



# Jindal Cotex Limited

**Annual Report  
2013-14**



# Annual Report 2013-14

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# Annual Report 2013-14

## BOARD OF DIRECTORS

Mr. Sandeep Jindal  
Mr. Yash Paul Jindal  
Mr. Ramesh Jindal  
Mr. Rajinder Jindal  
Mr. Aman Jindal  
Mr. Sahil Jindal  
Mr. Nirmal Kumar Jain  
Mr. Madan Lal Arora  
Mr. Vinay Shrivastav  
Mr. Satish Kumar Gupta  
Mr. Naresh Chand Bansal

Managing Director

### A.G.M.-ACCOUNTS

Mr. Anoop Kumar

### COMPANY SECRETARY

Mr. Anil Kumar Malhan

### REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited,  
E/2, Ansa Industrial Estate,  
Saki Vihar Road,  
Sakinaka Andheri (E), Mumbai - 72  
Phones : (022) 28470652, (022) 40430200  
Fax: (022) 28475207,  
Email: ID: [info@bigshareonline.com](mailto:info@bigshareonline.com)

### AUDITORS

M/s Raj Gupta & Co.,  
Chartered Accountants,  
549/1, Sutlej Tower,  
Near Fountain Chowk,  
Civil Lines, Ludhiana - 141 001

### REGISTERED & CORPORATE OFFICE AND WORKS

VPO Jugiana, G.T. Road,  
Ludhiana-141 420  
CIN No. L17115PB1988PLC021084  
Phones: (0161) 2511840 - 42  
Fax: (0161) 2511843  
Email: [cs@jindalcotex.com](mailto:cs@jindalcotex.com)  
Website: [www.jindalcotex.com](http://www.jindalcotex.com)

### WIND MILL

J-289, Village Pithla,  
Distt. Jaisalmer,  
Rajasthan

### UNITS

Bija, Tehsil Khana,  
Unit - II, Village Mandiala Kalan,  
Dist. Ludhiana - 141 401  
Phone: (01628) 264842

### BANKERS

Oriental Bank of Commerce  
State Bank of India  
Allahabad Bank  
Corporation Bank  
Punjab & Sind Bank  
Bank of Baroda  
Punjab National Bank  
Central Bank of India



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management discussion and Analysis Report, is a reflection of the current state of business of the company. It also deals with opportunities and challenges faced by your company and future outlook.

### Business Review & Outlook

The growth in global economy during the year 2013-14 remained affected due to impact of high crude oil prices and other commodity prices. Indian GDP growth decline due to worst performance in all the sectors, specially in the manufacturing sector.

The outlook of the Textile Industry is appearing good as we expect that the textile export target for the current financial year is going to be hiked by the Indian Government, therefore, expecting major support to the textile Industries. Further, we hope that inflation will come down, domestic market is expected to continue to deliver a healthy growth. The Management of our company is very optimistic of the textile industry and taking a long term view of the Industry and hope to increase turnover and margins from the current position.

### Industry Structure and Development

The Textile Industry in India plays a vital role in the overall economy. The Indian Textile Industry is one of the largest in the world with a massive raw material and manufacturing base. It contributes 14% of the industrial production and 4% to the GDP of the country. The Textile Industry accounts for as large as 21% of the total employment generated in the economy. Approximately 35 million people are directly employed in textile manufacturing activities. Exports account for about 17% of India's total foreign exchange earnings.

The Indian textile Industry, 2<sup>nd</sup> largest in the World and continued to its growth journey due to extension of the Textile Up-gradation Fund scheme.

### Financial Analysis and Review of operations (On standalone basis):

#### Product wise performance

Particulars	Year ended March 31, 2014			Year ended March 31, 2013		
	Qty in MT	Sales Amount (Rs. in lacs)	As % to Total Sales	Qty in MT	Sales Amount (Rs. in lacs)	As % to Total Sales
<b>Textiles</b>						
Acrylic Yarn	40958	6374.36	24.12	1876	4043.64	13.63
Polyester Yarn	163.88	224.94	0.85	315	509.60	1.72
Blended Yarns	1816.86	3260.61	12.34	1690	2815.10	9.49
100% Cotton Yarn	5544.93	11828.08	44.76	4542	7720.67	26.03
Knitted Cloth	1026.91	4376.97	16.57	2891	13049.10	43.99
Fibre and others	1994.06	309.76	1.17	524	1478.64	4.99
<b>Total (A)</b>	<b>51504.64</b>	<b>26374.72</b>	<b>99.81</b>	<b>11838</b>	<b>29616.75</b>	<b>99.85</b>
<b>Wind Mill</b>						
Elect. Sales	-	50.43	0.19	1221	44.59	0.15
<b>Total (B)</b>	<b>-</b>	<b>50.43</b>	<b>0.19</b>	<b>1221</b>	<b>44.59</b>	<b>0.15</b>
<b>Total (A+B)</b>	<b>51504.64</b>	<b>26425.15</b>	<b>100</b>	<b>13059</b>	<b>29661.34</b>	<b>100</b>

### Financial Analysis

#### ➤ Revenue Break – up: (Rs. In lacs)

Particulars	2013-14	%	2012-13	%
Sales	26425.15	99.53	29661.34	92.47
Other Income	125.12	0.47	2415.89	7.53
<b>Total Income</b>	<b>26550.27</b>	<b>100</b>	<b>32077.23</b>	<b>100</b>

The net turnover has been increased to Rs. 26425.15 lacs in the year 2013 – 14 as against Rs. 29661.34 lacs in the year 2012 – 13, showing thereby an decrease of 10.91%.

#### ➤ Profitability/Losses (Rs. in lacs)

Particulars	2013- 14	% of turnover	2012-13	% of turnover
Profit/losses before depreciation, interest and tax	820.38	3.10	4046.94	13.64
Interest	2655.91	10.05	2489.55	8.39
Profit/losses before Depreciation	1557.39	5.89	1557.39	5.25
Depreciation	616.79	2.33	1116.26	3.76
Profit/losses before tax	(2452.32)	(9.28)	441.13	1.49
Tax	4.84	-	-	-
<b>Profit/losses after Tax</b>	<b>(2457.16)</b>	<b>(9.30)</b>	<b>441.13</b>	<b>1.49</b>

Depreciation on fixed assets is 2.33% of total sales during the current year and 3.76% in the previous



year. Interest/Financial expenses increased from Rs. 2489.55 lacs for Financial Year 2012-13 to Rs. 2655.91 lacs for Financial Year 2013-14. Increase in interest cost due to increase in the working capital loans and interest rates on bank borrowings. There is no term loan availed for the expansion project. No dividend has been proposed by the company during the year.

## Resource Utilization

### a) Fixed Assets

The gross fixed assets as at 31st March, 2014 are Rs. 15667.85 lacs as compared to Rs. 15649.31 lacs in the previous year. The net fixed assets (including work – in – progress & capital advances) as on 31st March, 2014 are Rs.13557.79 lacs as compared to Rs. 14270.05 lacs in the previous year.

### b) Investments

The Company has made investments in its subsidiaries to the tune of Rs. 8280.39 lacs by way of equity capital.

### c) Current Assets

Sundry debtors of the Company are Rs. 6681.83 lacs in the year 2013-14 as against Rs. 7947.99 lacs in the previous year. Inventory level is at Rs. 1351.19 lacs in the year 2013-14 as against Rs. 1894.69 lacs in the previous year. Cash and cash equivalents decreased from Rs. 339.88 lacs in the year 2012-13 to Rs. 270.32 lacs in the year 2013-14.

## Risk and Concerns

Government policies are critical to the success of the Textile Industry. Increase in price of raw materials has become hindrance in the long term sustainability of the textile industry and which need to be regularly addressed.

Another issue is depreciation of Indian rupee against US dollar, which has serious impact on textile industry.

The availability of good quality power at reasonable prices is another critical issue for sustainability of the textile industry. The cost of power has been continuously increasing, adding to the input cost pressure in the industry. We hope that power situation will improve in the near future.

We are making all efforts to cope up with all the challenges through continuous process of cost reduction and with continued focus on delivering quality products to our customers as committed.

## Adequacy of Internal Control Systems

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. Regular internal audit and checks are carried out to check the existence of adequate system. The management also reviews the internal control systems and procedures to ensure its application. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements. The Company periodically reviews the risk management framework to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

## Material Development in terms of Human Resources

Human Resources are considered to be a form of Capital and Wealth of the Company. It has been the focus of the management to improve and expand the contribution of its human resources towards attainment of organizational goals and values.

The Company keeps the objective of believing in empowerment and delegation with a balancing of authority and responsibility in our organization where talent can bloom. During the year, the company has employed 774 workers.

## Cautionary Statement

Statements made herein on Management Discussion & Analysis, describing the Company's expectations or predictions are "forward-looking statements", considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results may differ from those expected or predicted. Prime factors that may make a difference to the company's performance include market conditions, input cost, Government policies/regulations, economic conditions, and other incidental factors.



## DIRECTORS' REPORT

### Dear Members,

The Directors of your Company have pleasure in presenting their 17<sup>th</sup> Annual Report on the affairs of the company together with Audited Annual Accounts for the financial year ended 31st March, 2014.

### 1. Financial Results & Performance Review

(Rs. In Lacs)

Particulars	2013-14	2012-13
Turnover & Other Income	26550.27	32077.23
Profit Before Depreciation, Interest, & Tax (PBDIT)	820.38	4046.94
Interest and Financial Expenses	2655.91	2489.55
Profit Before Depreciation & Tax (PBDT)	(1835.53)	1557.39
Depreciation	616.79	1116.26
Profit Before Tax (PBT)	(2452.32)	441.13
Less- Provision for Tax (Including Deferred Tax)	4.84	--
Profit for the year (PAT)	(2457.16)	441.13
Add – Surplus brought forward From previous Year	--	--
Profit available for Appropriations	(2457.16)	441.13
Appropriations		
Proposed Dividend	--	--
Bonus Shares Issued	--	--
Surplus Carried to Balance Sheet	(2457.16)	441.13

During the year under review, your company achieved total revenue of Rs. 265.50 Crores as against Rs. 320.77 Crores in the previous year. The company has PAT of Rs. (24.57 Crores) as against PAT of Rs. 4.41 Crores in the previous year. The company has incurred loss due to adverse market conditions like, lack of demand by consumers, high inflation rate, steep competition in profit margin of products, increase in cost of production due to high wages and electricity rate etc.

### 2. Dividend

Your directors do not recommend any dividend for the year under review.

### 3. Management Discussion & Analysis Report

The Management Discussion and Analysis of financial conditions and results of operation of the Company for the year under review is attached to this Report.

### 4. Subsidiaries

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards are attached to and form part of the Annual Report. The Ministry of Corporate Affairs, Government of India has granted exemption under Section 212(8) of the Companies Act, 1956, from attaching the balance sheet, profit and loss account and other documents of the subsidiary companies to

the balance sheet of the holding company. Annual accounts of the subsidiary companies and the related detailed information will be made available to the shareholders of the holding and subsidiary companies' seeking such information at any point of time.

Further, the annual accounts of the subsidiary companies will also be kept for inspection by any shareholders at the head office i.e. Registered Office of the holding company and that of the subsidiary companies concerned.

The company has the following subsidiaries:-

#### JINDAL MEDICOT LTD.

This 100% subsidiary of our company has set up the technical textile project at Village Thathal, Tehsil Amb, District Una, Himachal Pradesh for manufacturing of products like cotton crepe bandage, absorbent cotton, cotton balls, pads, dental rolls etc. The company has started its commercial production and achieved revenue from operations and trading sales of Rs. 49.96 Crores as on 31<sup>st</sup> March, 2014.

#### JINDAL SPECIALTY TEXTILES LTD.

This 100% subsidiary of our company manufacturing products like frontlit banner, fabric, general tarapuling, truck siders etc.. The company has set up its project at Thathal, Tehsil Amb, District Una, Himachal Pradesh in a land measuring approximately 400 Kanals. The company has started its production and achieved revenue from operations and trading sales of Rs.35.27 Crores as on 31<sup>st</sup> March, 2014.

#### HIMACHAL TEXTILE PARK LTD.

Himachal Textile Park Limited the another subsidiary of your company has set up the Textile Park in the state Himachal Pradesh to provide land and necessary infrastructure facilities to the participant units. Jindal Medicot Limited and Jindal Specialty Textiles Limited have already set up their technical textile projects in this Textile Park.

#### JINDAL METALEX LTD.

This 100% subsidiary of the company was incorporated to engage in the business of manufacturing and trading of all kinds of metals including iron & steel etc. The company has not yet started its operations.

#### JINDAL INFRABIZ LTD.

This 100% subsidiary of the company was incorporated to engage in the business of promotion and development of Industrial Parks, Textile Parks and Special Economic Zones etc..The company has not yet started its operations.

#### JINDAL INTERNATIONAL FZE

This is 100% subsidiary of our company set up in free zone in UAE to expand the presence of company globally. The company is engaged in the general trading activities.

### 6. Directors

Pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the company, Sh. Rajinder Jindal and Sh. Ramesh Jindal, Executive Directors of the company, retire by rotation at the ensuing annual general meeting and are being eligible, offer themselves for re-appointment.



## 7. Corporate Governance

As required under clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Auditor's Certificate regarding compliance of conditions of Corporate Governance, form part of the Annual Report is annexed to the report.

## 8. Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies (Amendment) Act, 2000, with respect to Directors responsibility statement, the Directors hereby confirm that:-

- a) In the preparation of Annual Accounts the applicable Accounting Standards have been followed and that there are no material departures;
- b) They have selected such Accounting Policies and applied them consistently and made prudent judgments & estimates that are reasonable 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 loss of the company as on date;
- c) They have taken proper & 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 & detecting the fraud and other irregularities;
- d) The Annual Accounts have been prepared on 'going concern basis'.

## 9. Auditors

M/s Raj Gupta & Co., Chartered Accountants, who are Statutory Auditors of the Company, hold office upto the forthcoming Annual General Meeting and are recommended for re-appointment to audits the accounts of the company for the financial year 2014-15. M/s Raj Gupta & Co., have provided necessary certificate under section 139(1) read with section 141 of the Companies Act, 2013.

## 10. Cost Audit

As per the requirement of the Central Government and pursuant to the provisions of Section 233B of the Companies Act, 1956, the audit of the cost accountants relating to the product 'Textiles' is required to be carried out every year. The company has appointed Cost Auditors viz, M/s. S. K. Sharawat & Associates, Cost Accountants, House No. 109, Near Sharawat Dairy, VPO- Singhu, Delhi to audit the cost accounts for the financial year 2013-14. The Cost Audit Report for the year ended 31<sup>st</sup> March, 2014 will be submitted with Ministry of Corporate Affairs, Government of India.

## 11. Corporate Debt Restructuring

During the year under review, your company was facing financial stress, due to slow down in the economy, the

company applied to CDR cell for debt restructuring through Oriental Bank of Commerce (Lead Bank), Ludhiana. The CDR cell has approved the debt restructuring of the company and CDR package has been implemented with cut off date 1<sup>st</sup> April, 2013.

## 12. Energy Conservation, Technology Absorption & Foreign Exchange

As regard disclosure under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 a statement showing particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed hereto and forms part of this report.

## 13. Fixed Deposits

Your company had accepted fixed deposits from public under section 58A, after complying all the provisions of the Companies Act, 1956. During the year under review, the company was facing with liquidity crunch, due to which the company made an petition before the Hon'ble Company Law Board, New Delhi Bench under section 58A(9) and section 58AA of the Companies Act, 1956, for extension of time for repayment of Deposit. The Hon'ble Company Law Board, on 9<sup>th</sup> January, 2014 passed the order allowed the company for extension of time for repayment of deposits.

## 14. Particulars of Employees

There are no employees covered under the provisions of section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

## 15. Industrial Relations

Industrial relations remained cordial throughout the year and the Directors express their appreciation towards the workmen for their co-operation and hope for continued cordial relations in the years to come.

## 16. Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Bankers, Government Departments, Shareholders and other Business Associates for their continued and valuable co-operation & support extended to the company.

We take this opportunity to place on record our warm appreciation for the employees at all levels for their dedicated services and valuable contributions towards the growth of the Company.

**By order of the Board  
For Jindal Cotex Limited**

**Date: 14th August, 2014  
Place: Ludhiana**

**(Sandeep Jindal)  
Managing Director**





## ANNEXURE TO THE DIRECTORS' REPORT

Particulars as required under section 217(1)(e) read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2014:-

### I. CONSERVATION OF ENERGY

#### FORM A

PARTICULARS	UNIT	2013-14	2012-13
<b>A. POWER &amp; FUEL CONSUMPTION</b>			
a) Electricity purchased			
Units	KWH in lacs	309.22	208.00
Amount	Rs. In lacs	2339.50	1259.22
Rate per unit	Rs. Per unit	7.57	5.94
b) Own generation			
Through Diesel Generator	KWH In lacs	2.38	2.88
Units per litre	Units	6.43	3.22
Cost of Diesel/LDO	Rs. In lacs	36.82	37.47
Rate per unit	Rs. Per unit	15.47	13.01
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>			
Synthetic and Cotton Yarn	KWH/Kg	4.33	2.41

### II. TECHNOLOGY ABSORPTION

Efforts made in Technology Absorption are furnished as per Form B of the Annexure to the Rules are as under:-

#### A) RESEARCH AND DEVELOPMENT (R&D)

- Specific areas in which Research & Development is carried out by the company  
Research & Development is carried out for improvement in the production process, appraisal of alternative raw materials and quality of existing products.
- Benefits derived as a result of above R&D  
The company has been continuously improving the quality of its existing products and also been able to reduce the cost of production.
- Future Plan of Action
  - Increase in Productivity
  - Reduction in operational costs
- Expenditure on R&D : Nil

#### B) TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

- Efforts made  
The company is making efforts for adaption of latest technology in all its units, optimization of processes and efficient utilization of inputs on on-going basis.
- Particulars of technology imported in the last five years
  - Technology Imported Nil
  - Year of Import N.A.
  - Has the technology been fully absorbed N.A.

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In lacs)

S. No.	PARTICULARS	2013-14	2012-13
A)	Foreign Exchange Earning		
	FOB Value of Exports	2630.63	1049.53
	Interest and Dividend	--	1410.21
B)	Foreign Exchange Outgo		
	Raw Material	--	91.49
	Capital Goods and Advances	--	4.07
	Stores & Spares	34.17	19.23
	Foreign Travelling Expenses	1.30	0.00
	Interest on Foreign currency loans	--	139.69





# Annual Report 2013-14

## CORPORATE GOVERNANCE REPORT

### 1. Company's Philosophy on the Code of Governance

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, Government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance which, envisages transparency, professionalism and accountability in all its operations.

### 2. Board of Directors

#### a) Composition

The Board of Directors of your company has an optimum combination of executive and non executive directors having rich knowledge and experience in Industry & other sectors for providing strategic guidance and direction to the company.

Presently, the company has eleven Directors on its Board with an Executive Chairman. The number of Non-Executive Directors is five and all of them being independent Directors. The Executive Directors are expert in handling diverse nature of business of the

Company. The Independent Directors are professionals in their field and possess background of financial, legal and secretarial fields. The non-executive independent Directors bring a wide range of expertise and experience to the Board.

During the year, there was no pecuniary relationship or business transaction by the company with any non-executive director.

#### b) Meetings of Board and its Committees

Meetings of Board and its committee were held as and when required. During the year, under review, the Board of Directors met 12 (Twelve) times on 30.05.2013, 29.06.2013, 07.07.2013, 14.08.2013, 27.08.2013, 07.10.2013, 04.11.2013, 14.11.2013, 26.12.2013, 31.12.2013, 14.02.2014 and 31.03.2014.

The names, categories of the Directors on the Board, their attendance at the Board Meeting during the year and the last Annual General Meeting, and also the number of directorships and Committee membership held by them in other companies are as per details given below:-

Name of Directors	Designation	Category	No. of Board Meeting Attended	Attendance at last AGM	No. of directorship of other Indian public limited companies	No. of chairmanship/ membership of committees in other companies
Sh. Sandeep Jindal	Managing Director	Promoter, Executive	12	Yes	7	Nil
Sh. Yash Paul Jindal	Whole time Director	Promoter, Executive	12	Yes	6	Nil
Sh. Ramesh Jindal	Whole time Director	Promoter, Executive	12	Yes	7	Nil
Sh. Rajinder Jindal	Whole time Director	Promoter, Executive	12	Yes	7	Nil
Sh. Aman Jindal	Whole time Director	Promoter, Executive	12	Yes	7	Nil
Sh. Sahil Jindal	Whole time Director	Promoter, Executive	12	Yes	7	Nil
Sh. Madan Lal Arora	Director	Non Executive, Independent	8	Yes	1	Nil
Sh. Nirmal Kumar Jain	Director	Non Executive, Independent	5	No	1	Nil
Sh. Satish Kumar Gupta	Director	Non Executive, Independent	8	No	Nil	Nil
Sh. Vinay Shrivastav	Director	Non Executive, Independent	5	No	Nil	Nil
Sh. Naresh Chand Bansal	Director	Non Executive, Independent	6	Yes	Nil	Nil
Sh. Rajesh Sharma*	Director	Non Executive, Independent	2	Yes	Nil	Nil

\*Ceased as Director w.e.f. 20<sup>th</sup> September, 2013

Note: Sh. Yash Paul Jindal, Sh. Ramesh Jindal, Sh. Rajinder Jindal, Sh. Sandeep Jindal, Sh. Aman Jindal and Sh. Sahil Jindal are related to each other.



## c) Code of Conduct:

The Company has laid down a Code of Conduct for all Board members and senior management of the company. The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the code of conduct. A declaration to this effect signed by the Managing Director (CEO) forms part of the report.

## d) Promoters/Directors Shareholding as on 31st March, 2014 :-

Name of Directors	No. of Shares	% of total Equity Capital
Sh. Yash Paul Jindal	2529265	5.620
Sh. Sandeep Jindal	1089669	2.421
Sh. Ramesh Jindal	2747816	6.105
Sh. Rajinder Jindal	2637052	5.859
Sh. Aman Jindal	844050	1.875
Sh. Sahil Jindal	810000	1.799

\* None of other director holds any share in the equity share capital of the company, except Sh. Naresh Bansal holding 348 equity shares.

## 3. Audit Committee

The Audit Committee of the company comprises of the following members namely Sh. Satish Kumar Gupta, Chairman, Sh. Madan Lal Arora and Sh. Nirmal Kumar Jain. All members of audit committee have wide exposure and possess sound knowledge in the area of accounts, finance, audit, internal control etc. Sh. Satish Kumar Gupta, Chairman of the committee is a Chartered Accountant.

The terms of reference of the Audit Committee cover all matters as are specified in clause 49 of the listing agreement and Section 177 of the Companies Act, 2013. During the year 2013-14, the audit committee met on four occasions. The minutes of audit committee meetings are placed before the Board of Directors in the subsequent board meetings.

The attendance of the members of the audit committee is mentioned below:-

Name of Director	Category	No. of Meetings held & attended
Sh. Madan Lal Arora	Non Executive and Independent Director	4
Sh. Nirmal Kumar Jain	Non Executive and Independent Director	4
Sh. Satish Kumar Gupta	Non Executive and Independent Director	4

## 4. Nomination and Remuneration Committee

During the year under review, the name of Remuneration Committee has been changed to Nomination and

Remuneration Committee in compliance with the provisions of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of the following Directors namely Sh. Nirmal Kumar Jain, Sh. Vinay Shrivastav and Sh. Naresh Chand Bansal. Sh. Nirmal Kumar Jain is the Chairman of the Committee. During the year 2013-14, the Remuneration Committee met on two occasions.

The terms of reference of Nomination and Remuneration Committee include the followings:-

To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

To carry out evaluation of every Director's performance.

To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel.

To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance.

## 5. Corporate Social Responsibility Committee

During the year under review, the company has constituted Corporate Social Responsibility Committee in compliance with provisions of the Companies Act, 2013. The Corporate Social Responsibility Committee comprises of the following Directors namely Sh. Sandeep Jindal, Sh. Rajinder Jindal, Sh. Ramesh Jindal Executive Directors and Sh. Satish Kumar Gupta, Independent Director of the company. The terms of reference of Corporate Social Responsibility Committee includes matters/activities as specified in Schedule VII of the Companies Act, 2013.

## 6. Stakeholders Relationship Committee

During the year under review, the name of Shareholders/ Investor's Grievance Committee has been changed to Stakeholders Relationship Committee in compliance with provisions of the Companies Act, 2013. The Stakeholders Relationship Committee comprises of the following Directors namely Sh. Madan Lal Arora, Sh. Nirmal Kumar Jain, Sh. Naresh Chand Bansal and Sh. Sandeep Jindal. Sh. Madan Lal Arora is the Chairman of the said Committee. Mr. Anil Kumar, Company Secretary is the compliance officer for this committee.

The Stakeholders Relationship Committee specifically looks into the redressal of shareholders/investor's complaints if any, on non-receipt of annual report, dividend payments etc. and also matters related to share transfer, issue of duplicate share certificate, dematerializations etc.