the company at the AGM held on 30th September 2014 had approved the appointment of M/s Ashok K Lohiya and Associates as the Statutory Auditors for the period of Five Financial Year ie. Up to i.e. 31st March, 2019 As required by the provisions of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM. Accordingly, requisite resolution forms part of the notice convening the AGM.

HUMAN RESOURCES

Company considers its employees as most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives. The Company has a dedicated team of employees at various locations across our corporate office and branch offices (including Subsidiary companies) spread across the country. The Company strives to inculcate the culture where its employees are motivated and their performance is aligned with values. Company has achieved this present level of excellence through the commitment and dedication exhibited by its employees. The focus on improving productivity and adoption of best practices in every area are being pursued relentlessly. Efforts for active participation, nurturing creativity and innovation and ensuring a climate of synergy and enthusiasm have been at the core of Human Resource initiatives and interventions.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

Your Company has adequate internal financial control and adopted Internal Financial Control Policy in order to maintain confidentiality of price sensitive information and internal financial control.

RISK MANAGEMENT

The Company has mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. Risk management is an ongoing process and the Audit Committee will periodically review risk mitigation measures. The Board of Directors has not constituted a

Risk Management Committee as is not mandatory to the company vide circular bearing number CIR/CFD/POLICY CELL/7/2014 issued by SEBI dated September 15, 2014.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS INFUTURE

There were no significant and material orders passed by the regulators and/or courts or tribunals during the year.

POLICY FOR SEXUAL HARRASMENT

The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"). The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Company has also constituted an Internal Complaints Committee to redress the complaints received under this policy.

The following is a summary of sexual harassment complaints received and disposed-off during the year under review:

- No of complaints received: Nil
- No of complaints disposed-off: NA

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and cooperation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels.

By Order of the Board

Jainarin O Agarwal
DIN - 01861610

Chairman & Managing Director

Place : Mumbai
Date : 30th May; 2016

Registered Office:

17, Jai Villa Compound, Cama Industrial Estate,
Walbhat Road, Goregaon (East) Mumbai 400063.

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

As required by Regulation 17 to 27 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges and amendments thereof.

1. Company's philosophy on the Code of Governance

Jaipan Industries Limited believes that Corporate Governance is a thorough process by which Companies are directed to control and enhance their wealth generating capacity. Jaipan Industries Limited endeavors to virtually create value for its stakeholders, be it Customers, Employees, Shareholders or the Society at large. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Jaipan Industries Limited focuses on adopting the highest standard of Corporate Governance and moral business practices based on the following main principles to maintain transparency, accountability and ethics:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties
- Ensuring timely inflow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
- A sound system of risk management and internal control.
- Transparency and accountability
- Compliance with applicable rules and regulations.
- Fair and equitable treatment of all its stakeholders.

This chapter, along with the chapter on Management Discussion and Analysis reports indicates Jaipan Industries Limited compliances with the guidelines on Corporate Governance stipulated under Regulation 17 to 27 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, from time to time.

2. Board of Directors

a. Composition

The present strength of the Company's Board is 5 (Five) Directors. Composition of the Board of Directors is as under:

Catagory	No. of Directors
Non Executive& Independent Directors	2
Non Executive Director (Promoter Group),	1
Executive Director including (Managing Director)	2
Total	5

Among 5 Directors, the Company has 2 Executive Director and others are Non-Executive Directors. Out of 3 Non-Executive Directors, 2 Directors are Independent Directors and One Directors belong to Promoter's group. Chairman of the Company is a Executive Director. The composition of the Board is in conformity with Regulation of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, as amended from time to time. The Directors are appointed or re-appointed with the approval of the Shareholders. All the Executive Director and Non-Executive Directors belonging to Promoter's group are liable to retire by rotation unless otherwise specifically approved by the Shareholders. All Directors have intimated periodically about

their Directorship and Membership in various Board and Committee positions of other Companies, which are within permissible limits specified of the 2013 Act and Corporate Governance Code.

b. Independent Directors

The present Independent Directors ("IDs") of the Company are serving the on the Board as IDs, for more than 10 years before the commencement of the Companies Act, 2013 ("the Act"). IDs are not liable to retire by rotation, as their term of office was predetermined for five years by the Shareholders at the 48th Annual General Meeting of the Company held on September 30, 2014, as required by the Act. The IDs on the Board are highly experienced and competent persons from their respective fields. The IDs take active part at the Board Meetings and Committee Meetings which add value in the decision making process of the Board of Directors. All the IDs of the Company have confirmed that they satisfy the criteria of Independence as stipulated in the Act and Listing Agreement.

During the year under review, a separate Meeting of IDs of the Company was held on 28th March, 2016, which was attended by all the IDs to discuss and review the self-assessment of Directors, Board and Committees thereof and also assess the quality, content and timeliness of flow of information between the Management and the Board. The Company has formulated a familiarization program to familiarize Directors from time to time with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The familiarization program for Directors has been disclosed on the website of the Company-www.jaipan.com

c. Non-Executive Directors' compensation and disclosures

Sitting fees is paid to Non-Executive Directors, including Independent Directors for attending Board/Committee Meetings are within the limits prescribed under the Act.

d. Other provisions as to Board and Committees

The Board normally meets once in a quarter and additional meetings are held as and when required. During the year under review, the Board of Directors met 4 times i.e. on 29th May, 2015, 14th August, 2015, 14th November, 2015 and 15th February, 2016. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members. The gap between two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

The details as regard to attendance of Directors at Board Meeting, number of Directorships held in public limited companies and the position of Membership / Chairmanships of Committees in such public limited companies are given below:

Name of the Director	Category	No. of Board Meetings attended out of 4 Meetings held		No. of Directorship(s)/Committee(s) positions held in other public Company and subsidiary of Public Company as on 31st March, 2016		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. Jainarain O Agarwal	Managing Director (Promoter & Executive)	4	Yes	-	-	-
Mr. Atin J Agarwal	Director (Promoter & Executive)	4	Yes	-	-	-
Mr. Shirish Dwarkadas Gotecha	Independent Non Executive	4	Yes	-	-	-

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Mr. Ravindra Ashok Mishra	Independent Non Executive	4	Yes	-	-	-
Mr. Veena Jainarian Agarwal	Non-Executive (Promoter)	4	Yes	-	-	-

As required by the 2013 Act, none of the Directors hold Directorship in more than 20 Companies (including private companies and section 8 companies) and 10 public compaes. As required by Regulation of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, none of the Independant Director is a Director in more than 7 listed Companies as none of them is serving as a Wholetime Directorin any listed Company.

Information supplied to the Board

To enable the Board members to discharge their responsibilities effectively and take informed decisions, a comprehensive Agenda folder with explanation on each item is sent to each Director well in advance of the Board meeting. The information as required under Annexure - X to the Listing Agreement is made available to the Board. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. All the Agenda items are discussed in detail during the Board meeting. The Board members have complete access to any information within the Company and to any employee of the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as the related details that require deliberation by the members of the Board.

None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

e. Code of Conduct

The Company has adopted a Code of Conduct for its Directors and Senior Management in compliance with Regulation of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The code is derived from three interlinked fundamental principles; viz. good corporate governance, good corporate citizenship and exemplary personal conduct and it is applicable to all Directors and Senior Management of the Company. The Board members and Senior Management personnel have affirmed their compliance with the code of conduct and a CEO certificate to the effect is annexed to this corporate governance report. The said code of conduct is posted on the web site of the Company.

3. BOARD COMMITTEES

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to committees of the Board set up for the purpose. These committees prepare the groundwork for decision-making and report the same to the Board at the subsequent meetings. Currently, the Board has four Committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, Borrowing Committee, Risk Management Committee.

I. Audit Committee

The Company has an Independent Audit Committee comprising of 2, (Two) Independent Directors and 1 (one) Executive Director. Mr. Shirish D Gotech Chairmana and Mr. Ravindra A Mishra and Mr. Jainarain O Agarwal Managing Director, are Members of the Committee. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise.

The Head Finance & Accounts, Head Internal Audit and the Statutory Auditors are invitees to the meetings. The Company

Secretary acted as the Secretary to the Committee and attended all the meetings of the Audit Committee. Minutes of each Audit Committee are placed and discussed in the next meeting of the Board.

The Statutory Auditors and Head Internal Audit have attended all the Audit Committee meetings held during the year. Mr. Shirish D Gotecha, Chairman of the Audit Committee was present at the previous Annual General Meeting held on September30, 2015. The terms of reference, powers and role of Audit Committee are in accordance with Regulation of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015with the Stock Exchanges read with Section 177(4) of the Companies Act, 2013. The broad terms of reference includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To recommend the appointment, remuneration and terms of appointment of Statutory Auditors of the Company.
3. To approve payment to Statutory Auditors, including Cost Auditors, for any other services rendered by them.
4. To review with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgement by the management;
 - d. Significant adjustments made in financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements; g. Disclosure of any related party transactions; and
 - f. Qualifications in draft audit report.
5. To review, with the management, the quarterly financial statements before submission to the Board for approval.
6. To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and to make appropriate recommendations to the Board to take up steps in this matter.
7. To review and monitor the Auditor's independence and performance, and effectiveness of audit process.
8. To approve or any subsequent modification of transactions of the Company with related parties.
9. To scrutinize the inter-corporate loans and investments, if any, given/availed by the Company.
10. To value undertakings or assets of the Company, wherever it is necessary.
11. To evaluate internal financial controls and risk management systems adopted by the Company.
12. To Review, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
13. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit.

14. To review the adequacy of internal audit function, if any.
15. To discuss with internal auditors of any significant findings and follow-up thereon
16. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
17. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussions to ascertain any area of concern.
18. To look into the reasons for substantial defaults, if any, in the payment to depositors, shareholders (in case of non-payment of declared dividends) and creditors.
19. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
20. To approve appointment of the CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.
21. To carry out any other function as is mentioned in the terms of reference of the Audit Committee.
22. To review financial statements, in particular to the investments made by the Company's unlisted subsidiaries.
23. To review the following information:
 - a. The Management Discussion and Analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s)

During the 2015-2016, Five meetings of the Audit Committee were held i.e. 29th May, 2015, 14th August, 2015, 14th November, 2015 and 15th February, 2016 and 28th March 2016. The gap between two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

Name	Category	Meetings during the year 2015 -16	
		Held	Attended
Mr. Shirish Dwarkadas Gotecha	Non-Executive Independent Director	5	5
Mr. Ravindra Ashok Mishra	Non-Executive Independent Director	5	5
Mr. Jainarain O Agarwal	Managing Director	5	4

II. Nomination & Remuneration Committee

The Nomination & Remuneration Committee presently comprises of 2, (Two) Independent Directors and 1 (one) Executive Director. Mr. Shirish D Gotecha Chairman and Mr. Ravindra A Mishra and Mr. Jainarain O Agarwal Managing Director as its members. The terms of reference of Nomination & Remuneration Committee involves determination on the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment. It also includes recommendation on revision of remuneration of top executives below the Board of

Directors, granting and administration of Employees Stock Options, etc. The minutes of the Nomination & Remuneration Committee meetings are reviewed and noted by the Board from time to time.

The Company does not have any Employee Stock Option Scheme.

During the year 2015-2016, Company was not required to hold Nomination & Remuneration Committee meeting.

Details of Remuneration to Directors

Non-executive Directors are paid a sitting fees within the ceiling prescribed under the Companies Act, 2013 for attending meetings of the Board, Audit and other committee meetings. Details of remuneration paid to the Directors during the Financial Year 2015 -16 is as follows:

Director	Sitting Fees (Rs.)	Salaries, Perquisites & Contribution to funds (Rs.)	Commission (Rs.)
Mr. Atin J Agarwal	Nil	3,16,900/-	Nil
Mr. Jainarain O Agarwal	Nil	9,50,000/-	Nil
Mr. Shirish Dwarkadas Gotecha	Nil	Nil	Nil
Mr. Ravindra Ashok Mishra	Nil	Nil	Nil
Mrs. Veena Jainarain Agarwal	Nil	Nil	Nil

Remuneration paid to Mr. Jainarain O Agarwal is in accordance with Section II clause 1 part C of Schedule XIII to the Companies Act, 1956. Further pursuant to clause 2 (a) of Schedule XIII to the Companies Act, 1956 contribution to provident and superannuation fund Rs. 9,50,000/- to the extent the same is not taxable under the Income Tax Act, 1961 is paid to him which is excluded from the computation of the ceiling on remuneration specified in part c of clause 1.

*Remuneration paid to Mr. Atin J Agarwal is in accordance with the approval granted by Ministry of Corporate Affairs, The Government of India ("GOI") vide its letter dated August 13, 2013 respectively. Further pursuant to clause 2 (a) of Schedule XIII to the Companies Act, 1956 contribution to provident and superannuation fund of Rs. 3,16,900/- to the extent the same is not taxable under the Income Tax Act, 1961 is paid to him which is excluded from the computation of the ceiling on remuneration specified by GOI.

None of the Independent Directors hold any shares in the Company.

III. Stakeholder Relationship Committee

The Stakeholder Relationship Committee comprises of 2, (Two) Independent Directors and 1 (one) Executive Director. Mr. Shirish D Gotecha Chairman and Mr. Ravindra A Mishra and Mr. Jainarain O Agarwal Managing Director as its members. The Company Secretary acted as the Compliance Officer. The minutes of the Stakeholder Relationship Committee meetings are reviewed and noted by the Board from time to time. The Chairman of the Stakeholder Relationship Committee was present at the previous Annual General Meeting held on September 30, 2015.

The Stakeholder Relationship Committee deals with the matters relating to delay, if any in transfer of shares, demat, non-receipt of annual account, split, duplicate, transmission etc. of the shares issued by the Company. The Secretarial Department of the Company, under the supervision of the Company Secretary, who is also nominated by the Company as the "Compliance Officer" as required under SEBI Regulations/ Listing Agreement, and the Registrar and Share Transfer Agent, M/s. Link in time India Pvt. Ltd., attend to all grievances of the Shareholders and the investors. The Company and M/s. Link in time India Pvt. Ltd, are making further attempts to ensure that the grievances are expeditiously addressed and redressed to the full satisfaction