

25TH ANNUAL REPORT 2012-13

JATTASHANKAR INDUSTRIES LIMITED

JATTASHANKAR INDUSTRIES LIMITED

25th ANNUAL REPORT

YEAR- 2012-13

BOARD OF DIRECTORS : Shri Jatta Shankar Poddar – Chairman Cum Managing Director
: Dr. Sharad Poddar - Director
: Shri Sandeep Modi - Director
: Shri Udit Master - Director

AUDITORS : Shankarlal Jain & Associates
Chartered Accountants

REGISTERED OFFICE : 11, Parasrampuria Apartment, Film City Road,
Opp. Bank of India, Gokuldham, Goregaon (East)
Mumbai 400 063.

WORKS : 77/78 Piparia Industrial Estate,
Dadra & Nagar Haveli,
Silvassa,
Union Territory.

REGISTRAR & TRANSFER AGENTS : Shares Dynamics (India) Pvt. Ltd.
Unit 1,Luthra Industria Premises,Safed Pool,
Andheri Kurla Road, Andheri(E),Mumbai-400059

JATTASHANKAR INDUSTRIES LIMITED

NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT THE 25TH ANNUAL GENERAL MEETING OF THE MEMBERS OF JATTASHANKAR INDUSTRIES LTD. WILL BE HELD ON MONDAY ON 30TH SEPTEMBER 2013 AT 11, PARASRAMPURIA APT. ,FILM CITI ROAD, GOKULDHAM, GOREGAON(EAST), MUMBAI 400 063 AT 9 A.M. TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March ,2013 and the Profit and Loss Account for the year ended on that date together with the Report of the Directors and Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of the Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint a Director in place of Udit Master who retires by rotation and being eligible, offer himself for reappointment.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Sections 198,309,314 and other applicable provisions, if any, of the Companies Act, 1956 consent of company be and is hereby accorded for the re-appointment of **Mr. Jattashankar Poddar as Managing Director** of the Company for a **period of 3 (Three) years** with effect **from 01/01/2013 upto 31/12/2015** with payment of the following remuneration as per recommendation of remuneration committee:

I. REMUNERATION

SALARY

Gross salary upto Rs. 2,00,000 (Rupees Two Lac only) per month Shall be payable as minimum remuneration ,in year of inadequate profit or loss, as per provision of part II Section II of schedule XIII of Companies Act, 1956

II. PERQUISITES

a) REIMBURSEMENT OF MEDICAL EXPENSES

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

b) LEAVE TRAVEL CONCESSION

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

c) USE OF CAR AND TELEPHONE

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. However, personal long distance calls and use of car for private purposes shall be borne by the Director.

d) REIMBURSEMENT OF EXPENSES

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of [Part II](#) of Schedule XIII to the Companies Act, 1956.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

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5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Sections 198,309,314 and other applicable provisions, if any, of the Companies Act, 1956 consent of company be and is hereby accorded for the re-appointment of **Dr. Sharad Poddar as Wholetime Director** of the Company for a **period of 3 (Three) years** with effect **from 01/01/2013 upto 31/12/2015** with payment of the following remuneration as per recommendation of remuneration committee:

I. REMUNERATION

SALARY

Gross salary upto Rs. 2,00,000 (Rupees Two Lac only) per month Shall be payable as minimum remuneration ,in year of inadequate profit or loss, as per provision of part II Section II of schedule XIII of Companies Act, 1956

II. PERQUISITES

a) REIMBURSEMENT OF MEDICAL EXPENSES

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

b) LEAVE TRAVEL CONCESSION

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

c) USE OF CAR AND TELEPHONE

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. However, personal long distance calls and use of car for private purposes shall be borne by the Director.

d) REIMBURSEMENT OF EXPENSES

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the wholetime Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of [Part II](#) of Schedule XIII to the Companies Act, 1956.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

By order of the Board of Director
For **JATTASHANKAR INDUSTRIES LIMITED**
SD/-
JATTA SHANKAR PODDAR
(MANAGING DIRECTOR)

Place: Mumbai
Date : 03/09/2013

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND THE PROXY NEED NOT BE A MEMBER. Proxy form should be deposited at the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting.
2. The Register of Members and share Transfer Books of the company will remain closed from 25-09-2013 to 30-09-2013 (both day inclusive).

JATTASHANKAR INDUSTRIES LIMITED

3. All documents referred to in the Notice and the Explanatory statement are open for inspection at the Registered office of the company during office hours on all working days except Sundays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
4. Members are requested to bring copy of Annual Report as copies of Report will not be distributed again at the meeting.
5. The members are requested to notify the changes, if any, in their addresses to the company.
6. Members/Proxies should bring the Attendance Slip, duly filled in and signed for attending the meeting.
7. Shareholders seeking any information with regard to accounts are requested to write to the company at an early so as to enable the management to keep the information ready.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT ,1956

ITEM NO. 1-APPOINTMENT OF MANAGING DIRECTOR

Mr. Jattashankar Poddar was re-appointed as Managing Director of the Company effective 01/01/2013, for a period of Three years on terms and conditions set out by Board of Directors as per meeting held on 11/02/2013. He is a founder promoter Director of company and his remuneration has not increased since last 15 years due to financial sickness. Now as rehabilitation has already been started ,the remuneration as set out in the resolution is increased From RS. 20,000/- per month to Rs. 2,00,000/- per month based on effective capital in accordance with the provisions of Schedule XIII to the Companies Act, 1956 in case of inadequate profit or Loss.

The Board recommends the resolution for approval of Members.

None of the Directors, except Mr. Jattashankar Poddar is concerned or interested in the resolution.

ITEM NO. 2-APPOINTMENT OF WHOLETIME DIRECTOR

Dr. Sharad Poddar was re-appointed as Wholetime Director of the Company effective 01/01/2013, for a period of Three years on terms and conditions set out by Board of Directors as per meeting held on 11/02/2013. He is a founder promoter Director of company and his remuneration has not increased since last 15 years due to financial sickness. Now as rehabilitation has already been started ,the remuneration as set out in the resolution is increased From RS. 20,000/- per month to Rs. 2,00,000/- per month based on effective capital in accordance with the provisions of Schedule XIII to the Companies Act, 1956 in case of inadequate profit or Loss.

The Board recommends the resolution for approval of Members.

None of the Directors, except Dr. Sharad Poddar is concerned or interested in the resolution.

FOR JATTASHANKAR INDUSTRIES LIMITED

sd/-

Managing Director

**Place-Mumbai
Date -03.09.2013**

JATTASHANKAR INDUSTRIES LIMITED

DIRECTOR'S REPORT

THE MEMBERS, JATTASHANKAR INDUSTRIES LIMITED.

Your Director's have pleasure in presenting 25th Annual Report and the Audited account of the company for the year ended 31st March 2013.

FINANCIAL RESULTS

	YEAR ENDED 31.03.13 Rs.in lacs	YEAR ENDED 31.03.12 Rs.in lacs
Sales & Processing Charges	1989.37	367.88
Operating Profit Before Exception item	119.86	106.25
Add: Loan and Accrued Interest Written back	---	1372.61
Profit Before Tax	119.86	1478.86
Less: Current Tax and Deferred Tax	---	---
Profit After Tax	119.86	1478.86
Loss brought forward	991.35	2470.22
Total Loss available for appropriation	871.51	991.35

DIVIDEND

Your directors regret their inability to propose any dividend in view of the accumulated losses of the company.

REVIEW OF OPERATIONS FOR 2012-13

In the year under review, the turnover of the company has increased to Rs. 1989.37 Lacs . But Operating Profit Margin has reduced due to increase in cost of Inputs and expenses on renovation of Old Plant and Machineries.

The out look for the current year is expected to be better than year 2013-2014 barring any unforeseen events & the management is taking all necessary measures for revival of the company.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956 the directors would like to state that:-

- I) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- II) The directors have 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 of the profit or loss of the company for the year under review;
- III) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV) The directors have prepared the annual accounts on a going concern basis.

DIRECTOR

Shri Udit Master retired by rotation at the ensuing annual general meeting and being eligible to offer himself for reappointment.

AUDITORS

M/s. Shankarlal Jain & Associates, Chartered Accountants, Auditors of the company, retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

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PARTICULARS OF EMPLOYEES

There were no employees who have received remuneration in excess of of amount prescribed under section 217(2A) of the Companies Acts 1956, read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

As required Under Section 217 (1) (e)of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, the relevant information is given annexure which forms part of this report.

FIXED DEPOSITS

Your company has not accepted any fixed deposits and the provisions of Section 58 A of the Companies Act, 1956 are not applicable to the company.

INSURANCE

All the properties of your company including its buildings, plant and machinery and stocks have been adequately insured.

CORPORATE GOVERNANCE REPORT

Pursuant to clause 49 of Listing Agreement ,Coproarte Governance Report & certification of CEO & Practising Company Secretary are enclosed in this Annual report .

ACKNOWLEDGMENTS

Your Directors convey their since thanks to the Government of India,company's customers, marketing agents and suppliers for the support and assistance provided to the company.Your Directors thank all the employees of the company for their dedicated and unstinted service and their highly valued contribution and continuing support to your company at all levels.

For and on behalf of the Board of Directors

SD/-

(JATTA SHANKAR PODDAR)
CHAIRMAN

Place: Mumbai

Date : 03.09.2013

ANNEXURE TO THE DIRECTOR'S REPORT

Information as per section 217 (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Director) Rules, 1988 and forming part of the Directors report for the year ended 31st March 2013.

(A) CONSERVATION OF ENERGY:-

The company is making continuous effort to conserve energy wherever practicable by economizing on use of power and electricity in the factory and office. The total energy consumption as per prescribed Form 'A' is as under:-

Form for disclosure of particulars with respect to conservation of energy. Total energy consumption and energy consumption per unit of production.

PART A POWER AND FUEL CONSUMPTION

	Year Ended 31.03.13	Year Ended 31.03.12
1. Electricity:--Silvassa		
a) Purchased Units (in Lacs)	8.85	10.99
Total amount (Rs.in Lacs)	36.47	*45.82
Rate /Unit (Rs.)	4.12	4.17

* Electricity charges reimburse from job work party Nil (PY Rs 29.70)

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2. Coal	0.00	0.00
3. Furnace Oil	0.00	0.00
4. Other/Internal Generation System	0.00	0.00

(B) TECHNOLOGY ABSORPTION

Research & Development:-

The company is continuously developing new shades in dyed yarn. The company is also planning to install Computer Software developed for getting various shades in Dyed Yarn which will provide great help in capturing the market.

Research and Development on improving the production process, yield and quality is ongoing exercise. Expenditure on Research and Development and its benefit is not separately quantified at present, since it is continuous exercise merged in the manufacture and quality and quality control activity. The company has not availed any foreign technology during the year.

(C) FOREIGN EXCHANGE EARNINGS / OUTGOINGS:-

Foreign Exchange earning were Rs. Nil

Foreign Exchange outgoing were as under:

I) Raw material	Rs. Nil
II) Capital Goods	Rs. Nil
III) Traveling	Rs. Nil
IV) Interest on Foreign Currency Loan	Rs. Nil

For and on behalf of the Board of Directors

SD/-

(JATTA SHANKAR PODDAR)
CHAIRMAN

Place: Mumbai

Date : 03.09.2013

MANAGEMENT DISCUSSION AND ANALYSIS 2012-13

Industry Structure & Developments:

In year 2012-13, India's economic growth were hampered by –Low GDP growth , High inflation , High Interest Rate , Depreciation in Rupee & world wide recession. Growth of Indian textile industry also effected due to above adverse Economic factors. But this seems to be temporary phenomenal as Indian Government has started taking measures to stimulate economy by framing policies to give support sectors have potentail for high export and labour oriented . Textile Industry are one of such sectors which contribute to national economy in terms of employment generation and foreign exchange earning.

Company's Business

Company is mainly engaged in business of Manufacturer & processor of Polyestors yarn and same falls under Man made Fibre Industry which is itself a part of Textile Industry. Company is having facility to manufacture Texturised, Twisted and Dyed Yarns which are used for making fabrics for Shirting, Suiting Upholstery, Knitting, Labels and Curtains etc.

Segment-wise performance:

Company operates only in one segment as the Manufacturer of Polyester Dyed Yarn, Cotton Dyed Yarns and other fancy Dyed Yarn and performance of same are reflected in financial statement.

Opportunities & Outlook:

Management is putting all their effort to renovate their existing plant & infrastructure to manufacture Special Quality yarn to increase sales turnover and operating profit margin in coming year.

Risks, Concerns & Threats:

The market growth opportunities it remains susceptible to various factors like rising inflation ,volatile financial markets, uncertainty over monsoon and other uncertain events. The price of raw materials & other inputs are

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subject to significant volatility based crude oil price .Company is taking all steps very cautiously for survival against above risk.

Internal control systems and their adequacy:

The Company has a proper and adequate internal control system commensurate with the nature of its business and the size of its operations and same are periodically reviewed.

Discussion on financial performance with respect to operational performance:

During the year under review turnover of the company stands at Rs. 1989.37 Lacs (PY. Rs.367.88 Lacs). Operating Net Profits during the year are Rs.119.86 Lacs(P.Y. 106.25 Lacs).

Material developments in Human Resources / Industrial Relations front:

The Company believes that the quality of the employees is the key to success in the long run and is committed to provide necessary human resource development and training opportunities to equip them with skill & technological advancements. The industrial relations continued to be extremely cordial during the year.

**By order of the Board
JATTASHANKAR INDUSTRIES LIMITED**

**SD/-
Jattashankar Poddar
Managing Director**

**Place: Mumbai
Date: 03.09.2013**

CORPORATE GOVERNANCE REPORT

(Under Clause 49 (VI) (i) of Listing Agreement)

I. The Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facts of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government.

II. Board of Directors

(i) Composition and category of Director :

The strength of the Board was 4 Directors as on 31st March, 2013. The Composition and category of Directors on the Board of the Company are : 2 Executive/promoter Directors & 2 Independent Directors

II) Number of Board Meetings/ AGM held and attendance chart of each Director at the Board Meeting :

During the year 2012-13 10 times Board Meeting were held on 13/04/2012 , 30/04/2012 , 03/07/2012 , 31/07/2012 , 03/09/2012 , 25/10/2012 , 31/10/2012 ,11/02/2012 ,11/03/2013 & 30/03/2013 & AGM were held on 28.09.2012 & all the 4 directors have attended all Board Meetings & AGM

iii) Details of Directors with Memberships or Chairmanships:

Name of Director	Directorship in other Company	Chairman of Committee	Member of other Committee
Jattashankar Poddar	1	Share Holder Committee (SGC)	AC,RC
Sharad Poddar	1	0	SGC, AC,RC
Sandeep Modi	1	Remuneration Committee	SGC,AC
Udit Master	0	Audit Committee(AC)	SGC,RC

iv) Code of Conduct :

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2013. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

III. AUDIT COMMITTEE

The Composition of the Audit Committee and their attendance at the Audit Committee Meetings are as follows :

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During the year 5 meeting of Audit Committee were held on 30/04/2012 , 31/07/2012 , 03/09/2012 , 31/10/2012 & 11/02/2013. All the members have attended same.

The Board of Directors of the Company has framed a Terms of Reference for the Audit Committee. The Terms of Reference is based on Clause 49 (II) (D) of the Listing Agreement. The Audit Committee performs its functions in accordance with the terms of reference. In addition, it exercises powers and reviews information as specified under Clause 49 (II) (C) and (E) of the Listing Agreement.

IV. REMUNERATION COMMITTEE

The Company has constituted a separate committee to determine the terms of reference and remuneration package for its managerial personnel. During the year 1 Remuneration Committee meeting were held on 11.02.2013

i) Remuneration Policy:

The Board of Directors determines the remuneration to be paid to Managing Director and other Directors of the Company. The same is within the limits approved by the Shareholders of the Company.

Mr. Jattashankar Poddar ,Managing Director and Mr. Sharad Poddar ,Whole Time Director has been re-appointed for a term of 3 years w.e.f 01.01.2013 with increased remuneration as per recommendation of Remuneration Committee duly approved by Board of Directors as per Board Resolution dated 11.02.2013. The same is placed for the approval of members in coming AGM on 30.09.2013.

Mr. Udit Master Non Executive Independent Director, who was reire by Rotation, were re-appointed in AGM.

ii) Details of Remuneration paid to all the Director's:

A. The Company does not have any pecuniary relationship or transactions with the non-executive directors..

B. During the year Company has paid aggregate value of remuneration to 2 Directors Mr Jattashankar Poddar and Sharad Poddar amounting to Rs. 4,80,000/- each,

C. The Company has not issued any stock options or paid any performance linked incentives or fixed component incentives to the Directors.

V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

A. The Composition of the Shareholders / Investors Grievance Committee and attendance of the members of the Committee at the Shareholders/Investors Grievance Committee Meetings are as follows:

During the year 4 meeting of Audit Committee were held on 30/04/2012 ,31/07/2012 , 31/10/2012 & 11/02/2013. All the members have attended same.

B. COMPLIANCE OFFICER:

As required by the Listing Agreement, Dr. Sharad Poddar is the present Compliance Officer. Email address of Compliance Officer is jattashankarind@yahoo.com . No Complaints were pending at the beginning of the year and company has received 1 complaints during the year under review from the shareholder and same were disposed off to their satisfaction. No share transfers were pending as on 31st March, 2013.

VI. GENERAL BODY MEETINGS

Date time and venue for the last 3 Annual General Meetings held during the last 3 financial years are given below;

Year	Date	Place
2011-12	28/09/2012 at 9.00 a.m.	Registered office
2010-11	30/09/2011 at 10.00 a.m.	Registered office
2009-10	30/09/2010 at 10.00 a.m.	Registered office

No Special Resolution nor any Resolution by Postal Ballot were passed during last year.

VII. DISCLOSURES

i. The Company has not entered into any materially significant related party transactions during the financial year that may have potential conflict with the interests of the Company at large.

ii. There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty or structure has been imposed by the Stock Exchange or any other statutory authority, on any matter relating to the capital market over the last 3 years

iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.

iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

v. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2012- 2013.

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vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

VIII. MEANS OF COMMUNICATION

i) Quarterly Result

The Quarterly financial result of the company are reviewed by Audit Committee and thereafter approved and taken on records by the Board of Directors within the prescribed time frame and immediately sent to stock exchange. For Last Quarter Audited Financial result reviewed by Audit Committee and duly approved and taken on records by Board is submitted to Stock Exchange.

ii) Annual Report

Annual report contains Notice, Director's Report, Corporate Governance Report, Management Discussion and Analysis, Certification of Corporate Governance, Auditor's Report, Audited Financial statement with Notes.

iii) Both Quarterly report and Annual Report has been uploaded in company's website www.jsil.in

iv) All shareholders are requested to register their email address to Registrar and Transfer Agent Sharex Dynamics (I) Pvt Ltd. for the purpose of service of documents under section 53 of the Companies Act, 1956 by email instead of by post in view of circular No. 17/95/2011 CL-V.

IX. GENERAL SHAREHOLDER INFORMATION

a) Bombay Stock Exchange has revoked Suspension in trading of shares from 26.10.2012 as per Company's Application after compliance of all pending clause till date. Shares of Company has been suspended from Ahmedabad Stock Exchange, Delhi Stock Exchange and Madras Stock Exchange. Company has applied for voluntary delisting of shares from these Stock Exchanges.

b) Other Information

i) AGM Date - 30.09.2013 at 09.00 am at Parasrampur Apartment, FilmCiti Road, Goregaon(E), Mumbai--400063

ii) Book Closure Date-25.09.2013 to 30.09.2013

iii) Stock Code – Bombay Stock Exchange Ltd -514318

iv) ISIN Code INE722N01014

v) Book Closure Date-25.09.2013 to 30.09.2013

vi) Registrar and Transfer Agent – Sharex Dynamics (India) Pvt. Ltd. Unit-1, Luthra Industrial Estate, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072

vii) Shares of Company has been admitted for Dematerialization at Central Depository Services (I) Ltd (CDSL) with above ISIN. As on date 1416000 shares (32.28%) of the company are dematerialised at CDSL.

viii) Distribution of Shareholding as on Date were as under

Range	Number of Shareholders	% of total holders	Total Shareholding(in Rs)	% in capital
1 - 5000	3192	95.08	5210000	11.88
5001- 10000	102	3.04	799000	1.82
10001- 20000	30	0.89	453000	1.03
20001- 30000	6	0.18	173000	0.39
30001- 40000	2	0.06	80000	0.18
40001- 50000	2	0.06	87000	0.20
50001- 100000	3	0.09	230000	0.52
100001 & Above	20	0.60	3683900	83.97
	3357	100.00	43871000	100.00

By order of the Board
JATTASHANKAR INDUSTRIES LIMITED

SD/-
Jattashankar Poddar
Managing Director

Place: Mumbai
Date: 03.09.2013

Certificate of Chief Executive Officer

We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of our knowledge and belief.

1. These Statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered in to by the Company during the year ended March 31, 2013 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and steps we have taken or propose to taken to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee:
 - a) There have been no significant changes in internal control system during the year.
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

For Jattashankar Industries Ltd

Sd/-

Jattashankar Poddar

Managing Director/Chief Executive Officer

Place: Mumbai

Date: 03.09.2013

CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)

To

**THE MEMBERS OF
JATTASHANKAR INDUSTRIES LIMITED,**

We have examined the compliance of conditions of Corporate Governance by **Jattashankar Industries Limited** (Formerly known as Jatta Poly-Yarn Limited) for the year ended on 31st March 2013 as stipulated in clause 49 of Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the company has complied with the conditions of corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Kala Agarwal

Practicing Company Secretary

Place: Mumbai

Date: 03.09.2013

INDEPENDENT AUDITORS REPORT

To the Members of JATTASHANKAR INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of *Jattashankar Industries Limited* (“the Company”), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements, **subject to Note No. 23(a) regarding Non Provision of Gratuity liability and Note No. 23(b) regarding provision of Leave encashment instead of cash basis due to which profit is understated by Rs. 50,000/-**, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date;and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditor’s Report) order, 2003 issued by the central government in terms of Section 227 (4A) of the companies Act, we give in the Annexure, a statement on the matters specified in Paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books;

JATTASHANKAR INDUSTRIES LIMITED

- c) The Balance Sheet , Statement of Profit and Loss Account & Cash Flow Statement with this report are in agreement with the books of accounts;
- d) In our opinion Balance Sheet & Profit and Loss Account & Cash Flow Statement dealt with this report Comply with the Accounting Standards as specified in section 211 (3 C) of the Companies Act , 1956 **except Accounting Standards 15 in respect of gratuity liability as referred in Note No. 23(1)**
- e) On the basis of written representations and explanations received from Directors, as on 31.03.2013 and taken on record by the Board of directors, none of the Directors is disqualified as on 31.03.13 from being appointed as a director in terms of Clause (g) of Sub Section (1) of Section of 274 of the Companies Act, 1956.

*For SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Reg. No. 109901W)
sd/-
S.L.AGRAWAL
(PARTNER)
Membership No. 72184*

PLACE: MUMBAI
DATE: 03/09/2013

ANNEXURE TO THE AUDITORS REPORT (Referred to its paragraph 1 thereof)

As required by the companies (Auditors Report) Order ,2003 issued by the company Central Government of India in terms of section 227 (4A) of the companies Act.,1956 On the basis of such checks as we considered appropriate ,we report that :-

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed assets **but the same is to be updated.**
 - b) **We are informed that fixed assets were not verified by the management during the year. Discrepancy if any , will be determined only after the fixed asset register is updated.**
 - c) The company has not disposed off substantial part of fixed assets during the year to effect to its going concern.
- 2.a) Inventories have been physically verified during the year by the management at reasonable intervals.
 - b) The procedure followed by the management for physical verification of stock is in our opinion reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to information and explanation given to us ,the company has maintained proper records of its inventories & discrepancies were noticed on verification between the physical stock and book stock were not material & have been properly dealt with in the books of account.
3. a) The company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act 1956. Hence relevant Provisions are not applicable to the Company .
 - b) The Company has taken interest free unsecured loan from a company (strategic promoter).Balance outstanding of Rs. 439.00 lacs at the end of the year.In our opinion the terms and conditions of the said loan are not prejudicial to the interest of the Company.
 - c) Company is regular in repayment of principal and interest as stipulated .
3. In our opinion and according to the information and explanation given to us ,there are adequate internal control procedures commensurate with the size of the company and the nature of its business ,for the purchase & sale of inventories ,fixed assets and with regards to sale of goods and services .During the course of our audit ,We have not observed any continuing to correct the major weakness in internal controls .
- 5.a) There are transactions in the company that need to be entered in the register in pursuance of Section 301 of the Companies Act 1956 ,were duly entered .
 - b) In our opinion and according to the information and explanation given to us,the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of companies Act 1956 and aggregating during the year to 5,00,000/- or more in respect of each party ,have been made at prices seems reasonable as prevailing market prices for such goods ,materials or the price at which transactions for similar goods ,materials or services have been made with the other parties are not comparable not having similar goods or services.

JATTASHANKAR INDUSTRIES LIMITED

6. In our opinion and according to information and explanation given to us ,the company has not accepted any deposits from public ,hence provisions of Section 58A & 58 AA of the Companies Act 1956 are not applicable.
7. **The company has no Internal Audit System during the year.**
8. We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 209 (1) of the companies Act 1956 & are of the opinion that prima facie the prescribed accounts and records have been made maintained by the company .However, We have not made detailed examination of records so as to ascertain whether they are accurate and complete.
9. The company is regular in depositing statutory dues including Provident fund ,Investor Education & Protection Fund ,Employees State Insurance ,Income Tax, Wealth Tax ,Sales Tax ,Customs duty and Excise duty, Service Tax , Cess and other materials statutory dues wherever applicable with appropriate authorities . We are informed that no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March 2013 for the period of more than six months from the date they became payable.
10. The company has accumulated loss at the financial year of Rs. 8,71,49,715/- (reported figure) and it has incurred no cash loss in the financial year & immediately preceding current financial year .
11. In our opinion and according to information and explanation given to us, company has not defaulted in repayment of dues to financial institution & others .
12. According to information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the company is not a chit / nidhi / mutual fund/society. Therefore the provision of Clause 4 (Xiii) of the companies (Auditors Report) orders 2003 are not applicable to the company.
14. In our opinion the company is not dealing or trading in any shares ,securities ,debentures & others investments .Accordingly the provision of Clause 4 (Xiii) of the companies (Auditors Report) order 2003 are not applicable to the company.
15. The company has not given guarantee for loans taken by others from Banks or Financial Institutions.
16. The company has not taken any term loan during the year.Hence relevant clause is not applicable to the company.
17. According to information and explanation given to us and an overall examination of Balance Sheet of the company, we report that no funds raised during the year, on short term basis have been used for long term investments.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
19. The company has not issued any debentures during the year.
20. The company has not raised any money by way of Public issue during the year.
21. According to information and explanations given to us, no frauds on or by the company has been noticed or reported during the course of our audit.

For SHANKARLAL JAIN & SSOCIATES
CHARTERED ACCOUNTANTS
(Firm Reg. No. 109901W)

sd/-

S.L.AGRAWAL
(PARTNER)

Membership No. 72184

PLACE: MUMBAI
DATE: 03/09/2013

JATTASHANKAR INDUSTRIES LIMITED

NOTE 1-- NOTES FORMING PART OF THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES :

(a) Basis of preparation of financial statement

The financial statement has been prepared under the historical cost convention.

(b) Fixed Assets :

Fixed Assets are stated at cost net of Excise Duty Cenvat availed on capital goods less depreciation .All pre-operative expenses including financing cost till the commencement of commercial production are capitalized to fixed asset on appropriate basis.

(c) Depreciation :

Depreciation is provided on all depreciable assets on Straight Line Method at the rates and in the manner prescribed in schedule XIV of the Companies Act , 1956.

(d) Inventories :

- i) Raw Material ,stores & spares are valued at cost .
- ii) Finished goods are valued at lower of cost or net realizable value.
- iii) Work in Progress are valued at estimated cost.

(e) Provision for retirement benefits

The company has not made provision for estimated liability of gratuity for its employees as the same is treated on cash basis .Contribution to Provident fund and pension funds are monthly determined and paid by the company.

(f) Recognition of Income and Expenditure

All expenditure and income are accounted on accrual basis and to the extent company is reasonably certain of ultimate realization of income except gratuity liability which is accounted for on cash basis.

(g) Sale

Sale are inclusive of excise duty and net of rebate ,discount ,claims and sales tax collected on sales .Sales is recognized on the basis of invoice or dispatch to the customer.

(h) Write off of miscellaneous expenditure

Preliminary expenses, share issue expenses and Increase in Authorised Share capital expenses are written off over a period of 5 years.

(i) Borrowing Cost that are directly attributable to the acquisition , construction or production of a qualifying assets is capitalized and other borrowing cost are recognized as an expenses in the period in which they are incurred.

(j) Use of Estimates

The preparation of financial statements in conformity with the Accounting Standards generally accepted in India requires ,the management to make estimates and assumption in respect of certain items like provision for doubtful debts ,provision for impairment of fixed assets etc. that affect the reported amount of assets and liability & disclosure of contingent liability as at the date of the financial statement and reported amount of revenue and expenses for the year. Actual result could differ from these estimates .Any revision to accounting estimates is recognized in current and future period.

(k) Impairment of Assets

The company assesses at each balance sheet date whether there is any indication of impairment of any assets .If such indication exist , assets are impaired by comparing carrying amount of each asset to the recoverable amount being higher of net selling price.

21 Contingent liabilities not provided for in the accounts

There were no Contingent Liability as on 31.03.2013

22. Balance of sundry debtors, Creditors and loans and advances are subject to confirmation, reconciliation and adjustment required ,if any.

JATTASHANKAR INDUSTRIES LIMITED

23. a) Provision for gratuity Liability has not been actuarially determined. Amount is unascertained, as the same is treated on cash basis.
- b) Leave encashment liability has been provided during the year instead of cash basis as per past practice. Due to this profit for the year is understated by Rs. 50,000/-.
24. In the opinion of management, sundry debtors, Loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions of all liabilities are adequate and not in excess of the amount reasonably necessary .There are no contingent liabilities other than those stated above.
25. To the extent information available with the Company ,amount payable to Micro, Small and Medium Enterprise creditors are not overdue .Hence Provision for interest has not been made.
26. Pursuant to requirement of Accounting Standard -18 ,issued by the ICAI ,the details of transactions carried out during the year with related parties are disclosed as under :-

Name of Party	I. Relationship	Nature of Transaction	Amount of Current year	Amount of Previous year.
Sunrise Colours Ltd.	Associate Company	Job work Income	-	47,78,522/-
		Dyeing Job Charges Expense	3,24,77,500/-	-
		Purchase Of Yarn	3,71,464/-	1,15,69,410/-
		Rent Income	-	1,80,000/-
		Payable O/S	12,67,740/-	1,37,04,741/-
Jattashankar Poddar	Director	Remuneration	4,80,000/-	2,40,000/-
Sharad Poddar	Director	Remuneration	4,80,000/-	2,40,000/-
Jattashankar Poddar	Director	Office Rent	1,80,000/-	1,65,000/-
Sharad Poddar	Director	Office Rent	1,80,000/-	1,65,000/-
Subhash Poddar HUF	Associates	Office Rent	1,80,000/-	-
Sharad Poddar HUF	Associates	Office Rent	1,80,000/-	-
Shivkripa Enterprise Pvt Ltd	Associate Company	Loan taken O/s	4,39,00,000/-	4,26,18,902/-

- 27 The company mainly deals in texturised /twisted yarns which are considered only one segment therefore, disclosure of segment reporting pursuant to Accounting Standards –17 issued by the ICAI is not required.
- 28 During last year ,as per Rehabilitation scheme sanctioned by BIFR order dated 23.02.2012 , Company has given effect of OTS with secured Lenders by writing back Loan of Rs. 10,18,79,266/-and accrued interest thereon provided in the accounts of Rs. 3,53,81,909/-. OTS amount were financed by strategic promoter investor-Shivkripa Enterprises Pvt. Ltd . Now as per above referred BIFR Scheme ,amount payable to said promoter is shown as unsecured loan.
- 29 a) In view of the applicability of Accounting Standards –22 accounting for taxes on income issued by the ICAI , company does not have current tax as well as deferred tax liability due to carried forward losses. In the opinion of the management deferred tax asset is not recognized in view of uncertainty of future taxable profits.
- b) No provision for Tax has been made under provision of Income tax Act, 1961, as there are no tax liability likely to arise in view of company declared sick by BIFR & having huge accumulated losses .
30. Earning Per Share (EPS) pursuant to Accounting Standard –20 issued by the ICAI as under:

Particulars	Current Year	Previous Year
Net Profit after Exceptional items available for Equity shareholders	1,19,85,781	14,78,86,326
Average Equity shares Rs.10/- each	43,87,100	43,87,100
Basic EPS of Rs. 10/- each	2.73	33.71
Diluted EPS of Rs.10/- each	2.73	33.71

JATTASHANKAR INDUSTRIES LIMITED

b)

Particulars	Current Year	Previous Year
Net Profit without Exceptional items available for Equity shareholders	1,19,85,781	1,06,25,151
Average Equity shares Rs.10/- each	43,87,100	43,87,100
Basic EPS of Rs. 10/- each	2.73	2.42
Diluted EPS of Rs.10/- each	2.73	2.42

31. There were no Impairment of Fixed Assets during the year pursuant to requirement of Accounting Standard -28 issued by the ICAI.
32. Additional information as required under schedule VI of companies' act 1956 as certified by the management is as under:-

a) Details of Raw Material consumed

Items	Qty.(Kgs)	Value (Rs.)
Partially Oriented Yarn	799177 (201003)	8,13,40,930 (2,03,35,627)
Texturised /Twisted Yarn	240920 (175934)	2,82,75,113 (2,07,79,678)
TOTAL	1040097 (376937)	10,96,16,043 (4,11,15,305)

* The above does not include Rate difference ,Claims & discount received of Rs 8,27,984 /- (P.Y. Rs.19,61,867).

b) Raw Material consumed

Items	% of total consumption	Value (Rs.)
Imported	Nil (Nil)	Nil (Nil)
Indigenous	100 % (100%)	10,96,16,043 (4,11,15,305)
Total	100 % (100%)	10,96,16,043 (4,11,15,305)

c) Stores & spares consumed are wholly indigenous during the current year and previous year.

33. Previous years figures have been regrouped / rearranged wherever is necessary .

As per our report of even date
for **SHANKARLAL JAIN & ASSOCIATES**
CHARTERED ACCOUNTANTS

(Firm Reg. No. 109901W)

sd/-
JATTASHANKAR PODDAR- DIRECTOR

sd/-
S.L.AGRAWAL
(PARTNER)

sd/-
SHARAD PODDAR - DIRECTOR

PLACE : MUMBAI
DATE : 03/09/2013

JATTASHANKAR INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	43,871,000	43,871,000
Reserves and Surplus	3	(45,116,715)	(57,102,496)
Sub - total of Shareholder's Fund		(1,245,715)	(13,231,496)
Non-Current Liabilities			
Long-term borrowings	4	43,900,000	42,618,902
Sub - total of Non-Current Liabilities		43,900,000	42,618,902
Current Liabilities			
Trade Payables	5	6,651,113	19,447,556
Other Current Liabilities	6	2,527,226	3,827,469
Sub - total of Current Liabilities		9,178,339	23,275,025
TOTAL		51,832,624	52,662,431
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	16,421,358	10,484,654
Capital Work in Progress		1,883,998	-
Sub - total of Non-Current Assets		18,305,356	10,484,654
Current Assets			
Current Investments	8	1,000,000	2,415,244
Inventories	9	13,450,044	23,731,228
Trade Receivables	10	13,383,070	10,010,523
Cash and Cash Equivalents	11	4,916,377	4,873,979
Short- Term Loans and Advances	12	621,410	777,570
Other Current Assets	13	156,367	369,234
Sub - total of Current Assets		33,527,268	42,177,777
TOTAL		51,832,624	52,662,431
See accompanying notes to the financial statements	1		

FOR SHANKARLAL JAIN & ASSOCIATES FOR JATTASHANKAR INDUSTRIES LTD

**CHARTERED ACCOUNTANTS
(Firm Reg. No.109901W)**

SD/-
Mr. S.L. AGRAWAL
PARTNER
M.NO. 72184
PLACE:MUMBAI
DATE : 03.09.2013

SD/-
MR.JATTASHANKAR PODDAR
(MANAGING DIRECTOR)

SD/-
DR. SHARAD PODDAR -DIRECTOR
(DIRECTOR)

JATTASHANKAR INDUSTRIES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2013

	Note No.	Year ended 31st March, 2013	Year ended 31st March, 2012
<u>INCOME</u>			
I. Revenue From Operation	14	198,937,028	36,788,025
II. Other Income	15	7,242,752	1,019,100
III. Total Revenue (I + II)		206,179,780	37,807,125
<u>EXPENDITURE</u>			
IV. Cost of Raw Materials Consumed	16	108,788,059	39,153,438
Other Manufacturing Expenses	17	58,844,162	4,668,371
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	9,250,070	(21,525,048)
Employee Benefits Expense	19	4,976,226	1,208,734
Depreciation and Amortization Expense	7	1,449,818	1,574,888
Administrative Expenses	20	10,885,664	2,101,591
		194,193,999	27,181,974
V. Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		11,985,781	10,625,151
VI. Exceptional Items			
Loans Written Back		--	101,879,266
Interest Accrued on Loans Written Back		--	35,381,909
		11,985,781	137,261,175
VII. Profit Before Extraordinary Items and Tax (V - VI)		11,985,781	147,886,326
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII- VIII)		11,985,781	147,886,326
X. Tax Expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit/(Loss) After Tax for the year Carried to Balance Sheet (IX-X)		11,985,781	147,886,326
XII. Earnings per Share (Basic & Diluted)		2.73	33.71
Earnings per Share (Basic & Diluted) -without Exceptional Items		2.73	2.42
See accompanying notes to the financial statements	1		

As per our report of even date

For SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Reg. No. 109901W)
sd/-

S.L.AGRAWAL
PARTNER
M. NO. 72184
PLACE : MUMBAI
DATE : 03.09.2013

For JATTASHANKAR INDUSTRIES LTD.

sd/-
Sd/-
SHARAD
PODDAR
JATTASHANKAR PODDAR
DIRECTOR **DIRECTOR**

JATTASHANKAR INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

<u>PARTICULARS</u>	FOR THE YEAR ENDING 31.03.13 (Rs.)	FOR THE YEAR ENDING 31.03.12 (Rs.)
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
<u>a.NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEM</u>	11985781	147886326
Adjustment for:		
Depreciation	1449818	1574888
Interest Income	-394564	-156878
Profit on Sale of Fixed assets	-5405245	0
Loan and Interest Written Back	0	-137261175
<u>b.OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</u>	7635790	12043161
<u>Adjustment for (Increase)/Decrease in Operating assets:</u>		
Trade Receivable	-3372547	-6163851
Inventories	10281184	-23714034
Short Term Loan and Advance	278663	-378663
Other Current assets	-26040	-53853
<u>Adjustment for Increase/(Decrease) in Operating liabilities:</u>		
Trade Payable	-12796443.11	19143073.11
Other current liabilities	-1300243	1150327
<u>c.CASH GENERATED FROM OPERATIONS</u>	700364	2026160
<u>d.CASH FLOW BEFORE EXTRAORDINARY ITEMS</u>	-	-
<u>NET CASH INFLOW FROM OPERATING ACTIVITIES</u>	700364	2026160
<u>B.CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Fixed Assets	-7907430	-189928
Capital Work in Progress	-1883998	
Investment in Mutual Fund	1415244	4511452
Sale of Fixed Asset	5926153	0
Interest Received	633471	23947
Direct Taxes paid	-122503	-111,113
Income Tax Refund.	0	29378
<u>NET CASH INFLOW FROM INVESTING ACTIVITIES</u>	-1939063	4263736
<u>C.CASH FLOW FROM FINANCING ACTIVITIES</u>		
Repayment of Secured Long term Loan	0	-33530166
Payment of Accrued Interest on Secured Loan	0	-2380808
Increase/(Decrease)of Unsecured Long term Loan	1281098	33300000
<u>NET CASH FLOW INFLOW FORM FINANCING ACTIVITIES</u>	1281098	-2610974
<u>D.NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS</u>	42399	3678922
Cash and Cash Equivalents at beginning of the year	4873979	1195057
Cash and Cash Equivalents at end of the year	4916378	4873979

1 Above has been prepared under the 'Indirect Method' as set out in AccountingStandard 3 on Cash Flow issued by the ICAI

As per our report of even date

for SHANKARLAL JAIN & ASSOCIATES For JATTASHANKAR INDUSTRIES LTD.

CHARTERED ACCOUNTANTS

(Firm Reg.No.109901W)

sd/-

S.L.AGRAWAL
(PARTNER)

sd/-

JATTASHANAKR PODDAR SHARAD PODDAR
(DIRECTOR) (DIRECTOR)

JATTASHANKAR INDUSTRIES LIMITED

Notes Annexed And Forming Part Of Balance Sheet

Particulars		As at 31/03/13	As at 31/03/12
Note 2			
Share Capital			
Authorised			
10500000 (10500000) Equity Shares of Rs.10 each		105,000,000	105,000,000
Issued,Subscribed & Paid up			
4387100 (4387100) Equity Shares of Rs.10 each fully paid up (Each share carrying 1 voting right.)		43,871,000	43,871,000
	Total	43,871,000	43,871,000
Details of shareholders holding more than 5% share in the company:			
	% of Holding	No. of share as on 31/03/13	No. of share as on 31/03/12
Shri Jatta Shankar Poddar	8.84	387,800	387,800
Shri Sharad Poddar	8.35	366,400	366,400
Smt. Pushpa Devi Poddar	5.01	220,000	220,000
Smt. Seema J Poddar	5.01	219,900	219,900
Gujarat State Financial Corporation	-	-	500,000
Shivkripa Enterprise Pvt. Ltd.	11.40	500,000	-
Note 3			
Reserves & Surplus			
Reserves			
Capital Reserve			
Opening Balance		226,500	226,500
Additions during the year		-	-
Closing Balance		226,500	226,500
Securities Premium Reserve			
Opening Balance		41,806,500	41,806,500
Additions during the year		-	-
Closing Balance		41,806,500	41,806,500
Surplus			
Profit & Loss A/c			
Opening Balance		(99,135,496)	(247,021,822)
Add :Net Profit/(Net Loss) for the current year		11,985,781	147,886,326
Closing Balance		(87,149,715)	(99,135,496)
	Total	(45,116,715)	(57,102,496)
Long Term Borrowings			
Unsecured Loans			
From Strategic Promoter		43,900,000	42,618,902
	Total	43,900,000	42,618,902
Note 5			
Trade payables (Including for SSI Rs. 20,98,103/- PY Rs. 13,75,460/-)		6,651,113	19,447,556
	Total	6,651,113	19,447,556
Note 6			
Other Current Liabilities			
Advance From Cutomers		267,559	842,593
Other Advance Received		-	2,500,000
Deposit Received		165,000	-
Outstanding Liabilities		1,212,005	419,935
TDS payable		882,662	64,941
	Total	2,527,226	3,827,469

JATTASHANKAR INDUSTRIES LIMITED

Particulars		As at 31/03/13	As at 31/03/12
Note-8			
<u>Current Investment</u>			
Investment (At Cost)			
(Unquoted Other Than Trade)			
In Mutual Fund			
In Nil (11824.550) Units of Birla Sun Life Savings Fund-Institution-Growth		-	2,415,244
In 52267.631(Nil) Units of Birla Sun Life Dynamic Bond Fund-Retail-Growth		1,000,000	-
(NAV Rs. 10,36,964/- P.Y. RS 24,15,531)			
Total		1,000,000	2,415,244
Note 9			
<u>Inventories</u>			
(As taken, valued & certified by management)			
Finished goods		7,353,769	9,146,208
Work-in-progress		4,921,209	12,378,840
Raw Materials		279,099	476,839
Stores and Packing Materials		895,967	1,729,341
Total		13,450,044	23,731,228
Note 10			
<u>Trade Receivables</u>			
Unsecured, considered good			
Outstanding for a period exceeding six months		93,223	-
Others		13,289,847	10,010,523
Total		13,383,070	10,010,523
Note 11			
<u>Cash and cash equivalents</u>			
Balance with banks			
Cash in hand		157,839	318,913
Balance with banks		497,364	1,429,066
Fixed Deposits with banks		4,261,174	3,126,000
On Fixed Deposit Account with Maturity More than 12 months (Receipt pledge of Rs. 16. 57 lacs PY Rs. 16.26 lacs with Electricity & SalesTax Department)			
Total		4,916,377	4,873,979
Note 12			
<u>Short- Term Loans and Advances</u>			
Unsecured, considered good			
Advances Recoverable in cash or in kind		147,455	426,118
Advances Income Tax		473,955	351,452
Total		621,410	777,570
Note 13			
<u>Other Current Assets</u>			
Prepaid Expense		152,375	126,335
Interest accrued but not due - FDR		3,992	242,899
Total		156,367	369,234

JATTASHANKAR INDUSTRIES LIMITED

Notes: 7

TANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 1st April 2012	Additions / (Deduction)	As at 31st March 2013	As at 1st April 2012	Depreciation for the Year/ (Depreciation on Disposal)	As at 31st March 2013	As at 31st March 2013	As at 31st March 2012
Freehold Land	2749519	0 (1251618)	1497901	2191859	0 (1006408)	2191859	557660	557660
Factory Buildings	25524320	0	25524320	23200400	548123	23200400	2323920	2323920
Office Premises	791280	0	791280	270857	12898	270857	520423	520423
Plant and Machinery	103050281	6802640 (5006406)	104846515	96707231	764633 (4756084)	96707231	6343050	6343050
Office equipment	1916767	52250	1969017	1359706	23712	1359706	557061	557061
Furniture & Fixtures	2402133	0	2402133	2297717	0	2297717	104416	104416
Vehicles	1002159	1052540 (507528)	1547171	924035	100452 (482152)	924035	78124	78124
Total	137436459	7907430 (6765552)	138578337	126951805	1449818 (6244644)	126951805	10484654	10484654
Previous yr	137246531	189928 (0)	137436459	125376917	1574888 (0)	126951805	10484654	11869614

JATTASHANKAR INDUSTRIES LIMITED

Notes Annexed And Forming Part of Statement of Profit And Loss

Particulars		Year ended 31st March, 2013	Year ended 31st March, 2012
Note 14			
<u>Revenue From Operation</u>			
Sale # (# Net of Claim, Rate Difference & Discount of Rs.14,42,221/ PY Rs.140,862 /-)		196,267,129	32,009,503
Yarn Processing Charges (TDS Rs. 47,508/-, PY 95,570/-)		2,669,899	4,778,522
Total		198,937,028	36,788,025
Note 15			
<u>Other Income</u>			
Interest -Other (TDS Rs.4,346/- PY Rs. 774/-)		51,023	8,728
Interest on Bank Deposit (TDS Rs.37,648/- PY Rs.14,816/-)		343,541	148,150
Profit On Sale of Units of Mutual Fund		799,549	651,905
Rent Income (TDS Rs.33,000/- PY Nil)		495,000	180,000
Sundry Balance Written Back		148,394	30,317
Profit On Sale of Fixed Asset		5,405,245	-
Total		7,242,752	1,019,100
Note 16			
<u>Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</u>			
Opening Stock			
Work In Progress		12,378,840	-
Finished Goods		9,146,208	-
		21,525,048	-
Less: Closing Stock			
Work In Progress		4,921,209	12,378,840
Finished Goods		7,353,769	9,146,208
		12,274,978	21,525,048
Total		9,250,070	(21,525,048)
Note 17			
<u>Raw Material Consumed</u>			
Opening Stock		476,839	-
Add: Purchases (Net of Vat Credit)		108,590,319	39,630,277
Less : Closing Stock		279,099	476,839
Total		108,788,059	39,153,438
Note 18			
<u>Other Manufacturing Expense</u>			
Dyeing Job Charges		32,477,500	-
Power and Fuel		3,753,922	1,644,462
Stores & Spares Consumed		4,712,134	1,444,373
Dyes & Chemical Consumed		9,802,025	853,516
Repairs to Building		224,800	103,010
Repairs to Machines		43,500	33,366
Packing Material Consumed		78,30,281	589,644
Total		58,844,162	4,668,371

JATTASHANKAR INDUSTRIES LIMITED

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 19		
<u>Employee Benefits Expense</u>		
Managerial Remuneration	960,000	480,000
Salaries and Incentives	3,783,223	682,270
Contributions to Provident fund & Pension Fund	26,445	21,408
Gratuity fund contributions	17,833	19,236
Staff welfare expenses	188,725	5,820
Total	4,976,226	1,208,734
Note 20		
<u>Administrative Expenses</u>		
Repairs to Others	121,807	26,003
Insurance Charges	253,140	114,593
Freight and Forwarding Expense	299,533	14,675
Rent	720,000	330,000
Advertisement	32,905	-
Business Promotion Expense	242,724	-
Registration & Filing	672,531	141,224
Brokerage & Commission	1,359,273	267,098
Professional Charges	683,032	286,012
Sales Tax	4,467,882	679,841
<u>Payment To Auditors</u>		
auditor Fees	79,682	49,635
for taxation matters	22,472	16,545
For others	23,596	33,092
Miscellaneous Expense	1,907,087	142,873
Total	10,885,664	2,101,591

JATTASHANKAR INDUSTRIES LIMITED

JATTASHANKAR INDUSTRIES LIMITED

Regd. Office: 11,Parasrampuria Apartment, Film City Road,
Gokuldham,Goregaon(East), Mumbai-400063

PROXY FORM

DP Id		Client Id	
Regd. Folio No.		No. of Shares	

I/We _____
of _____ being a shareholder
of Jattashankar Industries Limited, hereby appoint _____ of
_____ or failing him / her _____
of _____ as my/our Proxy to attend and vote for me/us on my/our behalf at the
25th Annual General Meeting of the Company being held on 30th day,September 2013 at 11,Parasrampuria
Apartment ,Film city Road, Gokuldham,Goregaon(East),Mumbai-400063 at 9.00 am or /and at any adjournment
thereof.

Affix the Revenue Stamp

Dated: _____

Signature of the Shareholder / Proxy

Notes:

- (1) The Proxy form duly completed and signed should be received at the Registered Office of the Company not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (2) A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. The proxy need not be a member of the Company but must attend the Meeting in person to represent you.

----- ✂----- ✂-----cut here----- ✂----- ✂-----cut here----- ✂----- ✂-----

JATTASHANKAR INDUSTRIES LIMITED

Regd. Office: 11,Parasrampuria Apartment, Film City Road,
Gokuldham,Goregaon(East),Mumbai-400063

ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id		Client Id	
Regd. Folio No.		No. of Shares	

Name(s) and address of the shareholder in full _____

I/we hereby record my/our presence at the 25th Annual General Meeting of the Company being held on Monday
,30th September 2013 at 9.00 am at 11,Parasrampuria Apartment ,Film city Road,
Gokuldham,Goregaon(East),Mumbai-400063 .

Please (√) in the box
MEMBER PROXY

Signature of Shareholder / Proxy

BOOK POST

If Undelivered ,please return to

JATTASHANKAR INDUSTRIES LTD.
11,Parasrampur Apartment,Film City Road,
Gokuldham,Goregaon(East),Mumbai400063