



**JAYBHARAT**  
Textiles and Real Estate Limited

29th  
**Annual Report**  
2013-14



# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## ANNUAL REPORT 2013-14

CIN :L99999GJ1985PLC011553

### BOARD OF DIRECTORS

Shri Deepak Mathur – Chairman  
Shri Rajiv Chauhan - Managing Director  
Shri Farindra Bihari Rai  
Shri Kailash Nath Bhandari  
Shri Kulwinder Kumar Nayyar

### COMPANY SECRETARY

Mr. Hanuman P. Kharwal

### AUDITORS

M/s. A.F.Khasgiwala & Co.,  
Chartered Accountants

### BANKERS

Indian Overseas Bank, Allahabad Bank,  
UCO Bank, Oriental Bank of Commerce,  
Bank of Maharashtra, Bank of India

### REGISTERED OFFICE

Village Salvav, N.H. No. 8, Taluka Pardi,  
Near Vapi, Valsad Gujarat 396 191

### CORPORATE OFFICE

Raghuvanshi Mills Compound,  
11/12 Senapati Bapat Marg,  
Lower Parel (W),  
Mumbai -400013

### REGISTRAR & SHARE TRANSFER AGENT

Universal Capital Securities Private Limited  
(Formerly known as Mondkar Computers Pvt. Ltd)  
21, Shakil Nivas, Opp Satya Sai Baba Temple,  
Mahakali Caves Road, Andheri (East)  
Mumbai- 400 093

### PLANTS

Pulgaon, Maharashtra.

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**29<sup>th</sup> ANNUAL GENERAL MEETING on Saturday, 26<sup>th</sup> July, 2014** at 3:00 P.M.  
at Village Salvav, N.H. No. 8, Taluka Pardi, Vapi, Dist Valsad, Gujarat 396 191.

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## NOTICE

NOTICE IS HEREBY GIVEN that the 29<sup>th</sup> Annual General Meeting of the Members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** will be held on Saturday 26<sup>th</sup> July, 2014 at the Registered Office of the Company at Village Salvav, N.H. No. 8, Taluka Pardi, Near Vapi, Dist Valsad – 396191 at 3:00 P. M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Profit and Loss Account for the year ended on that date and Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Deepak Mathur, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To re-appoint M/s. A. F. Khasgiwala & Co., Chartered Accountants, as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 139 (2) and 142(1) of the Companies Act, 2013, M/s. A. F. Khasgiwala & Co., Chartered Accountants (Membership No. 006491, Firm Registration No. 105114W) the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company for a period of three (3) years subject to ratification by members at every Annual General Meeting commencing from the conclusion of this Annual General Meeting until the conclusion of the thirty second (32<sup>nd</sup>) Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company"

### SPECIAL BUSINESS

4. To appoint Shri Farindra Bihari Rai (DIN No 00780521) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Farindra Bihari Rai (DIN No 00780521), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years commencing from 26<sup>th</sup> July, 2014 to 25<sup>th</sup> July 2019."

5. To appoint Shri Kulwinder Kumar Nayyar (DIN No 02125734) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Kulwinder Kumar Nayyar (DIN No 02125734), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years commencing from 26<sup>th</sup> July, 2014 to 25<sup>th</sup> July 2019."

6. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Company has notified closure of Register of Members and Share Transfer Books from 23<sup>rd</sup> July, 2014 to 26<sup>th</sup> July, 2014 (both days inclusive).
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Universal Capital Securities Pvt Ltd.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Universal Capital Securities Pvt. Ltd.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

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10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Universal Capital Securities Pvt. Ltd., for consolidation into a single folio.
  11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  12. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to exercise their right to vote by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for providing e-voting facility to enable the shareholders to cast their votes electronically.
- These e-voting instructions are being sent to you as your name appears in the Register of Members as on Monday, 23<sup>rd</sup> June, 2014, being the cut-off date/entitlement date, fixed by the Board of Directors of the Company to identify the Members who are entitled to receive the copies of the Notice of 29<sup>th</sup> Annual General Meeting together with the Annual Report and to participate through e-voting.

**The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted are as under:-**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "JAYBHARAT TEXTILES AND REAL ESTATE LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form / Physical Form</b>
PAN	<p>Enter your 10 digit 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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 **then enter RA00000001 in the PAN field.</li> </ul> <p><b>** Enter your Sequence number mentioned in address Label affixed on Annual Report.</b></p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
  - (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
  - (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xi) Click on the EVSN for the relevant "JAYBHARAT TEXTILES AND REAL ESTATE LIMITED" on which you choose to vote.
  - (xii) 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.
  - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiv) 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.
  - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts 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.

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- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xviii) Dr. Shubh Karan Jain, Company Secretary in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board can scrutinize the e-voting process in fair and transparent manner.

### In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Sunday, 13<sup>th</sup> July, 2014 at 9:00 a.m. and ends on Tuesday, 15<sup>th</sup> July, 2014 at 6:00 p.m., During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 23<sup>rd</sup> June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

For and on behalf of the Board of Directors

Sd/-

Hanuman P Kharwal  
Company Secretary

Place: Mumbai  
Date: 29<sup>th</sup> May, 2014

### EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

#### ITEM NO. 4 and 5

Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) are Independent Directors of the Company and have held the positions before the commencement of Companies Act 2013

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement, inter alia, stipulating the conditions for appointment of Independent Directors by a listed company.

It is proposed to appoint Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) as Independent Directors under section 149 of the Companies Act 2013 and Clause 49 of the Listing Agreement to hold their office for 5 (Five) consecutive years commencing from 26<sup>th</sup> July 2014 to 25<sup>th</sup> July, 2019.

Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) are not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received Notices in writing from members of the Company along with deposit of requisite amount proposing the candidatures of each Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) for office of Directors of the Company.

Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) are interested in the Resolutions set out respectively at item nos. 4 & 5 of the Notice with regard to their respective appointments.

The relatives of Shri Farindra Bihari Rai (DIN No 00780521) and Shri Kulwinder Kumar Nayyar (DIN No 02125734) may be deemed to be interested in the Resolutions set out respectively at item nos. 4 & 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/ Key Managerial Personnel of the Company their relatives are in any way concern or interested financially are otherwise in these Resolutions.

The Board commends the Ordinary Resolutions set out at item nos. 4 & 5 of the Notice for approval of the shareholders.

#### ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/S Rajendra Singh Bhati & Co., Cost Accountants As a Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 on a remuneration of Rs. 22000/- p.a.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rule, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2015.

None of the Directors/ Key Managerial Personnel of the Company/ their relative are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the shareholders.

For and On behalf of the Board of Directors

Sd/-

Hanuman P Kharwal  
Company Secretary

Place : Mumbai  
Date : 29<sup>th</sup> May, 2014

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## DIRECTORS' REPORT

### Dear Members,

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March, 2014.

### FINANCIAL RESULTS:

	2013-2014 (₹ in Lacs)	2012-2013 (₹ in Lacs)
Revenue from operations	52108.29	52,749.72
Finance Cost	2625.55	4288.77
Depreciation and Amortization Expense	3341.87	3930.06
Profit/(Loss) before Exceptional and Extraordinary Items and tax	(968.38)	(7208.97)
Exceptional and Extraordinary Items	—	—
Profit/(Loss) before tax	(968.37)	(7208.97)
Deferred tax Liabilities	(129.96)	(138.45)
Provision for Tax	—	—
Profit/(Loss) after Tax	(838.41)	(7070.52)

**Note:** Previous year figures have been regrouped / rearranged wherever necessary

### DIVIDEND:

In view of inadequacy of profits, your Directors are unable to recommend any dividend on the equity shares for the year under review.

### REVIEW OF OPERATIONS:

The Company has achieved Revenue from operations of ₹ 52108.29 Lacs in Financial Year 2013-14 as against ₹ 52,749.72 Lacs in previous Financial Year 2012-13. During the year 2013-14 Interest outgo of the Company has registered at ₹ 2625.55 Lacs as against ₹ 4288.77 Lacs in the previous year 2012-13. The Depreciation has registered during the Current Year at ₹ 3341.87 Lacs as against ₹ 3930.06 Lacs for the previous year 2012-13. In the financial year 2013-14 the Company has incurred Net Loss of ₹ 838.41 Lacs as against Net Loss of ₹ 7070.52 Lacs in Financial Year 2012-13.

### SUBSIDIARY COMPANY:

Jaybharat Textiles And Real Estate Limited ("the Company") has only one subsidiary Company namely M/s. Pulgaon Cotton Mills Limited. The Report and Accounts of the Subsidiary Companies are annexed to this Report along with the Statement pursuant to Section 212 of the Companies Act, 1956. However, in the context of the mandatory requirement to present consolidated accounts, which provides Members with a consolidated position of the Company including its Subsidiary, at the first instance, Members are being provided with the Report and Accounts of the Company and the Consolidated Accounts treating these as abridged accounts as contemplated by Section 219 of the Companies Act, 1956. Members who wish to receive the full Report and Accounts including the Report and Accounts of the Subsidiary Companies will be provided with it upon receipt of a written request. This will help save considerable cost in connection with printing and mailing of the Report and Accounts.

### DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956 and the Articles of the Company Shri Deepak Mathur, Director of the Company, retire by rotation and, being eligible, offered himself for re-appointment.

In accordance with the provisions of the Companies Act, 2013, Company proposes Shri Farindra Bihari Rai and Shri Kulwinder Kumar Nayyar, Independent Directors of the Company, to re-appointe them for five (5) consecutive years commencing from the 26<sup>th</sup> July 2014 to 25<sup>th</sup> July 2019.

Shri Rajshekhar Ganiger resigned on 26<sup>th</sup> August, 2013, as Director of the Company and Shri Saurabh Kumar Tayal resigned on 15<sup>th</sup> November, 2013, as Director of the Company. The Board of Directors place on record the valuable services rendered by them during their tenure as Director of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibilities Statement, it is hereby confirmed:

- that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures.
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 statement of Profit & Loss of the Company for the year under review.
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.

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- (iv) that the Directors had prepared the accounts for the Financial Year ended 31<sup>st</sup> March 2014, on a 'going concern' basis.
- (v) That the accounts have been prepared on the basis of the revised schedule VI & The Companies Act, 1956, accordingly the previous year figures have adjust/ regroup/ rearranged to confirm with the current year figure.

## **FIXED DEPOSITS:**

The Company has not invited/received any fixed deposits from the public during the year under Report.

## **INSURANCE:**

The properties, stock, assets of your Company are adequately insured.

## **AUDIT COMMITTEE**

The composition of Audit Committee is given in the Report on Corporate Governance.

## **SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**

The composition of Share Transfer and Investors' Grievance Committee is given in the Report on Corporate Governance.

## **REPORT ON CORPORATE GOVERNANCE**

The Company has complied with Corporate Governance Code as stipulated under Clause 49 of the Listing Agreement. A separate section on Corporate Governance alongwith a certificate from M/s. A. F. Khasgiwala & Co., Statutory Auditors and Shri Rajiv Chauhan, Managing Director, confirming the compliance with the said Clause, forms part of this report.

## **HUMAN RESOURCES MANAGEMENT**

The Company recognizes that in a people-intensive business, major gains can be scored in the area of productivity management. In view of this, the Company has strengthened its people management through performance-linked incentives, amenities, training, Multi-skilling and career path identification.

The Company is of firm belief that good Human Resource (HR) Management would ensure success through high performance. HR strategy and plans of the Company are deeply embedded with the organizational goals. In order to enhance the manpower productivity, the goal is set to increase the production capacity of the plant and rationalize the manpower through scientific study. All the operational goals of the top management emanate from the business plan. The goals of MD are shared with his subordinates who in turn share their goal with their respective subordinates and so on. Regular visits by HR team is being made to the plant to meet the employees and also interaction meetings are conducted to get their feedback, based on which HR policies are improved continuously. The process has resulted in better employer-employee relationship.

The Company lays due emphasis on all-round development of its human resource. Hence, training of the employees is aimed at systemic development of knowledge, skills, aptitude and team work. Training is designed for the development of personal skills necessary for the performance of the present job and to prepare them for future growth. Individual development is given top priority to groom high caliber manpower.

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

The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure forming part of this Report.

## **PARTICULARS OF EMPLOYEES**

There were no employees drawing remuneration of ₹60,00,000/- or more per annum employed throughout the year or ₹5,00,000/- or more per month employed for a part of the year. This information is furnished pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

## **AUDITORS**

M/s. A. F. Khasgiwala & Co., Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s. A. F. Khasgiwala & Co. to the effect that their re-appointment as Auditors, if made, would be within the limits under Section 141(3)(g) of the Companies Act, 2013.

## **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation of the assistance and support extended by Banks, Consultants, Solicitors, Shareholders and Employees of the Company.

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

Place: Mumbai  
Date: 29<sup>th</sup> May, 2014

**Sd/-**  
**Deepak Mathur**  
Chairman

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## ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e), of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2013 – 2014:

### I. CONSERVATION OF ENERGY

#### a) Energy conservation measures taken:

The Company has been making concerted efforts for enhancement in capacity utilization, cost competitiveness and quality through systematic process monitoring and adherence to technological norms. Sophisticated instruments are used for regulation and adjustment as per parameters. Efforts are also made for up gradation of the quality of the Plant Operation. Utilities are being combined for effective energy conservation.

#### b) Additional Investments and Proposals being implemented for reduction of consumption of energy:

Studies are being made to reduce energy consumption and make suitable investments in this area, if necessary.

#### c) Impact of the measures (a) & (b) above for reduction of energy consumption and consequential impact on the cost of production of goods:

The Company has economized considerably the cost of power despite steep hike in the tariffs and is constantly exploring avenues for cost saving as an on-going process.

#### d) Total energy consumption and energy consumption per unit of production in accordance with Form 'A' of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in respect of Industries specified in the Schedule thereof:

	Year ended 31.03.2014	Year ended 31.03.2013
<b>A. Power and Fuel Consumption:</b>		
1. Electricity		
(a) Purchased		
1. Units (KWH in Lacs)	104.56	364.88
2. Total Amount (₹ in lacs)	650.38	2207.51
3. Rate/Unit (₹)	6.22	6.05
(b) Own Generation (through Diesel Generator/ Furnace Oil /Gas)		
1. Units (KWH in Lacs)	55.37	184.29
2. Total Amount (In Lacs)	898.12	2698.06
3. Cost per unit (₹)	16.22	14.64
2. Coal	—	—
3. Furnace Oil	—	—
4. Others/Internal Generation/Steam	—	—
<b>B. Consumption per unit of production:</b>		
(Product : Yarn & Fabric)		
1. Electricity (KWH per tonne)	607.70	1634.92
2. Coal (Kgs.)	—	—
3. Furnace Oil (Ltrs.)	—	—
4. Steam (Tonnes)	—	—

**Note :** Since the Company manufactures different qualities of fabrics/yarns with product-mix changing significantly, there are no specific norms for per unit of production.

### II. TECHNOLOGY ABSORPTION:

#### Efforts made in technology absorption in prescribed Form 'B':

#### Research and Development (R & D)

a) Specified areas in which	R & D R & D activities are being carried out by the company activities are carried out by the Company continuously to produce better quality of yarn and fabrics.
b) Benefits derived as a result of the above	As a result of R & D activities, the Company has been able to produce quality yarn and fabrics Conforming to international standards.
c) Future Plan of Action	Efforts aimed at cost reduction, improvement in quality of products and development of new process will continue.
d) Expenditure on R & D	Expenditure on R & D is being booked under the respective heads in the Profit & Loss Account as no separate account is maintained.
<b>Technology Absorption, Adaption and Innovation</b>	The Company has not utilized any imported technology.

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

a) Activities relating to export Markets for products	The Company is exploring avenues to and services and export plan export its premium quality yarns.
b) Foreign Exchange Outgo (₹ in Lacs)	(2013-14) (2012-13)
	— —
c) Foreign Exchange earned (₹ in Lacs)	— —

For and on behalf of the Board of Directors

Sd/-

Deepak Mathur  
Chairman

Place: Mumbai  
Date: 29<sup>th</sup> May, 2014

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## CORPORATE GOVERNANCE REPORT

This brief report on matters required to be stated on Corporate Governance pursuant to Clause 49 of the Listing Agreements is as under:

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The concept of our Company, of Corporate Governance hinges on total transparency, integrity and accountability of the management team. The main goal of Corporate Governance is maximization of shareholder's value and protection of the interests of all the stakeholders. It includes the policies and procedures adopted by the Company in achieving its objective in relation to its shareholders, employees, customers, suppliers, regulatory authorities and societies at large.

The Company has ensured that the Directors of the Company are subject to their duties, obligations and responsibilities to the best interest of the Company, to give direction and remain accountable to their shareholders and other beneficiaries for their actions. The responsibilities of the Board includes setting out the Company's strategic aims, providing the leadership to put them into effect, supervision of the management of the business and reporting to the shareholders on their stewardship.

It is a recognized philosophy of the Company that effective and good Corporate Governance is a must, not only in order to gain credibility and trust, but also as a part of strategic management for the survival, consolidation and growth.

### 2. BOARD OF DIRECTORS

2.1) The Board of Directors of the Company comprises of 5 Directors. During the Financial year 2013-2014, the Board met 4 times on the following dates namely 29<sup>th</sup> May, 2013, 9<sup>th</sup> August, 2013, 13<sup>th</sup> November, 2013 and 13<sup>th</sup> February, 2014. There was no time gap of more than four months between any two Meetings of the Board of Directors.

The name and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the 28<sup>th</sup> Annual General Meeting held on 17 August, 2013, as also the number of Directorships and Committee Memberships held by them in other Public Companies are given below:

Name	Category	Attendance Particulars		Number of other Directorships and Total Committee member/chairmanships as on 31.03.2014		
		Board Meetings	28th AGM	Directorships	Committee Memberships	Committee Chairmanships
Shri Saurabh Kumar Tayal**	NED	3	No	2	—	—
Shri Farindra Bihari Rai	NED	4	Yes	11	10	5
Shri Kailash Nath Bhandari	ID	4	No	12	5	1
Shri Rajshekhar Ganiger*	ID	Nil	No.	Nil	Nil	Nil
Shri Kulwinder Kumar Nayyar	ID	1	No	18	2	2
Shri Rajiv Chauhan	MD	4	Yes	3	1	1
Shri Deepak Mathur	NEC	4	Yes	1	1	1

\*Shri Rajshekhar Ganiger has resigned as on 26<sup>th</sup> August, 2013.

\*\* Shri Saurabh Kumar Tayal has resigned on 15<sup>th</sup> November, 2013.

"NEC" = Non Executive Chairman, "MD" = Managing Director, "ID" = Independent Director, "N" = Nominee, "NED" = Non-Executive Director.

### 2.2) Appointment / Re-Appointment of Directors:

As required under Clause 49 (VI) of the Listing Agreement the brief details of the Directors seeking re- appointment at the ensuing Annual General Meeting are furnished hereunder:

Sr. No	Name of Director	Area of Expertise	Directorships	Committee Membership	Committee Chairmanship
1.	Shri Farindra Bihari Rai	Diploma in Textile Technology. He has 20 years of experience in Textile Industry.	11	8	3
2.	Shri Kailash Nath Bhandari	B.A and LL. B Degree holder and rich experience in Insurance Sector and he have served various posts in GIC, LIC, i.e Chairman, Directors	12	4	1

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### 2.3) Non-Executive Directors Compensation Disclosures:

Details of Sitting Fees paid to Non-Executive and Independent Directors of the Company during the Financial Year 2013-2014, for attending the Board Meetings, Audit Committee Meetings and Share Transfer and Investors' Grievances Committee Meetings, is as follows:

Sl. No.	Name of Director	Category	Sitting Fees (in ₹)	
			Board Meetings	Committee Meetings
1.	Shri Farindra Bihari Rai	ID	40,000	40,000
2.	Shri Kailash Nath Bhandari	ID	40,000	40,000
3.	Shri Rajshekhar Ganiger	ID	—	—
4.	Shri Kulwinder Kumar Nayyar	ID	10,000	—
5.	Shri Deepak mathur	NED	40,000	—
6.	Shri Rajiv Chauhan	ED	—	—
7.	Shri Saurabh Tayal	NEC	30,000	—
	Total		1,60,000	80,000

### 3. BOARD COMMITTEES:

The requirement that a Director shall not be a member of more than 10 committees and Chairman of more than 5 committees has been complied with while constituting the Committees of Directors.

#### 3.1) Audit Committee:

The Board of Directors of the Company has duly constituted an Audit Committee. The Audit Committee comprises of Shri Kailash Nath Bhandari, Shri Farindra Bihari Rai, Chairman & Shri Kulwinder Kumar Nayyar as the members of the Committee.

Further During the year the Audit Committee has reconstituted as Shri Farindra Bihari Rai elected as a chairman and Shri Kulwinder Kumar Nayyar appointed as Member of Committee because of resignation of Shri Rajshekhar Ganiger as a Member, but he will be continue as a member of Audit Committee.

The constitution of Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49(II)(A) as introduced by the Companies (Amendment) Act, 2000.

The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement read with the Section 292A of the Companies Act, 1956. The terms of reference of the Audit committee are as follows:

- Overview of the company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with management the annual financial statements before submission to the board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by management (iii) qualifications in draft audit report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing 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.
- Discussion with external auditors before the audits commences nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.