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# Jaipan®



# 52<sup>nd</sup>

## Annual Report 2017-2018

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**Jaipan Industries Ltd.**

17/1, Cama Industrial Estate  
Walbhat Road, Goregaon (East)  
Mumbai 400 063

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## JAIPAN INDUSTRIES LIMITED

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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

### MR. CHADRANT BHASKAR BALDE

Director  
DIN : 07782879

### MR. MANOJ R. AGARWAL

Director  
DIN : 07783052

### MRS. VEENA J. AGARWAL

Additional Director  
DIN : 07104716

## AUDITORS

### SDA & ASSOCIATES

Chartered Accountants  
2, Janta Building No.G-6, Opp. Vijaya Bank,  
Jesal Park, Bhayander (E), Mumbai - 401105.

## BANKERS

### BANK OF BARODA

Goregaon (E) Br. Mumbai

## SHREE TRANSFER AGENTS

### Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,  
1st Floor, L.B.S. Marg,  
Bhandup (W),  
Mumbai - 400078.

## REGISTERED OFFICE

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

## NOTICE

NOTICE is hereby given that the 52nd ANNUAL GENERAL MEETING of JAIPAN INDUSTRIES LIMITED will be held at 17, Jai Villa Compound, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063 on Friday, 28th September, 2018 at 9.30 am to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company on prepared as per Indian Accounting Standards, for the financial year ended March 31, 2018 including the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Atin J Agarwal (DIN 01861554), who retires by rotation, and being eligible, offers himself for re-appointment.

For and on behalf of the Board of Directors  
**JAIPAN INDUSTRIES LIMITED**  
**J. N. AGARWAL**  
(Chairman & Managing Director)

### Registered Office:

17, Jai Villa Compound, Cama Industrial Estate,  
Walbhatt Road, Goregaon (East) Mumbai 400063  
Place: Mumbai.  
Date: 30th May, 2018

### 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 Friday, 21st September, 2018 to Thursday, 27th September, 2018 (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 In time India Private Limited ("Link In time"). Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Link In time to provide efficient and better Services. Members holding shares in physical form are requested to intimate such changes to Link In time.**

**[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 2017-18 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 In time.**

**[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:

1. The voting period begins on Tuesday, September 25th, 2018 (9.00 am IST) and ends on Thursday, September 27th, 2018 (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 Saturday, 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

## Annual Report 2017 - 2018

- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  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](http://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](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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.evoting.com](http://www.evoting.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### A. Other Instructions:

- i. The e-voting period commences on Tuesday, September 25th, 2018 (9.00 am IST) and ends on Thursday, September 27th, 2017 (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 Saturday, 22nd September, 2018 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. 22.09.2018. 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 29th September, 2018 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)

**Registered Office:**  
17, Jai Villa Compound, Cama Industrial Estate,  
Walbhat Road, Goregaon (East) Mumbai 400063  
Place: Mumbai.  
Date: 30th May, 2018

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### **Annexure to the Notice**

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

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 30 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### **Item no 2 of the Notice**

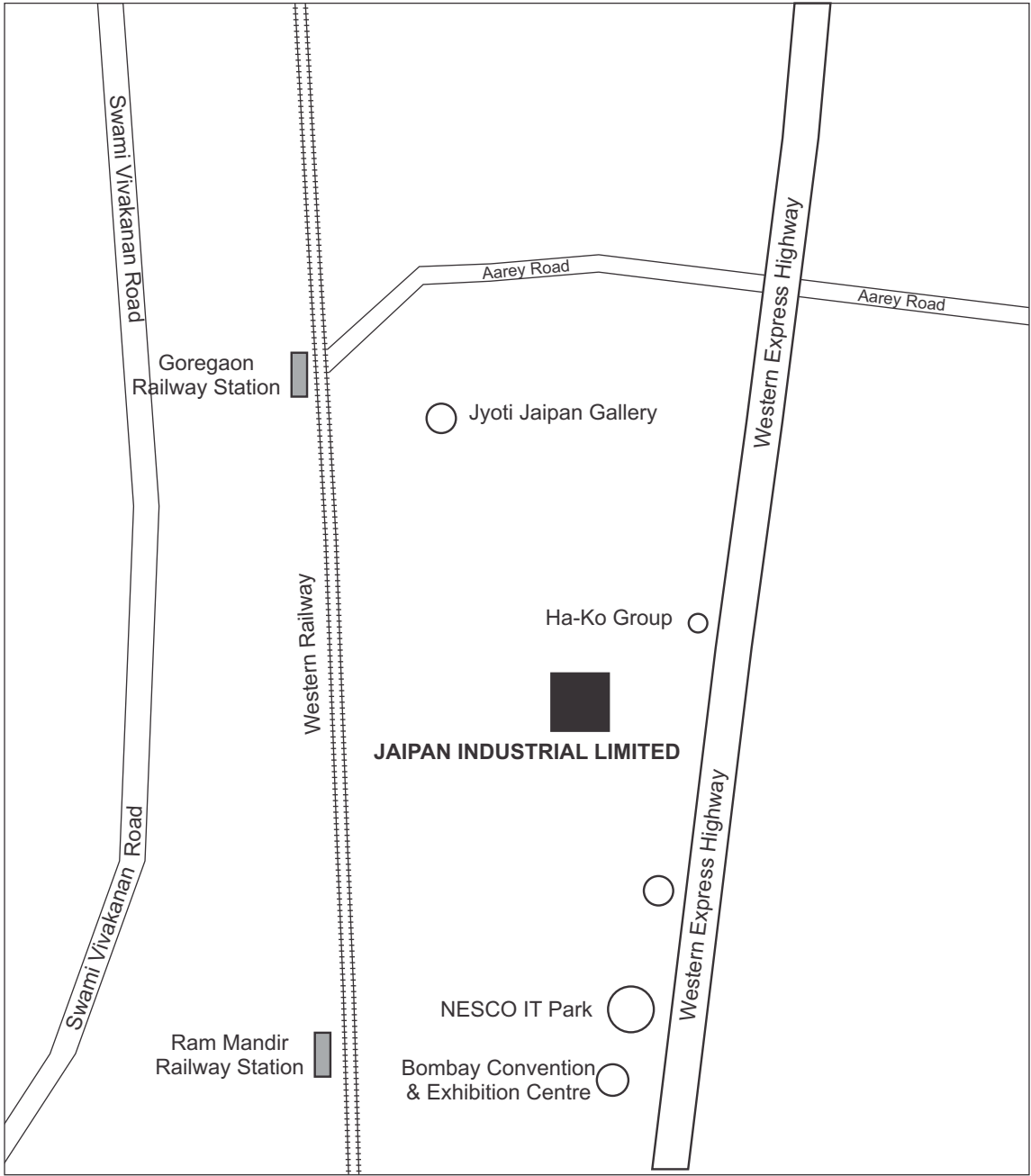
Mr. Atin J Agarwal

#### **Brief Profile**

He is the Director of the M/s Jaipan Industries Limited , Venere India Marketing Private Limited, Praxis Health Care Private Limited, & Jaipan C2C. Mr. Atin is also having vast experience in the business of Jaipan Kitchen appliances and Hansa Marketing Pvt Ltd. which is indirectly controlled by him. Overall he has over 20 years of experience in this line of activity and possesses requisite set of skills to venture his business in a smooth and professional manner He looks after administrative functions, he enjoys good reputation in the market. He has been instrumental in taking the company to great heights and achieve scale of heights. There are experts appointed to handle each department and they directly report to him to manage the company in a highly professionally manner.

For and on behalf of the Board of Directors  
**JAIPAN INDUSTRIES LIMITED**  
**J. N. AGARWAL**  
(Chairman & Managing Director)

Place: Mumbai.  
Date: 30th May, 2018





## DIRECTORS' REPORT

To,

The Members,

Your Directors presents their 52nd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2018.

### 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, 2018	March, 2017
Income From Operations	2758	1962.42
Other Income	8.98	11.54
<b>Total Income</b>	<b>2766.98</b>	<b>1973.96</b>
<b>Profit/(Loss) Before Interest, Depreciation, Tax and Exceptional Items</b>	<b>334.60</b>	<b>59.24</b>
Less:- Interest Expenses	-	-
Less:- Depreciation	(12.36)	(53.85)
Less:- Exceptional Items	--	--
<b>Profit/(Loss) Before Tax</b>	<b>322.24</b>	<b>5.38</b>
Less:- Provision For Taxation	-	(1.66)
<b>Net Profit/(Loss) After Tax</b>	<b>322.24</b>	<b>3.72</b>

During the financial year 2017-18, the total income increased by 40.41% to Rs. 2758.00 lacs as compared to previous year's total income of Rs. 1962.42 lacs. There is a Profit before tax of Rs. 322.24 lacs as compared to Profit before tax of Rs. 5.09 lacs in the previous year since Income from operation is increased to 2758.00 as compared to the previous year's Income is 1962.42.

### 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 21st September, 2018 to 27th September, 2018 (both days inclusive) for the 52nd Annual General Meeting of the Company scheduled to be convened on 28th September, 2018 at 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063.

### FINANCIAL SITUATION

#### Reserves & Surplus

As at 31st March, 2018 Reserves and Surplus amounted to Rs. 809.03 lakhs as compared to Rs. 486.79 lakhs of previous year. The said scenario is due to increase in Revenue of the Company during the year under review.

#### Long Term Borrowings

There has been decrease in the Long term Borrowings from Rs. 146.41 Lakhs during the previous year to Rs. 10.61 Lakhs during the year under review.

#### Short Term Borrowings

The Company has not accepted and short term Borrowings in during the year under review.

#### Fixed Asset

Net Fixed Assets as at 31st March, 2018 has decreased to Rs. 52.33 lakhs as compared to Rs. 176.08 lakhs 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 6 times i.e. on 24th May, 2017, 30th May, 2017, 14th August, 2017, 21st September, 2017, 14th November, 2017, and 13th February, 2018. 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):

There were no change in the Composition of Board of Directors of the Company and Key Managerial Personnel of the Company during the year under review.

### INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from Mr. Shirish D. Gotecha, Mr. Ravindra A. Mishra, Mr. Chandrakant Baleda and Mr. Manoj Agarwal, Independent Directors of the Company 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.

### BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Details of constitution of these Committees, which are in accordance with regulatory requirements have been given in the report. Further the details of scope, constitution, number of meetings of the Committee held during FY 17-18 along with particulars of attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

### EVALUATION OF PERFORMANCE OF BOARD

At a separate meeting of Independent Directors held without presence of other Directors and management, the Independent Directors had, based on various criteria, evaluated performance of the Executive Directors and performance of the Board as a whole and various

Board Committees. A report on such evaluation done by Independent Directors was taken on record by the Board and further, the Board had in compliance with the requirements of Companies Act, 2013 evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc. The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Report.

### DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

(a) in the preparation of the annual accounts for the financial year

## Annual Report 2017 - 2018

ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) 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;
- (c) 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:

Your Company is in strict compliance with the Corporate Governance requirements mentioned under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable provisions of Companies Act, 2013. Additionally, your company has complied with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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

Particulars of loans, guarantees and investments made by the Company as required under Section 186(4) of the Companies Act, 2013 are given in Note annexed to the Standalone Financial Statements.

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

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on arm's length basis, in the ordinary course of business and in compliance with applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. During FY 2017-18 there were no materially significant related party transaction by the Company with the Promoters, Directors, Key Managerial Personnel and other designated persons which may have a potential conflict with the interest of the Company. All related party transactions, specifying the nature, value and terms of the transactions including the arms-length justification, are placed before the Audit Committee for its approval and statement of all related party transactions carried out is placed before the Audit Committee for its review on a quarterly basis. During the year under review there have been no materially significant transactions prescribed under Section 188(1) with related parties as defined under Section 2(76) of the Companies Act, 2013 (Act) and accordingly the information as prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 are not provided.

### 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 (CO<sub>2</sub>) 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 my 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 employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Only rupees;
- (ii) No 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 One Crore Two Lakhs rupees per annum.
- (iii) No 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 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 2017-18. 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

At the 51st Annual General Meeting held on September 29, 2017, the Shareholders had approved appointment of M/s. SDA & associates, Chartered Accountants, having Firm Registration No. 120759W, as Statutory Auditors of the Company to hold such office until the conclusion of 56th Annual General Meeting to be held in the year 2022, subject to ratification by the Members every year. Pursuant to recent amendment to Section 139 of the Companies Act, 2013, effective May 7, 2018, ratification by the Shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment. The Company has received certificate of eligibility from M/s SDA & Associates in accordance with the provisions of the Companies Act, 2013 read with rules thereunder and a confirmation that they continue to hold valid Peer Review Certificate as required under Listing Regulations.

## 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; 2018

## Registered Office:

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

# Annual Report 2017 - 2018

## 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 7 (Seven) Directors. Composition of the Board of Directors is as under:

Category	No. of Directors
Non Executive & Independent Directors	4
Non Executive Director (Promoter Group),	1
Executive Director including (Managing Director)	2
Total	7

Among 7 Directors, the Company has 2 Executive Director and others are Non-Executive Directors. Out of 5 Non-Executive Directors, 4 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,. IDs are not liable to retire by rotation, as their term of office was predetermined for five years by the Shareholders at the 48th and 51st Annual General Meeting of the Company held on September 26, 2014 and 29th September, 2017 respectively, 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 13th February, 2018, 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.ccl.com](http://www.ccl.com).

#### c. Non-Executive Directors' compensation and disclosures

Sitting fees paid to Non-Executive Directors, including Independent Directors for attending Board/Committee Meetings (if any) 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 6 times i.e. on 24th May, 2017, 30th May, 2017, 14th August, 2017, 21st September, 2017, 14th November, 2017, and 13th February, 2018. 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, 2017		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. Jainarain O Agarwal	Managing Director (Promoter & Executive)	6	Yes	-	-	2
Mr. Atin J Agarwal	Director (Promoter & Executive)	6	Yes	-	-	2
Mr. Shirish Dwarkadas Gotecha	Independent Non Executive	6	Yes	-	2	2