



JAYBHARAT

Textiles and Real Estate Limited

31st Annual Report
2015-16

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Registered Office: Village Salvav, N.H. No. 8, Taluka Pardi, Near Vapi, Valsad, Gujarat 396191.

CIN :L99999GJ1985PLC011553

ANNUAL REPORT 2015-16**BOARD OF DIRECTORS**

Mr. Rajiv Kumar Gupta	- Managing Director
Mr. Pravin Kumar Parekh	- Independent Director
Mr. Jaiprakash Mishra	- Independent Director
Ms. Neha Nilesh Patil	- Director
Ms. Manasi Wadkar	- Additional Director
Mr. Santosh Kumar Tripathi	- Chief Financial Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Swaroop Singh Bhati

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- 400 013,

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

PLANT

Pulgaon, Maharashtra

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JAYBHARAT TEXTILES AND REAL ESTATE LTD

NOTICE

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting of the Members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** will be held on Wednesday 28th September, 2016 at the Registered Office of the Company at Village Salvav, N.H. No. 8, Taluka Pardi, Near Vapi, Dist Valsad – 396191 at 1:30 P. M. to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Auditors thereon.
2. To appoint a Director in place of Ms. Neha Patil (DIN: 07114205), who retires by rotation and, being eligible, offers her-self for re-appointment.
3. To ratify the appointment of Auditor and to fix remuneration 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 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s. A. F. Khasgiwala & Co., Chartered Accountants (Membership No. 006491, Firm Registration No. 105114W), as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty - second Annual General Meeting of the Company to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

4. To appoint Ms. Manasi Wadkar (DIN 05309693) as a Director, whose term of office expires at the Annual General Meeting 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 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ms. Manasi Wadkar (DIN: 05309693), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company with effect from 7th November, 2015 and whose period of office shall be liable to determination by retirement of Directors by rotation.”

“RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorised to take or cause to be taken all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

5. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2017 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, 2017, 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 authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

NOTES:-

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business is annexed hereto under Item No. 4 & 5 and forms an integral part of this Notice. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), of the person seeking re-appointment as Director under Item No. 4 of the Notice, are also annexed

2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. 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 (50) 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 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.

3. The Registers of Members and Share Transfer Books of the Company will be closed from 21st September, 2016 to 28th September, 2016
4. Members, proxies and Authorised representative are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Universal Capital Securities Private Limited to provide efficient and better services.

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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

6. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular no. 21/99 dated July 8, 1999. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.
7. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio. Members are requested to immediately notify any change in their registered address specifying full address with Pin Code Number and quoting their Registered Folio Number to the Company.

In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

8. Members desiring any information on the Annual Accounts of the Company for the year ended 31st March, 2016 are requested to write to the Company at its Administrative Office Address at least 7 days in advance of the Annual General Meeting, so as to enable the Management to keep the information ready at the meeting.
9. All documents and agreements referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10:00 A.M and 1:00 P.M. up to the date of Annual General Meeting.
10. Electronic copy of the Annual Report for 2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016 is being sent in the permitted mode.
11. Electronic copy of the Notice of the 31st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 31st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
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 Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

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13. These e-voting instructions are being sent to you as your name appears in the Register of Members as on Wednesday, 21st September, 2016, 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 Thirty First 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:-

In case of members receiving e-mail:

- i. The voting period begins on Saturday, 24th September, 2016 at 9:00 a.m. and ends on Tuesday, 27th September, 2016 at 5:00 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 Wednesday, 21st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders" tab.
- iv. Now, select the Electronic Voting Sequence Number - "EVSN" along with "JAYBHARAT TEXTILES AND REAL ESTATE LIMITED" from the drop down menu and click on "SUBMIT".
- v. Now Enter your User ID [For CDSL: 16 digits beneficiary ID, For National Securities Depository Limited ("NSDL"): 8 Character DP ID followed by 8 Digits Client ID], Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- 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 casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below: Fill up the following details in the appropriate boxes:

	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)
	<ul style="list-style-type: none"> 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 (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.
	<ul style="list-style-type: none"> 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly to the EVSN 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 the Notice convening AGM.
- xi. Click on the relevant EVSN 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 Resolutions.
- 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. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on cut-off date/entitlement date.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code then click on Forgot Password & enter the details as prompted by the system.
- xix. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xx. **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 Corporates.
 - 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.
- xxi. 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.
- xxii. M/s. Priyavrat & Associates, Chartered Accountants 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 Saturday, 24th September, 2016 at 9:00 a.m. and ends on Tuesday, 27th September, 2016 at 5:00 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 Wednesday, 21st September, 2016, 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

For and on behalf of the Board of Directors

Sd/-

**Rajiv Kumar Gupta
Managing Director
DIN:06894587**

**Place : Mumbai
Date : 12th August, 2016**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Ms. Manasi Wadkar (DIN:05309693) who was appointed as Additional Director by the Board of Directors on 7th November, 2015 respectively pursuant to Section 161(1) of the Companies Act, 2013. She hold office up to this Annual General Meeting.

The Company has received a notice in writing from the Members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Manasi Wadkar (DIN:05309693) for the office of Director of the Company.

Ms. Manasi Wadkar is not disqualified from being appointed as Directors in terms of section 164 of the Companies Act 2013 and have given her consent to act as a Director.

Ms. Manasi Wadkar has done her Graduation and Post-Graduation in Commerce, MBA in Finance and has also done her CWA from ICWA. She has more than 15 years of working experience in the textile industry.

The Board recommends the passing of this Resolution.

Except Ms. Manasi Wadkar, None of the Directors, Promoters, Key Managerial Personnel or relatives thereof, are interested in these Resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment of Shri Pradip Damania as a Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2016-2017 on a remuneration of Rs. 12500/- 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.5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2016-2017.

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. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

For and on behalf of the Board of Directors

**Sd/-
Rajiv Kumar Gupta
Managing Director
DIN:06894587**

**Place : Mumbai
Date : 12th August, 2016**

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March, 2016.

FINANCIAL

HIGHLIGHTS

	2015-2016 (Rs. in Lacs)	2014-2015 (Rs. in Lacs)
Revenue from operations	11838.90	66024.00
Finance Cost	4539.18	3056.73
Depreciation and Amortization Expense	1532.92	1550.17
Profit/(Loss) before Exceptional and Extraordinary Items and tax	(5792.13)	(21957.71)
Exceptional and Extraordinary Items	(194.46)	293.95
Profit/(Loss) before tax	(5986.59)	(2251.66)
Deferred tax Liabilities	194.46	293.95
Provision for Tax	---	---
Profit/(Loss) after Tax	(5986.59)	(22251.66)

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

DIVIDEND:

Due to huge loss, 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 Rs **11838.90** Lakhs in Financial Year 2015-16 as against Rs **66024.00** Lakhs in previous Financial Year 2014-15. During the year 2014-15 Interest outgo of the Company has registered at Rs **4539.18** Lakhs as against Rs. **3056.73** Lakhs in the previous year 2014-15. The Depreciation has registered during the Current Year at Rs. **1532.92** Lakhs as against Rs. **1550.17** Lakhs for the previous year 2014-15. In the financial year 2015-16 the Company has incurred Net Loss of Rs **5986.59** Lakhs as against Net Loss of Rs. **22251.66** Lakhs in Financial Year 2014-15.

The Company experienced that the efficiency of plant and machineries, especially Spinning Machines have gone down and set up an in house Expert Group to suggest measures for Technology up gradation and Modernization. As per their recommendations, old machines including Ring Frames, requiring expenditure towards repairs and maintenance consuming high power with low output have been identified and shifted to workshop/godowns for appropriate action.

BIFR

The Company is a Sick Industrial Company, pursuant to section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and is registered with Board for Industrial and Financial Reconstruction (BIFR). The proceedings are pending in this matter.

SUBSIDIARY COMPANY:-

Jaybharat Textiles And Real Estate Limited ("the Company") has only one subsidiary Company namely M/s. Pulgaon Cotton Mills Limited. There has been no material change in the nature of the business of subsidiary company.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's subsidiary (in Form AOC-1) is attached as **Annexure A**.

Members who wish to receive the full Report and Accounts including the Report and Accounts of the Subsidiary Company 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.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure D**".

JAYBHARAT TEXTILES AND REAL ESTATE LTD

MEETINGS OF THE BOARD

Five meetings of the Board of Directors and Four Meeting of audit committee were held during the year. For further details, please refer report on corporate governance section in this Annual Report.

COMMITTEES OF THE BOARD

Currently, the Board has Six committees: the Audit Committee, Nomination and Remuneration Committee, Management and Finance Committee, Stakeholder's Relationship Committee, Sexual Harassment Committee, Risk Management Committee. All committees, except the risk and Management committee, consist entirely of independent directors.

A detailed note on the Board and its committees is provided under the corporate governance report section in this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 149 of the Act, Mr. Pravin Kumar Parekh & Mr. Jaiprakash Mishra were appointed as independent directors at the annual general meeting held on September 12, 2015. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149 (6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

During the year, in accordance with the provisions of the Companies Act, 2013, Ms. Manasi Wadkar and Mr. Pushpendra Pratap Singh has been appointed as Additional Director of the Company with effect from November 7, 2015.

Ms. Neha Patil retires by rotation and, being eligible, offered herself for re-appointment.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are Mr. Rajiv Kumar Gupta, Managing Director and Mr. Santosh Kumar Tripathi, Chief Financial Officer and Mr. Swaroop Singh Bhati, Company Secretary & Compliance Officer.

BOARD EVALUATION

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), the Nomination and Remuneration Committee have defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Director.

In accordance with the criteria and procedure the Independent Directors considered/evaluated the Board's performance, Performance of the Chairman and other Non-Independent Directors.

The Board has undergone a formal review which comprised Board effectiveness survey and review of materials. The Board subsequently evaluated its own performance, the working of its committees (Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee and Management and Finance Committee) and Independent Directors (without the participation of the relevant director) The Directors were evaluated on aspects such as attendance and contribution at Board / Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director Areas on which the Committees were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of Independent Directors was carried out by the entire Board, excluding the director being evaluated. The performance evaluation of the chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committee and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. through various programmes.

The details of such familiarization programme shall be disclosed on the Company's website at the following web link: <http://Jaybharat.org/wp/>

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No of complaints received : Nil

No of complaints disposed off : Nil

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director. The Internal Audit Department monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.