



**JAYANT AGRO-ORGANICS LTD.**

*Leadership through Innovation*

POLYMERS

PAPERS

PHARMA

AGRICULTURE

AUTOMOBILES

PLASTICS

PAINTS &  
INKS

TEXTILES

ELECTRONICS

PERFUMERY

LUBRICANT

ELECTRICALS

PACKAGING

**Castor.**  
Nature's gift  
to us.

# WHAT DRIVES US?



## VISION

To win a niche for ourselves in the areas in which we operate, by providing products and services of superior quality and value which best satisfy the needs of our customers; and in doing so, to bring about prosperity to our organisation, its people, its shareholders, its investors and the country at large.



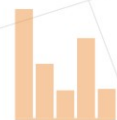
## VALUES

To create an organisation incorporating the values of integrity and dedication; one which progressively evolves with time to meet the challenges of the future.



## PHILOSOPHY

It is our earnest belief that nothing of lasting and enduring value is created overnight. Everything worthwhile today is the result of yesteryears' work and vision and every successful tomorrow requires conceptualisation in the form of ideas and thoughts and crystallisation there of through efforts to be put in today.



*As we sow, so we reap.*





# Chairman's Message

Dear Shareholders,

I am pleased to inform the shareholders that your Company was ranked 38th in Midcap 500 category and 2nd in the Basic Materials (Midcap) Category in Fortune India's special issue on 'The Next 500' – The First Comprehensive Ranking of India's Mid-sized Companies, published in July 2015. Your Company's subsidiary, Ihsedu Agrochem Pvt. Ltd, was ranked as the No. 1 fastest growing emerging company, in the Subsidiaries /Joint Venture segment (₹500 crores to ₹1000 crores), in a study carried out by Business Today and published in its July 2015 issue.

However, this was one of the few years where the exports of castor oil showed a negative growth. The exports which were at 4,80,000 Mt. in 2013, slipped to 4,30,000 Mt in 2014. The year started with a speculative undertone, despite the visibility of reasonable availability of the crop due to the uncertainties and a high probability of drought at the beginning of the monsoon season. However, despite a reasonable monsoon and good sowing data, the prices of castor seeds kept going up. As the price of crude oil slumped below 50% of its peak price in the second half of the year, the demand resistance from the end users became more pronounced, especially since the price of other vegetable oils had come down substantially from their peaks.

The castor oil industry was caught between the stormy cross winds between the speculators who were relentlessly pushing up the prices, and the prices of crude oil and other vegetable oils which were dropping sharply. The industry faced a situation of negative crushing margins due to the speculative activities occurring during the year. Demand for castor oil derivatives, especially sebacic acid shrunk. The performance of your Company was affected by prevailing environment in the industry.

Your Company, being a pioneer and a leader in the industry, has always believed in a responsible and long term approach, which is beneficial for the industry. Only fair and reasonable prices for the farmers and affordable prices for the end users will boost their confidence, leading to a sustained growth for the industry. Under the circumstances, your Company restricted its volume and refrained from making aggressive

speculative commitments, preserving its resources for more qualitative growth in future. Your Company continues to invest in relationships, products and processes based on castor oil.

As you will recall, in 2013, your Company entered into a Joint Venture with Mitsui Chemicals Ltd, to form Vithal Castor Polyols Pvt. Ltd for manufacturing bio-polyols. I am pleased to report that the construction of the plant, which was undertaken towards the end of the calendar year 2014, is progressing well and the plant should start production in the second half of the current financial year.

Your Company continues to invest in its R&D activities by development of innovative products and new processes to maintain its leadership position. Your Company also continues its development of castor hybrid seeds program and undertakes farmer educational programs for promoting Good Agricultural Practices, resulting in higher yields of commercial castor seeds. Your Company has been adopting the Best Manufacturing and Best Management Practices to ensure a sustainable future. I am also pleased to inform that all the factory locations of your Company and its subsidiaries are now ISO-14001 certified.

Castor remains our forte and we believe in the bright, long-term future of Castor Oil and the Castor Oil based Oleo Chemicals. Your Company will continue to make its best efforts to tap its immense potential and generate shareholders value.

I am grateful to the Board of Directors for their continued guidance and support. Thanks to all my colleagues, employees, customers and vendors who make us what we are. I would also like to thank all the shareholders for their continued faith in the Company.

With Best Wishes,

Abhay V. Udeshi  
CHAIRMAN



# BOARD OF DIRECTORS



**Mr. Abhay V. Udeshi**  
CHAIRMAN & WHOLE - TIME DIRECTOR



**Mr. Hemant V. Udeshi**  
MANAGING DIRECTOR



**Dr. Subhash V. Udeshi**  
WHOLE - TIME DIRECTOR



**Mr. Jayasinh V. Mariwala**  
INDEPENDENT DIRECTOR



**Mr. Deepak V. Bhimani**  
INDEPENDENT DIRECTOR



**Mr. Vijay Kumar Bhandari**  
INDEPENDENT DIRECTOR



**Mr. Mukesh C. Khagram**  
INDEPENDENT DIRECTOR



**Mrs. Sucheta N. Shah**  
INDEPENDENT DIRECTOR



**Mr. Vikram V. Udeshi**  
CHIEF FINANCIAL OFFICER



# Castor

## Nature's gift to us



For generations, Castor Oil was known mainly for its properties as purgative and an oil for burning lamps (therefore known as Diwel or oil for the lamps). Being a non-edible oil, the farming was restricted to the borders of the farms to discourage animals from entering the farm. Ayurveda was amongst the early discoverers of the properties of castor oil, and was used to treat a variety of ailments including arthritis, hair treatment, stomach ailments etc. It was also used as a medium for delivery of other medicines.

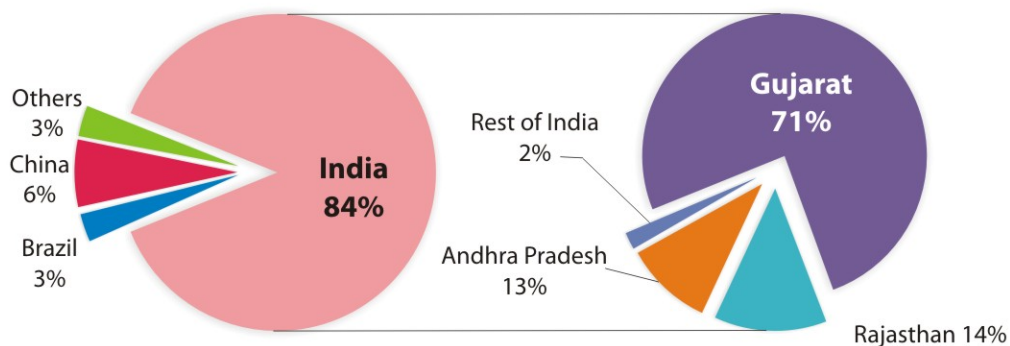
In the 19th and the 20th Century, its chemical structure excited chemists from all over the world giving birth to the derivative industry. Castor oil derivatives were made as high performance products. They served as a strategic material during the World

War II as a lubricating oil for the fighter jets, and even today castor products are being used in jets.

Today, castor oil and its derivatives encompass us in our everyday life. Right from being used for inducing child birth to its use in tooth paste, tooth brushes, cosmetics and perfumery, food, automobiles, engineering plastics, paints, paper, inks, adhesives, textile, agriculture, electrical, electronics, polymers, packaging, agriculture and so on. The possibilities seem infinite.

India is the world leader growing more than 80% of the world's crop, and yet, the potential appears to be many fold. It is our endeavor to deliver this nature's gift to world.

**Castor Seed Production Scenario**





# Consolidated Performance for the last ten years

(₹ In Lacs)

PARTICULARS	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Equity Capital	300	*630	**694	***750	750	750	750	750	750	750	--
Preference Capital	300	300	300	--	--	--	--	--	--	--	--
Reserves & Surplus	4043	4570	6385	7623	8757	10915	13889	16615	21266	21267	--
Borrowings	6031	11556	12394	9063	23749	24036	25862	30759	38060	25787	--
Gross Block	5144	6679	8746	9644	12558	13664	24020	27302	28636	30866	--
Net Block	4112	5390	7123	7585	10048	10575	20118	22126	22119	23079	--
Sales											
Castor Oil & Derivatives	41013	46248	60596	87586	90455	117525	183221	162100	153780	158072	1,100,597
Trading (Other than Castor Oil)	93434	274	74	--	--	--	--	--	--	--	93782
Net Profit	744	676	951	749	1246	2491	3135	3624	4059	1052	18728
Dividend (%)	30 (Ex. Bonus)	25	25	25	30	35	40	45	60	20	--
Dividend including dividend Tax	229	208	243	270	259	302	326	338	458	181	2813
Dividend per Share of ₹ 5/- each Equity	1.50 (Ex. Bonus)	1.25	1.25	1.25	1.50	1.75	2.00	2.25	3.00	1.00	--
Dividend at 7% per share of ₹ 5/- each Preference	0.35	0.35	0.35	--	--	--	--	--	--	--	--
Earning per Share (₹)	12.02	5.43	7.30	4.53	8.31	16.61	20.90	24.16	27.06	7.00	--
Cash Earning Per Share (₹)	18.11	9.23	10.92	8.47	14.55	20.75	31.67	36.42	40.40	14.29	--

Notes:

- During the year 2003-2004, the Company has allotted 6,000,000 7% Cumulative Redeemable Preference Shares of ₹ 5/- each as Bonus Shares and redeemed on 8th April 2008.
- Increase from ₹300.00 lacs to ₹630.00 lacs during the year 2006-07 is due to allotment of Bonus Shares in the ratio of 1 : 1, and allotment of 600,000 Equity Shares of ₹5/- each on Preferential basis.
- From the year 2005-2006 Dividend has been paid on expanded capital.
- \*\* Increase from ₹630.00 lacs to ₹694.50 lacs during the year 2007-08 is due to allotment of 1,290,000 Equity Shares of ₹5/- each on Preferential basis
- \*\*\*Increase from ₹694.50 lacs to ₹750.00 lacs during the year 2008-09 is due to allotment of 1,110,000 Equity Shares of ₹5/- each on Preferential basis
- # Includes Interim Dividend of ₹2.50 per Equity Shares of ₹5/- each.



## BOARD OF DIRECTORS

Mr. Abhay V. Udeshi  
Mr. Hemant V. Udeshi  
Dr. Subhash V. Udeshi  
Mr. Jayasinh V. Mariwala  
Mr. Vijay Kumar Bhandari  
Mr. Mukesh C. Khagram  
Mr. Deepak V. Bhimani  
Mrs. Sucheta N. Shah

- Chairman & Whole-time Director
- Managing Director
- Whole-time Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director
- Independent Director

## CHIEF FINANCIAL OFFICER

Mr. Vikram V. Udeshi

## COMPANY SECRETARY

Mr. Dinesh M. Kapadia

## BANKERS

Central Bank of India  
State Bank of India  
Oriental Bank of Commerce  
Kotak Mahindra Bank Limited  
DBS Bank Ltd.  
ICICI Bank Ltd.

## AUDITORS

T.P. Ostwal & Associates (Regd.)  
Chartered Accountants

## ADVOCATES & SOLICITORS

M/s J. Sagar Associates  
M/s PDS Legal

## REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services (I). Pvt. Ltd.  
13-AB, Samhita Warehousing Complex,  
2nd Floor, Off Andheri-Kurla Road,  
Sakinaka Telephone Exchange Lane,  
Sakinaka, Andheri (East), Mumbai- 400 072.

## REGISTERED OFFICE

701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West),  
Mumbai 400 013.  
Website: jayantagro.com  
CIN: L24100MH1992PLC066691

## WORKS

Plot Nos. 601, 602, 624-627 & 603  
Behind G.A.C.L.  
Post Petrochemicals  
Dist. Vadodara 391 346. Gujarat.

ISCPL Division, Plot No. 296-300,  
Near GIPCL & Hettich,  
Dhanora, PO: Petrochemicals - 391 346  
Dist: Vadodara, Gujarat.

## CONTENTS

Board of Directors .....	01
Notice .....	02
Directors' Report .....	13
Corporate Governance .....	49
Auditors' Report .....	60
Balance Sheet .....	64
Profit & Loss Account .....	65
Cash Flow Statement .....	66
Notes on Financial Statements.....	67
Auditors' Report (Consolidated).....	92
Balance Sheet (Consolidated).....	96
Profit & Loss Account (Consolidated).....	97
Cash Flow Statement (Consolidated).....	98
Notes on Financial Statements (Consolidated) .....	99

## Day, Date, Time & Place of 23rd AGM

Thursday, September 24, 2015 at 11.00 a.m. at M. C.  
Ghia Hall, Bhogilal Hargovindas Bldg., 4th floor, 18/20,  
K. Dubash Marg, Mumbai 400 001



## **NOTICE**

Notice is hereby given that the Twenty-Third Annual General Meeting (AGM) of **JAYANT AGRO-ORGANICS LTD.**, ("the Company") will be held on **Thursday, the September 24, 2015** at 11.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4<sup>th</sup> floor, 18/20, K. Dubash Marg, Mumbai 400 001, to transact the following business:

### **ORDINARY BUSINESS:**

1. a) To receive, consider and adopt the standalone audited financial statements for the year ended 31st March, 2015 together with the Reports of the Board of Directors and the Auditors thereon.  
b) To receive, consider and adopt the consolidated audited financial statements for the year ended 31st March, 2015 together with the Report of Auditors thereon.
2. To declare dividend on equity share for the year ended March 31, 2015.
3. To appoint a Director in place of Mr. Abhay V. Udeshi, (**DIN No. 00355598**) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED** that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of M/s. T. P. Ostwal & Associates, Chartered Accountants, (ICAI Registration No.12444W), as Auditors of the Company, by resolution passed at the 22<sup>nd</sup> Annual General Meeting of the Company, to hold office from the conclusion of the 22<sup>nd</sup> Annual General Meeting until the conclusion of the 25<sup>th</sup> Annual General Meeting, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 23<sup>rd</sup> Annual General Meeting until the conclusion of the 25<sup>th</sup> Annual General Meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

### **SPECIAL BUSINESS:**

5. **Appointment of Mrs. Sucheta N. Shah (Din No. 00322403) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED** that Mrs. Sucheta N. Shah (holding DIN 00322403) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 8<sup>th</sup> November, 2014, in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years."

6. **Re- appointment of Mr. Abhay V. Udeshi (Din No. 00355598) as Chairman and Whole-time Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**





**“RESOLVED** that pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Abhay V. Udeshi (Din No 00355598) as a Chairman & Whole-time Director of the Company for a period of 3 years with effect from 1<sup>st</sup> June, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement.”

**“RESOLVED FURTHER** that notwithstanding anything contained hereinabove, where, during the term of employment of the Whole-time Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Whole-time Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

**“RESOLVED FURTHER** that the Board of Directors or its committee be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

#### **7. Re- appointment of Dr. Subhash V. Udeshi (Din No. 00355658) as Whole-time Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED** that pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Dr. Subhash V. Udeshi (Din No 00355658) as Whole-time Director of the Company for a period of 3 years with effect from 1<sup>st</sup> June, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement.”

**“RESOLVED FURTHER** that notwithstanding anything contained hereinabove, where, during the term of employment of the Whole-time Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Whole-time Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

**“RESOLVED FURTHER** that the Board of Directors or its committee be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

#### **8. Approval of remuneration of Cost Auditors for the Financial Year ending March 31, 2016.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:



**“RESOLVED** that pursuant to Section 148 of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit & Auditors) Rules, 2014 (‘Rules’) including any statutory amendment(s) or modification(s) thereto or enactment or substitution thereof for the time being in force, the aggregate remuneration of ₹100,000/- (Rupees One Lakh only) plus applicable service tax and reimbursement of actual travel and out-of-pocket expenses, if any for the Financial Year ending March 31, 2016 as approved by the Board of Directors of the Company, to be paid to M/s. Kishore Bhatia & Associates, Cost Accountants, for the conduct of audit of the Cost Accounts relating to the organics and speciality chemical products manufactured by the Company for the Financial Year 2015-2016 be and is hereby ratified and confirmed.”

**“RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”

**9. Approval of Transaction between the Company and Ihstedu Agrochem Private Limited, which may qualify as a related party transaction.**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED** that, pursuant to provisions of Section 177, 188 1(a) and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and pursuant to the Companies (Meetings of Board & its Powers) Rules, 2014 (‘the Rules’), including any statutory modification(s) or any amendment(s) thereto or any enactment or any re-enactment thereof for the time being in force and in compliance with the provisions of Listing Agreement and pursuant to the approval of the Audit Committee and the Board of Directors of the Company and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the approval of the Members be and is hereby accorded to the Board of Directors to enter into a contract of sale, purchase or supply of any goods or materials, for a period of 3 years for an aggregate amount of upto ₹ 1,000 Cr. (One Thousand Crores)”

**“RESOLVED FURTHER** that, for the purpose of giving effect to the above, any Directors of the Company be and are hereby authorized, jointly and/or severally, to agree, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as they may deem fit and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit.”

**10. Approval of Transaction between the Company and Ihstedu Agrochem Private Limited, which may qualify as a related party transaction.**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED** that, pursuant to provisions of Section 177, 188 1(d) and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and pursuant to the Companies (Meetings of Board & its Powers) Rules, 2014 (‘the Rules’), including any statutory modification(s) or any amendment(s) thereto or any enactment or any re-enactment thereof for the time being in force and in compliance with the provisions of Listing Agreement and pursuant to the approval of the Audit Committee and the Board of Directors of the Company and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the approval of the Members be and is hereby accorded to the Board of Directors to enter into a contract of availing of services for a period of 3 years for an aggregate amount of upto ₹ 1,000 Cr. (One Thousand Crores)”

**“RESOLVED FURTHER** that, for the purpose of giving effect to the above, any Director of the Company be





and are hereby authorized, jointly and/or severally, to agree, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as they may deem fit and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit.”

**Regd. Office:**

701, Tower A, Peninsula Business Park,  
Senapati Bapat Marg,  
Lower Parel (W), Mumbai – 400 013.

By Order of the Board  
For JAYANT AGRO-ORGANICS LTD.,

Place: Mumbai.  
Date: July 25, 2015

**DINESH M. KAPADIA**  
Company Secretary

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER OR PERSON.**

**THE INSTRUMENT APPOINTING PROXY/PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2015 to September 24, 2015 both days inclusive in connection with the Annual General Meeting and for the purpose of payment of dividend, if approved by the members.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 5.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
6. The dividend, if declared, at the Annual General Meeting, will be paid on or after September 29, 2015, to those persons or their mandates:
  - (a) Whose names appear as Beneficial Owners as at the end of the business hours on September 18, 2015 in the list of Beneficial Owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and
  - (b) Whose names appear as Members in the Register of Members of the Company after giving effect to



valid share transfers in physical form lodged with the Registrar and Share Transfer Agents on or before September 18, 2015

- 7 The Members who hold shares in dematerialised form are requested to bring with them their depository account number (Client ID No.) for easier identification of attendance at the Annual General Meeting.
- 8 The Members are requested to notify the change in address, if any, immediately to the Share Transfer Agents, or the Depository Participants (in case of Shares which have been dematerialised) by quoting their registered Folio Number.
- 9 Pursuant to the provisions of Investors Education and Protection Fund ("IEPF") (uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012 the Company has uploaded the details of unpaid and unclaimed amount (as referred to in section 205 C (2)), lying with the Company as on September 27, 2014 (date of last Annual General Meeting) on the website of the Company viz. [www.jayantagro.com](http://www.jayantagro.com) as well as on the website of the Ministry of Corporate Affairs viz. [www.iepf.gov.in](http://www.iepf.gov.in). The concerned members are required to verify the details of their claims, if any, from the said websites and lodge their claims with the Company's R & T Agent before the same is due for transfer to the IEPF
- 10 Those members who have not yet encashed their dividend warrants for the financial year ended March 31, 2008 and subsequent years, may claim or approach the Company for payment of unclaimed dividend amount, because the dividend amount remaining unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund, in terms of Section 205C of the Companies Act, 1956, and no claims shall lie in respect of such amount.**
- 11 The members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit details to the Registrar and Share Transfer Agents of the Company in the prescribed Form SH. 13 for this purpose. Members holding shares in electronic form may obtain the Nomination Form from their respective depository participants.
- 12 Pursuant to the requirements of Clause 49 of the Listing Agreement with Stock Exchanges and Secretarial Standards on General Meeting (SS-2), the information about the persons seeking appointment / re-appointment as Director under item nos. 3,5,6 & 7 is given in the Annexure to the Notice.
- 13 In terms of Section 108 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 e-voting facility is being provided to the Members. Details of the e-voting process and other relevant details are being sent to all the Members along with the Notice.

#### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 5**

Mrs. Sucheta N. Shah (DIN No. 00322403), was appointed as an Additional Independent Director by the Board of Directors on recommendation of Nomination & Remuneration Committee on 8th November, 2014 as per the Articles of Association of the Company and pursuant to Section 161(1) of the Companies Act, 2013. She is an Independent Director on the Board in accordance with Section 149 of the Companies Act, 2013 read with Schedule IV and the provisions of the Listing Agreement. Under the said

Section 161(1), she will hold office as an additional director up to the ensuing Annual General Meeting.

As required under Section 160 of the Companies Act, 2013, a notice has been received from a member of the Company along with requisite deposit, signifying intention to propose Mrs. Sucheta N. Shah as a candidate for the office of the Director of the Company.

The Company has also received from Mrs. Sucheta N. Shah, her consent in writing to act as a Director and also a declaration to the effect that she is not disqualified under the provisions of sub-section (2) of Section 164





of the Companies Act, 2013, and a declaration that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Sucheta N. Shah fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder read with the provisions of the listing agreement, for her appointment as an Independent Director of the Company and is independent of the management of the Company. Having regard to her qualifications, knowledge and experience, her appointment as an Independent Director will be in the interest of the Company. A copy of the draft letter of appointment proposed to be issued to Mrs. Shah as an Independent Director of the Company, setting out the terms and conditions of appointment, would be available for inspection without any fee by the members at the Registered Office of the Company, during normal business hours on any working day, excluding Saturday. The Board recommends her appointment as an Independent Director in the interest of the Company.

In view of the above, the Board recommends passing of ordinary resolution for the appointment of Mrs. Sucheta N. Shah as Independent Director of the Company.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mrs. Sucheta N. Shah is concerned or interested in the Resolution.

#### Item No. 6

Mr. Abhay V. Udeshi, aged 55 years, is B.E. (Chemical Engineering) with 1<sup>st</sup> Class Distinction from M.S. University, Baroda and has over 3 decades of experience in the industry and leads the marketing and sales of castor oil and castor based products. Mr. Abhay V. Udeshi also serves as Hon. Secretary of The Solvent Extractors Association of India.

The Members at their 18<sup>th</sup> Annual General Meeting held on 18<sup>th</sup> September, 2010 re-appointed Mr. Abhay V. Udeshi, as a Whole – time Director of the Company with effect from 1st June, 2010 for a period of five years from the said date. During this period Mr. Abhay V. Udeshi was re-designated as the Chairman and Whole – Time Director of the Company on 13<sup>th</sup> May, 2013, on sad demise of Mr. Vithaldas G Udeshi.

On the recommendation of Nomination and Remuneration Committee at its meeting held on 13<sup>th</sup> May, 2015, the Board of Directors at their Meetings, held on 13<sup>th</sup> May, 2015, subject to the approval of the shareholders, approved the re-appointment of Mr. Abhay V. Udeshi, as Chairman & Whole-time Director, for a period of three years, commencing from 1<sup>st</sup> June, 2015 to 31<sup>st</sup> May, 2018 on the terms and conditions contained in the Resolutions and also as contained hereunder. A brief profile of Mr. Abhay V. Udeshi is separately annexed to the Notice.

### PART A

#### a) Salary

Name	Period	Salary
Mr. Abhay V. Udeshi	3 Years from 1 <sup>st</sup> June, 2015 to 31 <sup>st</sup> May, 2018	₹275,000/- per month in the grade of ₹125,000/- to ₹500,000/- with Annual increment as may be recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

b) **Special Allowance/Performance Bonus:** linked to the achievement of Targets, as may be decided by Board

c) **Commission:** As may be recommended and approved by the Board of Directors but not exceeding 1% of the net profit of the Company

### PART B

#### Perquisites

**Housing I:** The expenditure by the Company on hiring furnished accommodation for the Whole – time Director will be subject to a ceiling of sixty percent of his salary, over and above ten percent payable by him.

**Housing II:** In case no accommodation is provided by the Company, the Whole –time Director shall be entitled to house rent allowance of sixty percent of his salary, over and above ten percent payable by him.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall however be subject to a ceiling of ten percent of the salary of the Whole – time Director.

**Medical Reimbursement:** Reimbursement of all Medical Expenses actually incurred for self and family.



**Leave Travel Concession:** For the Whole – time Director and his family once in a year incurred in accordance with the Rules specified by the Company.

**Club Fees:** Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

**Personal Accident Insurance:** Premium not to exceed 10,000/- per annum.

“Family” means the spouse / dependent children and dependent parents of the Whole – time Director.

- (i) Contribution to the Provident, Superannuation or Annuity Fund in accordance with the schemes of the Company. Such contributions will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- (ii) Gratuity not exceeding half a month’s salary for each completed year of service.
- (iii) Encashment of leave at the end of tenure.
- (iv) Provision of car for the use of the Company’s business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Whole – time Director.

#### **General Conditions:**

1. The Company shall reimburse actual entertainment and travelling expenses incurred by the whole-time Director in the course of the Company’s business.
2. He will not receive sitting fees for attending the Meetings of the Board or Committee thereof.
3. The Whole – time Director will be liable to retire by rotation during his tenure up to 31<sup>st</sup> May, 2018.
4. He shall not divulge the secrets of the Company.
5. The appointment may be terminated by either party by giving six months’ notice or by mutual consent.
6. Subject as aforesaid, the Whole – time Director shall be governed by such other Rules as to payment or otherwise as are applicable to the Senior Executives of the Company from time to time

7. The Whole – time Director, if re-appointed by virtue of his employment in the Company and his reappointment is subject to the provisions of Section 164 of the Companies Act, 2013.

8. The Whole-time Director shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company without the prior approval of the Central Government.

The Board of Directors recommend passing of the Special Resolution at Item Number 6 of the Notice.

Apart from Mr. Abhay V. Udeshi, Mr. Hemant V. Udeshi and Dr. Subhash V. Udeshi, none of the Directors / Key Managerial Personnel’s (KMP’s) and/ or their relatives are concerned or interested in the above mentioned resolution.

#### **Item No. 7**

Dr. Subhash V. Udeshi, aged 54 years is B.Tech (Chemical Engineering), I.I.T., Mumbai, Ph. D. (Chem. Engg.) Rutgers University, New Jersey, USA. He has experience of over three decades in Research and Development of new products and processes for Castor based, Oleo chemicals and developing QC methods for various products.

The Members at their 18<sup>th</sup> Annual General Meeting held on 18<sup>th</sup> September, 2010 re- appointed Dr. Subhash V. Udeshi, as a Whole – time Director of the Company with effect from 1<sup>st</sup> June, 2010 for a period of five years from the said date. On the recommendation of the Nomination and Remuneration Committee at its meeting held on 13<sup>th</sup> May, 2015, the Board of Directors at their Meetings, held on 13<sup>th</sup> May, 2015, subject to the approval of the shareholders, approved the re-appointment of Dr. Subhash V. Udeshi, as Whole-time Director, for a period of three years, commencing from 1<sup>st</sup> June, 2015 to 31<sup>st</sup> May, 2018 on the terms and conditions contained in the Resolutions and also as contained hereunder. A brief profile of Dr. Subhash V. Udeshi is separately annexed to the Notice.





## PART A

### a) Salary

Name	Period	Salary
Dr. Subhash V. Udeshi	3 Years from 1 <sup>st</sup> June, 2015 to 31 <sup>st</sup> May, 2018	₹275,000/- per month in the grade of ₹125,000/- to ₹500,000/- with Annual increment as may be recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.
Whole-time Director		

**b) Special Allowance/Performance Bonus:** linked to the achievement of Targets, as may be decided by Board

**c) Commission:** As may be recommended and approved by the Board of Directors, but not exceeding 1% of the net profit of the Company

## PART B

### Perquisites

**Housing I:** The expenditure by the Company on hiring furnished accommodation for the Whole-time Director will be subject to a ceiling of sixty percent of his salary, over and above ten percent payable by him.

**Housing II:** In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to house rent allowance of sixty percent of his salary, over and above ten percent payable by him.

**Explanation:** The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall however be subject to a ceiling of ten percent of the salary of the Whole-time Director.

**Medical Reimbursement:** Reimbursement of all Medical Expenses actually incurred for self and family.

**Leave Travel Concession:** For the Whole-time Director and his family once in a year incurred in accordance with the Rules specified by the Company.

**Club Fees:** Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

**Personal Accident Insurance:** Premium not to exceed ₹10,000/- per annum.

“Family” means the spouse / dependent children and dependent parents of the Whole time Director.

- (i) Contribution to the Provident, Superannuation or Annuity Fund in accordance with the schemes of the Company. Such contributions will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- (ii) Gratuity not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of leave at the end of tenure.
- (iv) Provision of car for the use of the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Whole time Director.

### General Conditions:

1. The Company shall reimburse actual entertainment and travelling expenses incurred by the Whole time Director in the course of the Company's business.
  2. He will not receive sitting fees for attending the Meetings of the Board or Committee thereof.
  3. The Whole time Director will be liable to retire by rotation during his tenure up to 31<sup>st</sup> May, 2018.
  4. He shall not divulge the secrets of the Company.
  5. The appointment may be terminated by either party by giving six months' notice or by mutual consent.
  6. Subject as aforesaid, the Whole-time Director shall be governed by such other Rules as to payment or otherwise as are applicable to the Senior Executives of the Company from time to time
  7. The Whole time Director, if re-appointed by virtue of his employment in the Company and his reappointment is subject to the provisions of Section 164 of the Companies Act, 2013.
  8. The Whole time Director shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company without the prior approval of statutory bodies as may be prescribed under the provisions of the Companies Act, 2013.
- The Board of Directors recommend passing of



the Special Resolution at Item Number 7 of the Notice.

Apart from Dr. Subhash V. Udeshi, Mr. Hemant V. Udeshi and Mr. Abhay V. Udeshi, none of the Directors / Key Managerial Personnel's (KMP's) and/or their relatives are concerned or interested in the above mentioned resolution.

### **Item No. 8**

In accordance with the provisions of Section 148(2) and 148(3) read with The Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor for audit of Chemicals Products manufactured by the Company.

Based on the recommendation of the Audit Committee, the Board of Directors have approved the appointment of M/s. Kishore Bhatia & Associates (FR NO.: 00294), as the Cost Auditor for Cost Audit of organic and speciality chemical products for the Financial Year commencing from 1<sup>st</sup> April, 2015, to 31<sup>st</sup> March, 2016 on a remuneration of ₹100,000 (Rupees One Lacs only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit) subject to approval of remuneration by the Members. Section 148(3) read with Rule 14 of The Companies (Audit and Auditors) Rules 2014 prescribes that the remuneration of the Cost Auditor shall be ratified by the Shareholders. Accordingly, this Ordinary Resolution is proposed for ratification by the Members.

The Board of Directors recommend passing of the Ordinary Resolution at Item Number 8 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the Resolution.

### **Item No. 9 & 10**

The Company's basic raw material is Castor Oil for the purpose of manufacturing specialty chemicals and castor oil based derivatives. To ensure uninterrupted supply of raw material, the Company incorporated Ihsedu Agrochem Private Limited ("IAPL") as a wholly owned subsidiary as a backward integration company for extraction of oil out of castor seed. Subsequently in Financial Year 2012- 2013 IAPL issued additional shares to Arkema Asie SAS (Arkema) and a Joint Venture

agreement was executed between the Company and Arkema Asie SAS. On happening of the above event, IAPL ceased to become the wholly owned subsidiary and the shareholding of your Company reduced to 75.10 % and the balance 24.90 % held by Arkema.

In terms of the provisions of section 188 of the Companies Act, 2013 read with rules framed thereunder, and relevant circulars and in accordance to the provisions of Listing Agreement, any material related party transaction shall requires the approval of the shareholders of the Company by way of a Special Resolution.

An entity will be a "Related Party" of the Company in terms if it falls within the definition of "related party" under Section 2(76) of the Companies Act, 2013 and as defined in the Accounting Standards.

The threshold limits as provided under the Companies Act, 2013 for transactions to be a material related party transaction are as under:-

- for sale, purchase of any goods and material under section 188 (1) (a) :- 10 % of the turnover or ₹100 Crores, whichever is lower
- for availing or rendering of any services under section 1880 (1) (d) :- 10 % of the turnover or ₹50 Crores, whichever is lower

(Explanation.- (1) The Turnover referred in above shall be computed on the basis of the Audited Financial Statement of the preceding Financial year.)

And the threshold limits provided under Listing Agreement for transactions to be a material related party transaction is transaction which exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company

As a matter of good governance, the Board of Directors have recommended the above resolution to the member for its approval as special resolution.

### **Details of the related party transactions as required under the Companies Act, 2013 and rules made thereunder**

As required by Section 188 of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of the Board and its Powers) Rules, 2014, the following details of the Contract are being set out as below:



Sr No.	Particulars	Remarks
a.	<b>Name of the related party</b>	Ihsedu Agrochem Private Limited
b.	<b>Name of the director or key managerial personnel who is related, if any</b>	Mr. Abhay V. Udeshi, Mr. Hemant V. Udeshi, Dr. Subhash V. Udeshi, Mr. Mukesh C Khagram, Mrs. Sucheta N Shah & Mr. Vikram V. Udeshi,
c.	<b>Nature of relationship</b>	Mr. Abhay V. Udeshi and Mr. Hemant V. Udeshi and Dr. Subhash V. Udeshi are Executive Director of the Company and Mr. Sudhir V Udeshi is director in IAPL and is relative of Mr. Vikram V Udeshi who is CFO, Key Managerial Personnel (KMP) of Company which falls within the definition of related party under section 2 (76) of the Companies Act, 2013.
d.	<b>Nature, material terms, monetary value and particulars of the contract or arrangement</b>	<ul style="list-style-type: none"> <li>- Nature &amp; Material Term: In terms of the Contract, the Company would avail certain assistance from IAPL for procurement of raw material for the Company.</li> <li>- Monetary value: up to ₹1000 Cr. (Rupees One Thousand Crores)</li> <li>- Particulars of the contract Purchase / Sale of Castor Oil, availing Job Work for extraction of oil etc. for a period of three years</li> </ul>

The Board of Directors recommend passing of the Special Resolution at Item Number 9 & 10 of the Notice.

None of the Directors / Key Managerial Personnel's (KMP's) and or their relatives except Mr. Abhay V. Udeshi, Mr. Mukesh C Khagram, Mrs. Sucheta N Shah on being common directors and Mr. Hemant V. Udeshi, Dr. Subhash V. Udeshi, Mr. Vikram V. Udeshi are relative of directors are concerned or interested in the above mentioned resolution.

**Regd. Office:**

701, Tower A, Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013.

Place: Mumbai.

Date: July 25, 2015

By Order of the Board  
For JAYANT AGRO-ORGANICS LTD.,

**DINESH M. KAPADIA**

Company Secretary

**Route Map for  
the AGM Venue**







## ANNEXURE TO NOTICE

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE AND SECRETARIAL STANDARD ON GENERAL MEETING (SS-2):

Name of Director	Mrs. Sucheta N Shah Non-Executive / Independent Director	Mr. Abhay V. Udeshi Chairman & Whole –Time Director	Dr. Subhash V. Udeshi Whole – Time Director
Date of Birth	31.08.1966	18.06.1960	13.12.1961
Age	48 Years	55 Years	54 Years
Date of Appointment	08.11.2014	01.06.2002	01.06.2002
Expertise in specific Functional Area	She has knowledge of Finance & Treasury Function and has over 2 decades of experience in Capital Markets.	Marketing and Sales of Castor Oil and its derivatives	Research and Development of new products and process for Castor based, Oleo chemicals Developed QC methods for various products.
Qualifications	B.Com & Masters in Management from S P Jain Institute of Management, Mumbai	B.E.(Chemical Engineering) with 1 <sup>st</sup> Class Distinction from M.S. University, Baroda.	B.Tech (Chemical Engineering), I.I.T., Mumbai, Ph. D. (Chem. Engg.) Rutgers University, New Jersey, USA.
Directorship in other Public Companies (excluding Foreign Companies and Section 25 Companies)	<ul style="list-style-type: none"> <li>- Atlas Integrated Finance Limited</li> <li>- Atlas Wealth Management Private Limited</li> <li>- Ihsedu Agrochem Private Limited</li> <li>- Tata Housing Development Company Limited</li> <li>- Grameen Initiative for Women</li> </ul>	<ul style="list-style-type: none"> <li>- Varun Leasing and Finance Private Limited</li> <li>- Enlite Chemicals Industries Limited</li> <li>- Ihsedu Coreagri Services Private Limited</li> <li>- Kalyan Impex Private Limited*</li> <li>- Ihsedu Itoh Green Chemicals Marketing Private Limited</li> <li>- Ihsedu Agrochem Private Limited</li> <li>- Gokulmani Agircom Limited</li> <li>- Vithal Castor Polyols Private Limited</li> <li>- The Solvent Extractors Association of India</li> </ul>	<ul style="list-style-type: none"> <li>- Enlite Chemical Industries Limited</li> <li>- Innovative Micro Systems Private Limited</li> <li>- Ihsedu Itoh Green Chemicals Marketing Private Limited</li> </ul>
Memberships/ Chairmanships of Committees of other Public Companies (includes only Audit And Shareholders/ Investors Grievance Committee)	Member of Audit Committee of Ihsedu Agrochem Private Limited	Member of Audit Committee of Ihsedu Agrochem Private Limited	-
Shareholding in the Company	NIL	45650	42500
Relationship between Directors interse	NIL	Relative of Mr. Hemant V. Udeshi and Dr. Subhash V. Udeshi	Relative of Mr. Hemant V. Udeshi and Mr. Abhay V. Udeshi
Number of Board Meetings attended during the year	Please refer the Corporate Governance Report	Please refer the Corporate Governance Report	Please refer the Corporate Governance Report
Justification for choosing Mrs. Sucheta N Shah as Independent Director, if any.	Having regard to her qualifications, knowledge and experience, her appointment as an Independent Director will be in the interest of the Company	-	-

(\*Under Striking Off Process)



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty - Third Annual Report for the financial year ended 31<sup>st</sup> March, 2015 along with the Audited Financial Statement of Accounts and the Auditor's Report.

### 1. Financial Results:

	(₹ in Lacs)	
Particulars	2014-15	2013-2014
Revenue from operations and other income	66,216.13	67,518.40
Profit before Depreciation & Amortisation Expenses, Finance Costs and Tax	4,576.28	7,826.12
Less: Depreciation, and Amortisation Expenses	895.25	974.79
Profit before Finance cost and Tax	3,681.03	6,851.33
Less: Finance Cost	2,384.19	2,172.20
Profit before Tax	1,296.84	4,679.14
Less: Provision for Tax	165.11	947.53
Profit After Tax	1,131.73	3,731.61
Add: Profit brought forward from the previous year	10,607.21	7,733.67
Profit available for appropriation, which is appropriated as follows:	<b>11,738.94</b>	<b>11,465.28</b>
<b>Appropriations:</b>		
Interim Dividend	--	375.00
Proposed Dividend	150.00	75.00
Dividend Distribution Tax	30.54	8.07
Transferred to General Reserve	-	400.00
Balance carried to Balance Sheet	11,558.40	10,607.21
<b>Total</b>	<b>11,738.94</b>	<b>11,465.28</b>
Earnings per share(EPS) (Face Value of shares ₹ 5/-)	7.54	24.88

### 2. Dividend:

The Board of Directors are pleased to recommend a Dividend for the year of ₹1/- per equity share on 15,000,000 Equity Shares of nominal value of ₹5/- each, amounting to ₹ 180.54 lacs (inclusive of DDT of ₹30.54 lacs). The dividend payout is subjects to approval of the members at the ensuing Annual General Meeting.

During the year under review, no amount was transferred to General Reserve.

### 3. Consolidated Results:

The Annual Report also includes the Consolidated Financial Statements of the Company, which include the results of the Company's subsidiaries; viz. Ihsedu Agrochem Private Limited, Ihsedu Itoh Green Chemicals Marketing Private Limited and Ihsedu Coreagri Services Private Limited and its share in the Associate Company, Vithal Castor Polyols Private Limited. The Standalone Financial results for the year show a Total Income of ₹ 66,216.13 Lacs compared to ₹ 67,518.40 Lacs and standalone Net Profit after tax of ₹ 1,131.73 Lacs as compared to ₹ 3,731.61 Lacs in the previous year and the Consolidated Financial results for the year show Total Income of ₹15,875.20 lacs compared to ₹ 15,611.55 lacs and Consolidated Net Profit after tax of ₹ 1,052.06 lacs compared to ₹ 4058.59 lacs in the previous year.



#### **4. State of Company's Affair:**

In order to avoid duplication and for the sake of better understanding, state of company's affair is discussed in details in the management discussions and analysis which has been included in this section of the Directors Report.

#### **5. Management's Discussion And Analysis:**

##### **(a) Industry Structure and Developments and impact on the Company and its performance**

Year under review witnessed a fall in the worldwide demand of castor oil led by slowdown in China. During the last five years, China has emerged as the largest consumer of castor oil. Consequently, the demand for sebacic acid (where China is the largest producer and consumer) the largest derivative of castor oil declined sharply. As you are aware, your company has invested in a sebacic acid manufacturing plant. The plant continued to run below its capacity due to subdued demand and low prices. Your company is hopeful of running the plant at higher capacity once the demand for sebacic acid revives.

The demand for many of the company's products which compete with crude oil in many of the applications were affected by the steep fall in the prices of crude oil in the second half of the previous year. Domestic speculation in the castor seeds drove the castor oil prices against the fundamentals resulting frustration for manufacturers' and consumers alike. Such unwanted volatility if not checked, is likely to stall the development in research of castor oil based products, branding castor oil as an unreliable source material. India over the previous three decades has established itself as a reliable source of castor oil. Erratic supply and unwanted volatility, if not checked is likely to damage Brand India and also affect millions of farmers whose efforts along with the efforts of the agricultural scientists have placed our Country in the pre-eminent leadership position for world supply of castor oil. The castor seed production, since the introduction of hybrid seeds in early 1970 has gone up over Ten times, one of the highest amongst the major agri commodities.

In December 2014, the forward market took some corrective measures to curb this speculation helping to restore sanity and balance to the market. The prices of castor seeds corrected by over 30% from the peak price in December, 2014 by end of February, 2015. The merger of the portfolio of the forward market commission with SEBI will hopefully help the regulator to take pro-active steps preventing such damage to the Industry.

The Indian crop estimated at 1,232,000 Mtons for the year 2014-15 with a record carry forward of over 500,000 Mtons would be sufficient to fulfill the world demand. With the demand for seeds estimated in the range of 12 to 14 lac Mtons there should be no supply concern.

The demand for castor oil based products continues to see a stable growth across the world except China, where a moderation in demand is being witnessed. In the current scenario India should be able to satisfy the world demand. However, the weather disruption due to the El Nino, may affect the sowing and the yields in the coming season. In this second year of El Nino your Company will be keeping a close watch on the monsoon and sowing data.

##### **(b) Opportunities & Threats.**

The world economic growth for the last quarter was at 0.7% against the forecast of 3.3%. The clouds over world economic growth due to slow down in China and the credit default by Greece remain a major concern. The road to growth is likely to become steeper with the increase in interest rates by the FED, USA. However, a benign environment in the Middle East, low crude oil prices will benefit the





world economy, which should see the benefits of this positive events in the longer run, especially for the crude oil importing countries. With 70% to 80% of your Company's production being exported, the state of the world economy, besides other industrial and scientific developments has an important bearing on its growth.

Your company's products are competing with end products manufactured from crude oil and other vegetable oils. The price behavior of castor oil in relation to them is likely to have a bearing on the growth of the company.

Environment being a major concern, the search for green products is likely to intensify in the future. Castor Oil being a natural, organic, renewable and bio-degradable product is gaining importance as a green product. With improved irrigation, better quality inputs and scientific farming there is a substantial scope to improve yields per hectare of castor seeds. Besides due to its unique chemical structure, it finds myriad applications in virtually every industry be it agriculture, lubricants, paints, inks, surface coatings, pharmaceuticals, food, engineering plastics, cosmetics, perfumeries, electricals, rubber and so on. Your Company continues to endeavor to tap these opportunities by focusing on Research & Development and investing in new capacities, new technologies, new applications, and new products.

Castor Seeds continue to be a volatile raw material in terms of its price. Being an agricultural product, it depends on the rainfall and weather conditions prevailing in the area of castor growing states in the country, though it is a sturdy crop. The limited size of the crop makes it susceptible to speculation and wild gyrations in prices. To mitigate the effect of uncertain weather, the Company has laid down parameters for inventory management. The Company has proper mechanism in place to immediately respond to any unforeseen eventualities. The Company is also cultivating hybrid seeds to improve the productivity of commercial Castor Seeds

**(c) Segment:**

The Company is organised into three business segments – Castor Oil, Derivatives and Power Generation.

**(d) Outlook:**

The long term demand outlook for your Company's products remains positive although the near term uncertainties remain due to the low crude oil prices. Emphasis on green eco-friendly products is likely to lead to increase in innovation of new products and uses of castor oil by the chemical industry.

Your Company continues to invest in Research & Development to tap on new growth opportunities. Your Company is also undertaking a backward integration program in order to increase the availability of castor seeds. Barring unforeseen circumstances, your Directors expect satisfactory growth.

**(e) Risks and Concerns:**

The Company's products are used across geographies in a variety of industries, thereby to a great extent, mitigating the risks associated with demand for its products on a long-term basis. The price behavior of raw material depends on the weather pattern in the castor growing regions, the impact of El Nino on monsoon in these regions, global demand and inventory, and prices of other oils including Crude Oil and therefore can be volatile as well as unpredictable. The Company is closely watching the development of factors affecting the castor seed prices.

The Company restricts its exposure to the price fluctuation of raw materials by limiting its unhedged exposure.



With the business of the Company growing steadily and demand for trained and experienced manpower in excess of the supply, the risk of managing the people is very big. The Company has to retain its existing trained workforce and also attract new talent for its different operations. To improve the performance of the staff at work; various refresher training courses are organized to update their knowledge with the latest technologies and management ideas.

The demand for castor oil and its products is dependent on the overseas markets as more than 80% of the industries production is exported. The threat of new entrants and competition due to aggressive trading policies adopted by them continue to be of concern.

The Company has focused its efforts on marketing and introducing new products thereby mitigating to a certain extent, the effect of recession / slowdown in the industry.

Unrestricted speculation and high volatility due to trading in commodity exchange could have a negative effect on the growth of the industry

Your Company has been engaged in several legal cases in connection with or incidental to its business operations. These include service, excise and customs cases, etc. filed by and against the Company. These cases are being pursued with due importance and in consultation with legal experts in the respective areas. Your Board believes that the outcome of these cases is unlikely to cause a material adverse effect on the company's profitability or business performance.

Your Company has a contingent liability of ₹581.57 lacs (net of advances) as on March 31, 2015 . Attention of the shareholders is drawn to the explanations mentioned in point no. 31 of the Notes to Financial statements forming integral part of the balance sheet as on March 31, 2015. In view of the present status and based on legal advice received, your Board of Directors are of the opinion that no provision is required to be made against these contingent liabilities as of now.

**6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:**

There has been no Material changes occurred subsequent to the close of the financial year of the Company to which the Balance Sheet relates and the date of the report.

**7. Performance /Financial Position of each of subsidiaries/associates/joint venture companies as included in the consolidated financial statements**

**The Company (including its subsidiaries and associates) operates in three segments:**

**1. Consolidated Results :**

The consolidated turnover of the Company has been ₹158,071.80 Lacs against ₹153,780.53Lacs in the previous year. The EBDITA has fallen from ₹10,056.33 lacs to ₹6,477.53 lacs. Depreciation has been computed in accordance with the New Companies Act, 2013 and the estimates of the use life made by the management and certified by a Chartered Engineer . However, the finance cost increased during the year under review as compared to the finance cost of the previous year. The interest subvention scheme applicable to exporters lapsed in 31<sup>st</sup> March, 2014. The subvention scheme was expected to be renewed with retrospective effect. Under drying market circumstances, the effective withdrawal of the interest subvention increased the finance cost by over 25%.

**2. Derivatives :**

The turnover of the derivatives has been ₹63,451.45 Lacs against ₹61,119.98 Lacs in the previous year. The EBDITA has fallen from ₹5,232.55 lacs to ₹3,672.52 lacs.



### 3. Castor Oil:

The operation of castor oil are mainly carried out in Ihsedu Agrochem Pvt. Ltd and have been discussed thereunder.

### 4. Power:

The company has installed wind turbines of 2.4 MW and 0.8 MW in Jayant Agro-Organics Ltd and Ihsedu Agrochem Pvt. Ltd. respectively.

The performance of the power segment has been steady with the EBIDTA at ₹267.79 Lacs

Your directors are pleased to announce that nearly 50% of the electricity at its Ranoli unit and 10% of its power requirement at its crushing plant in Jagana, Palanpur is met by green energy produced from the wind mills.

We would also like to state that more than 95% of its steam requirement is met by using its own product De-oiled Cake, making your company an environment friendly manufacturer of environmentally friendly products

### Subsidiary Companies:

#### Ihsedu Agrochem Pvt. Limited (IHSEDU):

During the year under review, the IHSEDU a material subsidiary of the Company achieved a turnover of ₹97,899.18 lacs as compared to ₹93,557.51 lacs in the previous year. The Company made loss of ₹ 85.91 lacs as against profit of ₹321.80 lacs in the previous year.

#### Ihsedu Coreagri Service Pvt. Limited ( ICAS):

During the year under review, the ICAS a subsidiary of the Company incurred loss of ₹ 3.74 Lacs as against Loss of ₹ 2.94 lacs in the previous year.

#### Ihsedu Itoh Green Chemicals Marketing Pvt. Limited (IIGCM):

During the year under review, the IIGCM achieved a turnover of ₹20.82 lacs as compared to ₹ 18.60 lacs in the previous year. The profit after tax was ₹ 6.17 lacs against profit after tax of ₹ 4.69 lacs in the previous year.

### Associate Company

#### Vithal Castor Polyols Private Limited (VCP):

VCP is the Indo – Japanese Joint Venture Company, and your company owns 50% equity shares. VCP is in the process of setting up a manufacturing plant at GIDC Jhagadia, Gujarat. The project is under implementation and yet to commence the commercial production. VCP financials for the year ended 31<sup>st</sup> March, 2015 has been considered in the consolidated results of the Company.

The Policy on material subsidiary is available on weblink <http://www.jayantagro.com/pdf/annoucement/Policy%20on%20Material%20Subsidiaries.pdf> The audited accounts of the subsidiary companies are placed on the Company's website and the same are open for inspection by any member at the Registered Office of the Company on any working day between 10.00 a.m to 5.00 p.m.

### 8. Research and Development:

The Company's R & D, which is recognized by the DSIR, Govt. of India, continues its work on the development of castor-based value-added products, applications and processes. It has recently procured several application-oriented equipment. These will be useful in developing products with superior properties and will thus create added value to the products for the users in various industries. Also recently a pilot reactor with its ancillary equipment has been procured and which is under process of installation. The





pilot reactor will be useful in the scaling up of the processes for new products being developed at the R & D and will be useful for the samplings for test marketing. The R & D is also providing technical support to the manufacturing plants for improving the quality of products & improving the process efficiencies.

#### **9. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The management monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Periodical reports on the same are presented to the Audit Committee.

#### **10. Deposits:**

During the year under review, the Company has not accepted any deposit from falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

#### **11. Particulars of loans, guarantees or investments under section 186:**

Particulars of loans given, investments made, guarantees given and securities provided by the Company as on 31<sup>st</sup> March, 2015 are given in the notes no. 9 and 10 forming part of the financial statement.

#### **12. Particulars of contracts or arrangements with related parties:**

All Related Party Transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. There are no materially significant related party transactions made by the Company during the year. All the Related Party Transactions are placed before the Audit Committee and also the Board for approval. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with rules made thereunder. A policy on Related Party Transactions is uploaded on the Company's website.

#### **13. Directors:**

##### **A) Changes, if any, in Directors and Key Managerial Personnel ("KMP"):**

In accordance with the provisions of section 203 of the Companies Act, 2013, the following are the KMP's of the Company:

<b>Name of KMP's</b>	<b>Designation</b>
Mr. Abhay V. Udeshi	Chairman & Whole – time Director
Mr. Hemant V. Udeshi	Managing Director
Dr. Subhash V. Udeshi	Whole – time Director
Mr. Vikram V. Udeshi	Chief Financial Officer
Mr. Dinesh M. Kapadia	Company Secretary

As per the provisions of the Companies Act, 2013 and Article of Association of the Company, Mr. Abhay V. Udeshi retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. Abhay V. Udeshi and Dr. Subhash V Udeshi are been re-appointed as Whole-time Director for a period of 3 years w.e.f. 1<sup>st</sup> June, 2015 subject to approval of the members at the ensuing Annual General Meeting.



During the year under review, Mrs. Sucheta N. Shah was appointed as an Additional Director w.e.f. 8<sup>th</sup> November, 2014 and she will hold office up to the date of ensuing Annual General Meeting of the Company and being eligible offers herself for re-appointment. Notice under section 160 has been received by the Company from a member signifying their intention to propose the candidature of Mrs. Sucheta N. Shah as an Independent Director of the Company. The Board of Directors recommended appointment of Mrs. Sucheta N. Shah as Independent Director for a period of 5 year commencing from the conclusion of the 23rd Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

Necessary resolutions for the re-appointment / appointment of Mr. Abhay V. Udeshi, Dr. Subhash V. Udeshi and Mrs. Sucheta N. Shah, have been included in the Notice convening the ensuing AGM and requisite details have been provided in the explanatory statement and annexure to the Notice. Your Directors recommend their re-appointment/appointment.

The Company has devised a Policy for remuneration for the Directors, KMPs and other employees. The policy also includes performance evaluation of the Board which includes criteria for performance evaluation of the Independent Directors, Non-Executive Directors and Executive Directors.

The details of programs for familiarisation of Independent Directors with the Company are put up on the website of the Company (<http://jayantagro.com>)

#### 14. Number of meetings of the Board of Directors:

During the year the Board of Directors met five times. For further details, please refer report on Corporate Governance forming part of the Annual Report.

#### 15. Board Committees:

##### - Audit Committee:

The Audit Committee of the Company comprises of 5 Directors, 4 of which are Independent Directors. The members of the Audit Committee are:-

Mr. Jayasinh V. Mariwala	Chairman
Mr. Vijay Kumar Bhandari	Member
Mr. Deepak V. Bhimani	Member
Mr. Mukesh C. Khagram	Member
Mr. Abhay V. Udeshi	Member

All the recommendations made by the Audit Committee were accepted by the Board.

##### - Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee of the Company comprises of 4 Directors, namely;

Mrs. Sucheta N. Shah	Chairperson
Mr. Abhay V. Udeshi	Member
Mr. Hemant V. Udeshi	Member
Dr. Subhash V. Udeshi	Member

**- Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the Company comprises of 3 Directors, all are Independent Directors.

Mr. Jayasinh V. Mariwala	Chairman
Mr. Vijay Kumar Bhandari	Member
Mr. Deepak V. Bhimani	Member
Mr. Mukesh C. Khagram	Member

A detailed write up of the above committees is mentioned in the Corporate Governance section of this report. The Nomination and Remuneration Policy is appended as **Annexure I** to this Report

**16. Corporate Social Responsibility ("CSR"):**

Pursuant to the provision of Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. Mr. Deepak V. Bhimani is the Chairman of the Committee and Mr. Abhay V. Udeshi and Mr. Hemant V. Udeshi are the other members of the Committee. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy encompassing the Company's philosophy for describing its responsibility as a Corporate citizen, laying down the guidelines and mechanisms for undertaking socially relevant programmes for welfare and sustainable development of the community at large. CSR Policy is available on weblink [http://www.jayantagro.com/pdf/annoucement/CSR%20Policy\\_new.pdf](http://www.jayantagro.com/pdf/annoucement/CSR%20Policy_new.pdf)

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is ₹ 64.22 lacs and the Company has spent ₹ 28.51 lacs during the current financial year. The Company is in process of identifying suitable projects which would be within the framework of Company's CSR Policy. The requisite details on CSR activities pursuant to Section 135 of the Act and as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as **Annexure II** to this Report.

**17. Risk Management Policy:**

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

**18. Auditors****Statutory Auditors:**

At the 22nd Annual General Meeting held on 27th September, 2014, M/s. T. P. Ostwal & Associates, Chartered Accountants, Mumbai, (Firm Regn. No. 124444W) were appointed as Statutory Auditors of the Company to hold office from the conclusion of the 22nd Annual General Meeting until the conclusion of the 25th Annual General Meeting, subject to ratification by the Members at every Annual General Meeting on such remuneration as may be fixed by the Board in consultation with the Auditors, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the Financial Year ended 31st March, 2015.

**Cost Audit:**

As per the requirements of Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules,





2014, the Audit of the Cost Accounts relating to chemical products is being carried out every year. The Board of Directors have, based on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates, Cost Auditor, Mumbai to audit the cost accounts of the Company for the year 2015-16 from 1st April 2015 to 31st March 2016 on a remuneration of ₹ 1lac plus applicable taxes and out of pocket expenses. As required under the Act, necessary resolution seeking member's ratification for the remuneration payable to M/s. Kishore Bhatia & Associates is included in the Notice convening the 23<sup>rd</sup> Annual General Meeting. The Cost Audit Report in respect of Financial Year 2014-15 will be filed within the due date.

#### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules therein, the Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015 given by M/s. V V Chakradeo & Co., a firm of Practising Company Secretaries forms part of this report as **Annexure III**

There is no qualification in the Secretarial Audit Report

#### **Extract of the Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report forms a part of the Board's Report as **Annexure IV**

### **19. Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The particulars of the conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure V** to this Report.

### **20. Details of establishment of Vigil Mechanism for directors and employees:**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Clause 49 of the Listing Agreement, the Company has established a vigil mechanism for directors and employees to report genuine concerns. The details of the Whistle Blower Policy is available in the Corporate Governance report annexed to this report. The Whistle Blower Policy is also uploaded on the website of the Company.

### **21. Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

The requisite details relating to the remuneration of the specified employees covered under the above Rules are annexed as **Annexure VI** to this Report.

### **22. Corporate Governance Certificate:**

A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a Compliance certificate from M/s. T.P. Ostwal & Associates., Chartered Accountants, Mumbai, regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement with the stock exchange has been annexed to the Directors Report.

### **23. Directors' Responsibility Statement:**

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors report that—

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made



judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- (c) 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;
- (d) The Directors have prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls (as required by explanation to section 134 (5) (e) of the Companies Act, 2013) be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There has been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

#### **25. Transfer of Unpaid/Unclaimed Dividend Amounts to IEPF:**

The unclaimed / unpaid Preference Share dividend for FY 2006 – 07 and Preference Share Capital and Dividend for F Y 2007 – 08 amounting to ₹ 37,651/- & ₹ 374,871/- respectively and Equity Dividend for F.Y. 2006-07 amounting to ₹ 219,464/- which remained unclaimed for the period of seven years has been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

#### **26. Unclaimed Dividend:**

The Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). The shareholders are required to claim the dividend from the Company before transfer to IEPF. The unclaimed dividend amount, as on March 31, 2015 is as under:-

Financial Year	Type	Unclaimed Dividend Amount as on 31-3-2015 (₹ in lacs)	Due date for transfer to IEPF
2007-2008	Equity	3.37	21.11.2015
2008-2009	Equity	3.20	01.01.2016
2009-2010	Equity	1.45	23.11.2017
2010-2011	Equity	1.76	04.12.2018
2011-2012	Equity	1.92	02.12.2019
2012-2013	Equity	2.44	18.11.2020
2013-2014	Equity(Interim)	3.22	15.05.2021
2013-2014	Equity (Final)	0.75	02.12.2021

#### **27. Industrial Relations:**

The Relations between the Employees and the Management have remained cordial, during the year.



## 28. Safety and Environment:

Your Company has declared the Safety, Health and Environment Policy and continued their commitments towards safety and environment. The Committees formed for the purpose of safety and environments have continued to educate and motivate the employees on various aspects on safety and environment through training program and seminars.

During the year following safety program where held on the dates mentioned therein.

Fire Safety Day 11.10.2014

Safety Day Program 12.02.2015

The Company is a member of Effluent Channel Projects, for disposal of Effluent Water and also of Nandesari Environment Control Ltd., for disposal of solid waste. The Company is continuously monitoring its waste to ensure adherence to pollution control norms. The Ranoli Unit has achieved the ISO 14001 certification.

## 29. Insurance:

The properties and insurable interest of your Company like Building, Plant and Machinery, Stocks, etc are properly insured.

## 30. Personnel:

No employee of the Company is in receipt of remuneration in excess of the sum prescribed under Rule 5 (2) of Chapter XIII, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 31. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013:

The Company has in place a Code on Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has set up an Internal Complaints Committee to redress complaints received regarding sexual harassment. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 32. Acknowledgement:

Your Directors wish to place on record their sincere appreciation for the whole hearted support extended by the Central Bank of India, State Bank of India, Kotak Mahindra Bank Ltd, Oriental Bank of Commerce, and ICICI Bank Ltd, Authorities of Government such as Ministry of Commerce and State Government of Gujarat, Gujarat State Electricity Board, Gujarat Pollution Control Board, Gujarat Industrial Development Corporation, Gujarat Alkalies & Chemicals Ltd., and Ranoli Panchayat. Also, we would like to thank our employees for their hard work and shareholders for their continued faith and support.

For and on behalf of the Board of Directors

Place: Mumbai,  
Date: July 25, 2015

**ABHAY V. UDESHI**  
CHAIRMAN



## ANNEXURE I

### Nomination and Remuneration Policy

The Board vide its resolution passed at their meeting dated 5<sup>th</sup> July, 2014 re-constituted the Nomination and Remuneration Committee ("**Committee**"). The terms of reference for the Committee *inter alia* include the following alongwith detailed terms of reference as mentioned in this policy:

- (i) recommending to the Board qualifications, positive attributes and criteria for independence of a director;
- (ii) recommending to the Board a policy relating to the remuneration of the Directors, key Managerial Personnel and Senior Management;
- (iii) formulating a criteria for evaluation of independent Directors and the Board and carrying out evaluation of every Director's performance;
- (iv) devising a policy on Board diversity; and
- (v) identifying persons qualified to become Directors and be appointed as Senior Management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.

Therefore, in furtherance to the aforementioned terms of reference, the Committee has formulated the following Nomination and Remuneration Policy in accordance with Section 178 of the Companies Act.

1. **Effective date:** This Policy shall come into effect immediately.

2. **Definations:**

**"Board"** or **"Board of Directors"** shall mean the board of Directors of the Company as constituted from time to time.

**"Company"** shall mean Jayant Agro-Organics Limited.

**"Companies Act"** shall mean the Companies Act 2013 as amended, modified or supplemented from time to time, read with the relevant rules, regulations and notifications as may be applicable.

**"Committee"** shall mean the Nomination and Remuneration Committee of the Company.

**"Directors"** shall mean the executive, non-executive and independent directors appointed on the Board of the Company from time to time.

**"Key Managerial Personnel"** shall mean (i) chief executive officer or the managing director or the manager; (ii) company secretary; (iii) whole-time director; (iv) chief financial officer; and (v) such other officer as may be prescribed in the Companies Act.

**"Listing Agreement"** shall mean agreement entered into by the Company with the stock exchange on which its shares are listed, containing such terms and conditions that are to be complied with for the continuous listing of its shares on the stock exchange, as may be modified or amended from time to time, pursuant to the provisions of the Securities Contract Regulation Act, 1957, as amended from time to time.

**"Policy"** shall mean this Nomination and Remuneration Policy of the Company.

**"Senior Management"** shall mean the following personnel constituting the core management team for the Company:

Other terms used and not defined herein, shall have the same meaning as assigned to these in the Companies Act.





### 3. Policy in relation to nomination of Directors, Key Managerial Persons and Senior management

#### 3.1 Guiding Principles

- (a) The nomination procedure adopted by the Company for identifying and appointing Directors, Key Managerial Personnel and Senior Management, shall be driven by meritocracy and will focus on inducting individuals from diverse backgrounds, having appropriate skills, qualifications, knowledge, expertise or experience, in one or more fields such as engineering, finance, management, business administration, sales, marketing, law, accountancy, research, corporate governance, technical operations, education, community service or any other disciplines connected with the business of the Company.
- (b) The Company seeks to have a management comprising of likeminded personnel, possessing skills which assist the Company in achieving its objectives and aiming for inclusive growth of the Company and the community.
- (c) The Company specifically looks for persons with qualities such as: (i) professional integrity and honesty; (ii) respect for and strong willingness to imbibe the Company's core values; (iii) ability to act impartially, exercise sound judgement and discharge the fiduciary duties owed by such individuals to the Company; (iv) strategic capability with business vision; (v) entrepreneurial spirit and track record of achievement; (vi) reasonable financial expertise; (vii) have contacts in the fields of business/corporate world/finance/chambers of commerce and industry; and (viii) capability to effectively review and challenge the performance of the management.
- (d) With respect to Independent Directors, the management of the Company shall devise and update, as and when required, programs for familiarizing such directors with the Company, its business, their roles, rights and responsibilities in the Company etc.
- (e) The Company seeks to have diversity on the Board by bringing in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment and mitigation strategy and human resource management in the Company. The Company will be considerate of succession planning and Board diversity while making appointments of directors on the Board.

#### 3.2 Eligibility criteria

**3.2.1 For all Directors:** An individual being considered for being appointed as a Director must fulfil the following eligibility criteria:

- (a) he must be of a sound mind;
- (b) he should neither be an undischarged insolvent nor should he have preferred an application for being adjudicated as an insolvent, which application is pending before any court or authority;
- (c) he must not have been convicted by a court of any offence that makes him incapable of being appointed as a Director under the Companies Act;
- (d) no order disqualifying him from being appointed as a Director of any company should have been passed by a court or tribunal, or in case such an order has been passed, it must not be in force or be effective as prescribed under the Companies Act;
- (e) he should have paid calls with respect of any shares held by him in the Company, whether alone or jointly and in case such calls have not been paid, a period of 6 months shall not have lapsed from the date such payment is due;
- (f) he should not have been convicted of the offence dealing with related party transactions under



section 188 of the Companies Act at any time during the five years, immediately preceding his appointment with the Company and in case such an order has been passed it must not be in effective in accordance with the terms of the Companies Act;

- (g) he must have been allotted a director identification number pursuant to the provision of the Companies Act;
- (h) he must not have been a Director of a Company which (i) has not filed financial statement or annual returns for any continuous period of three financial years, or (ii) has failed to repay deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, provided that if he has been the Director of such a company, the failure of the Company to undertake these actions must not have occurred within the immediately preceding five years of his being considered for appointment as a Director with the Company.

**3.2.2 For a managing director, whole-time director or manager:** In addition to the criteria specified in clause 3.2.1, an individual being considered for the post of a managing director, whole time director or a manager must fulfil the following eligibility requirements:

- (a) he must be a resident of India;
- (b) he must have attained the age of 21 years and must not have attained the age of 70 years. However, in case the individual proposed to be appointed has attained the age of 70 years, he may be appointed as the managing director, whole-time director or manager if a special resolution is passed to this effect by the shareholders of the Company;
- (c) he must not have been adjudged as an insolvent at any point in time;
- (d) he must not have suspended payment to or made a composition with his creditors at any point of time;
- (e) he must not have been:
  - (i) convicted by a court of an offence and sentenced to imprisonment or fine such that it would disentitle him from being appointed as the Managing Director, whole time director or a Manager in terms of the Companies Act; or
  - (ii) detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974).
- (f) In case an individual does not meet the eligibility criteria mentioned in clause 3.2.2 of this Policy (except sub-clause (f)), such an individual may be appointed as the Managing Director, whole time director or a manager with the approval of the Central Government.

**3.2.3 For independent Directors;** Pursuant to section 149 of the Companies Act and the Listing Agreement, the Company is required to appoint specified number of independent directors. An individual, who is not an executive director or a nominee director, may be considered for being appointed as an independent director if he meets the following criteria:

- (a) Possesses appropriate skill, experience and knowledge in one or more fields of finance, law, management, sales, marketing administration, research, corporate governance, technical operations or other disciplines related to the Company's business;
- (b) in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;



- (c) neither is nor was a promoter of the Company or its holding, subsidiary or associate company; or
- (d) is not related to the promoters of the Company, its holding, subsidiary or associate company;
- (e) apart from receiving director's remuneration, he neither has, nor has had a pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two financial years immediately preceding the year of his appointment or during the current financial year, which would disqualify him from being an independent director under the Companies Act or the Listing Agreement;
- (f) none of his relatives have or have had a pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed under the Companies Act, whichever is lower, during the two financial years immediately preceding the year of his appointment or during the current financial year;
- (g) neither himself nor any of his relatives
  - i. holds or has held the position of a key Managerial Personnel in any of the three financial years immediately preceding the year in which he is proposed to be appointed;
  - ii. is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the year in which he is proposed to be appointed;
  - iii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
    - (B) any legal or consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% (ten per cent) or more of the gross turnover of such firm;
  - iv. holds together with his relatives 2% (two per cent) or more of the total voting power of the Company; or
  - v. is a chief executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters. Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company; or
  - vi. is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (h) undertakes to abide by the code for Independent Directors as prescribed in the Companies Act; and
  - (i) possesses such other qualifications as may be prescribed under the Companies Act.

**3.2.4 For Key Managerial Personnel and Senior Management:** Individuals to be appointed as Key Managerial Personnel (other than Managing Director, Manager and Whole-time Director) and Senior Management shall have such qualifications, experience and expertise as may be determined by the management in consultation with the Committee, provided that a whole-time Key Managerial Personnel of the Company shall not hold office in any other Company at the same time except (i) in its subsidiary; or (ii) as a Director of the other Company, with the permission of the Board.



#### 4. Appointment, Term and Retirement

##### 4.1 Appointment and retirement

- (a) All Directors shall be appointed by the Board, based on the recommendations made by the Committee, subject to the prior/post approval of the shareholders of the Company and/or the Central Government, as may be required under the applicable laws.
- (b) The Company shall issue formal letters of appointment to the Independent Directors in a manner provided in the Companies Act.
- (c) A Whole-time Key Managerial Personnel of a Company shall be appointed only by a resolution of the Board containing the terms and conditions of the appointment, including the remuneration.

##### 4.2 Term of office

- (a) No individual shall be appointed as the Managing Director, Whole-time Director or Manager for a term exceeding 5 (five) years at a time and no re-appointment shall be made earlier than one year before the expiry of his term.
- (b) An Independent Director shall hold office for a term up to 5 (five) consecutive years and may be re-appointed for another term of 5 (five) consecutive years, by a special resolution of the members of the Company. An individual who has held office as an Independent Director for two consecutive terms, shall be eligible for appointment as an Independent Director of the Company only after expiry of 3 (three) years of him ceasing to hold office as an Independent Director of the Company, if he has not, during the said period of 3 (three) years been associated with the Company in any other capacity, either directly or indirectly.
- (c) It is clarified that unless otherwise provided in the Companies Act, the term completed by an Independent Director prior to April 1, 2014 shall not be considered for fulfilling the requirements specified in clause 4.2 (b) above.

#### 5. Remuneration Policy for Directors, Key Managerial Personnel and Senior Management

**5.1 Guiding Principles:** This Policy of the Company aims to attract, retain and motivate professionals; in order to enable the Company to achieve its strategic objectives and develop a strong performance based culture and a competitive environment. This Policy and the compensation structure has been devised after taking into account all relevant factors and giving due regard to the interests of shareholders and the financial and commercial health of the Company.

**5.2 Board to determine the remuneration:** The Board while determining the remuneration package of the Directors, key Managerial Personnel and Senior Management may take into account, all or any of the following:

- (a) The requirement of the Company, specifically in terms of the skill sets required, the qualification of the persons being considered and the long term and short term goals of the Company;
- (b) Interests of the shareholders and the financial and commercial health of the Company;
- (c) Individual performance of the persons being considered;
- (d) Performance of the Company;
- (e) remuneration packages offered by companies of comparable size in the same business as the Company;
- (f) other relevant factors it deems necessary.





- 5.3 Maximum Threshold:** Except as otherwise provided under the Companies Act or with the prior approval of the Central Government, the total managerial remuneration payable by the Company, to its Directors (including Managing Director and Whole-time Director) and its Manager in respect of a financial year shall not exceed 11% (eleven per cent) of the net profits of the Company in the relevant financial year, computed in the manner prescribed under the Companies Act. Further, except with the approval of the Company in General Meeting:
- (a) The remuneration payable to any one Managing Director; or Whole-time Director or Manager shall not exceed 5% of the net profits of the Company and if there is more than one such Directors, remuneration shall not exceed ten per cent. of the net profits to all such Directors and Manager taken together;
  - (b) The remuneration payable to Directors who are not Managing Directors nor Whole-time Directors shall not exceed 1% (one per cent) of the net profits of the Company.
- 5.4 Manner of Payment:** Remuneration payable to key Managerial Personnel and Senior Management may be mix of (i) fixed components such as salary, perquisites and allowances and (ii) variable components including commission, based on the individual performance and the performance of the Company, as determined by the board, provided that the remuneration payable to the Directors shall be subject to the prior/post approval of the shareholders of the Company and/or the Central Government, as may be required under the applicable laws.
- 5.5 Perquisites/allowances:** The Company may offer perquisites and allowances such as house rent allowance, leave travel concession, medical reimbursement, club membership, personal accident insurance and such other benefits, facilities and allowances, to Directors, key Managerial Personnel and Senior Management as determined by the Board from time to time.
- 5.6 Stock Options:** The Company may issue stock option to its Directors (other than Independent Directors), Key Managerial Personnel and Senior Management, as it may deem fit.
- 5.7 Sitting fee:** Non-executive Directors of the Company may be entitled to a sitting fee, as determined by the Board or the Company in accordance with the provisions of the Companies Act. No executive Director shall be entitled to receive a sitting fee for attending Board meeting of the Company. Sitting fee will not be considered as a part of remuneration for determining the aggregate Managerial Remuneration being paid to Directors in accordance with this Policy.
- 5.8 Remuneration to non-executive Directors:** Non-executive Directors may receive remuneration by way of (i) Sitting fee, (ii) reimbursement of expenses for participation in the Board and other meetings; (iii) profit related commission as may be approved by the shareholders and (iv) in such other manner as may be permitted under applicable law. An Independent Director shall not be entitled to any stock option.
- 5.9 Fee for professional Services:** It is clarified that, the fee payable to a Director for any professional services rendered by him to the Company shall not be considered as a part of the relevant Director's remuneration. Further, payment of such professional fee shall not require approval of the shareholders, if the Committee is satisfied that the Director possesses the relevant qualifications for practicing the profession. Provided however that in case approval of the shareholders is required pursuant to the related party transactions policy of the Company or under the Companies Act (by virtue of such a transaction being considered as a contract or arrangement for availing any services and/or for appointment of a related party to any office or place of profit in the Company), such approval shall be obtained, in accordance with the provisions of the Companies Act or the Listing Agreement.



- 5.10 Professional Indemnity:** The Company may take such professional indemnity and liability insurance policy for its Directors, key Managerial Persons and Senior Management, as the Board may deem fit and the premium paid on such insurance shall not to be treated as part of the remuneration payable to any such personnel, except as otherwise provided under the Companies Act.
- 5.11 Minimum Remuneration:** If an financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- 5.12 Provisions for excess remuneration:** If any Director draws or receives, directly or indirectly by way or remuneration any such sums in excess of the limits prescribed under the Companies Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it, unless permitted by the Central Government.

## 6. Evaluation

The Committee shall review the performance of every Director as per the performance evaluation provided in Schedule A of this policy and submit its report to the Board.

## 7. Miscellaneous Provisions

### 7.1 Interpretation

- (a) Unless the context of this Policy otherwise requires:
- words using the singular or plural number also include the plural or singular number, respectively;
  - words of any gender are deemed to include the other gender;
  - reference to the word "include" shall be construed without limitation;
  - the terms "Clause" refers to the specified clause of this Policy;
  - Reference to any legislation or law or to any provision thereof shall include reference to any such legislation or law as it may, after the date hereof, from time to time, be amended, supplemented, re-enacted, replaced or superseded, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; and
  - The index bold typeface, headings and titles herein are used for convenience of reference only and shall not affect the construction of this Agreement.

- 7.2 Applicable laws:** In case the provisions of this Policy are in conflict with the provisions of the applicable law ( including provisions of the Companies Act or the Listing Agreement) or provisions of the applicable law or any interpretation thereof are more beneficial than the provisions of this Policy, the provisions of the applicable law and the relevant interpretation thereof shall supersede the provisions of this Policy and the Company shall be entitled to act in accordance with such provisions of the applicable laws and any interpretation thereof. All actions taken by the Company in accordance with such applicable laws shall be deemed to be in consonance with the Policy.



## SCHEDULE A

### Performance evaluation of Directors

#### Part A: Common for all Directors

Assessment of the following roles/attributes as performed by or observed in the Director whose performance is under evaluation:

Sl. No	Role / Attribute	Remarks (Y/N)
1	Attendance and participation in meetings of the Board of Directors and of the Board committees.	
2	Devoted sufficient time and attention to professional obligations for informed and balanced decision making	
3	Advising in implementation of good Corporate Governance practices	
4	Independent in judgment and actions	
5	Exercised his duties with due and reasonable care, skill and diligence	
6	Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders.	
7	Not engaging in conduct which may not be in the interests of the Company	
	<b>Overall Performance</b>	

#### Part B: Applicable for Executive Directors

Accomplishment of following Company goals during the year under review:

Sl. No	Target	Remarks (Y/N)
1	Achievement of EDIDTA	
2	Compliance of applicable laws / statutory obligations in the functioning of the Company	
3	Brand Equity	
4	New initiative / expansion / innovation	
5	Customer satisfaction	
6	Investor relations	
7	Talent retention	
8	Awards & Recognitions	
	<b>Overall Performance</b>	



## ANNEXURE II

### ANNUAL REPORT ON CSR ACTIVITIES

- **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The CSR Policy of the Company was approved by the Board of Directors at the Meeting held on 5<sup>th</sup> July, 2014 and has been uploaded on the website of the Company. Broadly the Company has proposed to undertake activities relating to rural development and providing vocational education for the livelihood of the backward class of the society. The Policy of the Company is available on the web link [http://www.jayantagro.com/pdf/annoucement/CSR%20Policy\\_new.pdf](http://www.jayantagro.com/pdf/annoucement/CSR%20Policy_new.pdf). A detailed write up on the CSR activities and endeavors has been mentioned in the Report on Corporate Governance forming a part of the Board Report.

- **The Composition of the CSR Committee.**

Mr. Deepak V. Bhimani - Chairman

Mr. Abhay V. Udeshi - Member

Mr. Hemant V. Udeshi - Member

- **Average net profit of the company for last three financial years**

Particulars	Amount in ₹ Crs
Net Profit in FY 2011- 12 ( a )	32.82
Net Profit in FY 2012- 13 ( b )	35.10
Net Profit in FY 2013- 14 ( c )	28.41
Average Net Profit of FY 2011-12, 2012-13,2013-14 ( d )= ( a + b + c ) / 3	32.11

- **Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): ₹ 64.22 lakhs**
- **Details of CSR spent during the financial year:** During the year, the Company Spent in total of ₹ 28.51 Lacs as a part of CSR Program. The said contribution was towards rural development.
- **Total amount to be spent for the financial year: ₹ 64.22 lakhs**
- **Amount unspent, if any: ₹ 35.71 lakhs.**





**Manner in which the amount spent during the financial year is detailed below.**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or Activity identified.	Sector	Location	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subhead s: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through h implementing agency*
1	Construction of Road	Rural Development	Ranoli Village, Vadodara, Gujarat	₹ 916550	₹ 916550	₹ 916550	Direct
2	Construction of Pyramid Roof in Crematorium	Rural Development	Ranoli Village, Vadodara, Gujarat	₹ 481435	₹ 481435	₹ 481435	Direct
2	Training and Educating Farmers	Rural Development and Providing Vocational Education	Gujarat	₹ 1453265	₹ 1453265	₹ 1453265	Direct
<b>TOTAL</b>				₹ 2851250	₹ 2851250	₹ 2851250	

1. Give details of implementing agency: NA
2. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

The Company is in process of identifying programs which will cater to the economically backward class of the society which is within the framework of Company's CSR Policy and the Provisions of the Companies Act, 2013.

3. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

Sd/-  
Deepak V. Bhimani  
Chairman of CSR Committee

Sd/-  
Hemant V. Udeshi  
Managing Director



### **ANNEXURE III**

#### **Secretarial Audit Report**

**For the Financial Year Ended 31st March 2015**

**(Pursuant to section 204 (1) of the companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration of managerial Personnel rules, 2014**

To,  
The members,  
Jayant Agro - Organics Limited,  
Mumbai.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jayant Agro – Organics Limited. (hereinafter called the Company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion the company had during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter :

We have examined the books papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules thereunder;
- ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vii) All applicable Labour Laws
- viii) Factory's Act 1948
- ix) Bombay Shop & Establishment Act, 1948
- x) Environment Protection Act, 1986 and other environmental laws.
- xi) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003
- xii) Indian Contract Act, 1872



xiii) Income Tax Act, 1961 and Indirect Tax Laws

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited.

We further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meeting and agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for the meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

for V. V. CHAKRADEO & CO.

Place: Mumbai  
Date: July 25, 2015

V. V. CHAKRADEO  
COP 1705. FCS 3382



## ANNEXURE IV

### Annual Return Extracts in MGT 9

Financial Year Ended on 31<sup>st</sup> March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	
i.	CIN	L24100MH1992PLC066691
ii.	Registration Date	07/05/1992
iii.	Name of the Company	<b>Jayant Agro – Organics Limited</b>
iv.	Category	Company Limited by Shares
v.	Sub-Category	Indian Non – Government Company
vi.	Address of the Registered office	701, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, (W), Mumbai :- 400 013.
vii.	Contact details	Tel .(022) 40271300 Fax :- 022 40271399
viii.	Whether listed company	Yes
ix.	Name, Address and Contact details of Registrar and Transfer Agent	Sharepro Services India Private Limited 13 AB Samhita Warehousing Complex, 2 <sup>nd</sup> Floor, Off Andheri – Kurla Road, Sakinaka Telephone Exchange Lane, Sakinaka, Andheri (E), Mumbai- 400 072. Tel.: 91-22-6772 0300/400

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Organic Chemicals	20119	95.01%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Jayant Finvest Limited	U99999MH1992PLC066277	Holding Company	53.70	2 (46)
2	Ihsedu Coreagri Services Private Limited	U01407MH2008PTC185147	Subsidiary Company	100	2 (87)
3	Ihsedu Agrochem Private Limited	U01407MH2008PTC185147	Subsidiary Company	75.10	-do-
4	Ihsedu Itoh Green Chemical Marketing Private Limited	U24100MH2010PTC204838	Subsidiary Company	60	-do-
5	Vithal Castor Polyols Private Limited	U24296MH2013PTC246697	Associate Company	50	2(6)





#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of shares	%
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF	747946	26000	773946	5.16	747946	26000	773946	5.61	-	-
b) Central or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	8978830	-	8978830	59.86	9049850	-	9049850	60.33	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (1)</b>	<b>9726776</b>	<b>26000</b>	<b>9752776</b>	<b>65.02</b>	<b>9797796</b>	<b>26000</b>	<b>9823796</b>	<b>65.49</b>	<b>71020</b>	<b>0.47</b>
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>9726776</b>	<b>26000</b>	<b>9752776</b>	<b>65.02</b>	<b>9797796</b>	<b>26000</b>	<b>9823796</b>	<b>65.49</b>	<b>71020</b>	<b>0.47</b>
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds	-	7200	7200	0.05	-	7200	7200	0.05	-	-
b) Banks/FI	400	-	400	0.0	400	-	400	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
NRI	29548	-	29548	0.20	44628	-	44628	0.30	15080	0.10
OCB	-	600000	600000	4.00	-	600000	600000	4.00	-	-
<b>SUB TOTAL (B)(1):</b>	<b>29948</b>	<b>607200</b>	<b>637148</b>	<b>4.25</b>	<b>45028</b>	<b>600000</b>	<b>652228</b>	<b>4.35</b>	<b>15080</b>	<b>0.10</b>
(2) Non Institutions										
a) Bodies Corporates	667722	3202	670924	4.47	649413	3202	652615	4.35	(18309)	0.12
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	2514940	320864	2835804	18.91	2300475	314864	2615339	17.45	(220465)	1.47
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	997948	104400	1102348	7.35	1151622	104400	1256022	8.36	153674	1.02



c) Others (specify)										
i. Trust	1000	-	1000	0.0	-	-	-	-	1000	0.0
<b>SUB TOTAL (B)(2):</b>	<b>4181610</b>	<b>428466</b>	<b>4610076</b>	<b>30.73</b>	<b>4101510</b>	<b>422466</b>	<b>4523976</b>	<b>30.16</b>	<b>(86100)</b>	<b>0.57</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4211558</b>	<b>1035666</b>	<b>5247224</b>	<b>34.98</b>	<b>4146538</b>	<b>1029666</b>	<b>5176204</b>	<b>34.51</b>	<b>(71020)</b>	<b>0.47</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>13938334</b>	<b>1061666</b>	<b>15000000</b>	<b>100</b>	<b>13944334</b>	<b>1055666</b>	<b>15000000</b>	<b>100</b>	<b>-</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Jayant Finvest Ltd.	6877397	45.85	-	6948417	46.32	-	0.47%
2	Jayant Finvest Ltd.	1106993	7.38	-	1106993	7.38	-	-
3	Gokuldas K. Udeshi Investments	245200	1.63	-	245200	1.63	-	-
4	Varun Leasing & Finance Pvt. Ltd.	226040	1.51	-	226040	1.51	-	-
5	Innovative Micro Systems Pvt. Ltd.	213200	1.42	-	213200	1.42	-	-
6	Enlite Chemical Ind. Ltd.	110000	0.73	-	110000	0.73	-	-
7	Udeshi Trust	200000	1.33	-	200000	1.33	-	-
8	Dilipsinh G. Udeshi	55800	0.37	-	55800	0.37	-	-
9	Jayraj G. Udeshi	49896	0.33	-	49896	0.33	-	-
10	Hitesh J. Udeshi	46200	0.31	-	46200	0.31	-	-
11	Mrs. Aruna J. Udeshi	46000	0.31	-	46000	0.31	-	-
12	Mulraj G. Udeshi (HUF)	40000	0.27	-	40000	0.27	-	-
13	Vithaldas G. Udeshi	36600	0.24	-	36600	0.24	-	-
14	Mulraj G. Udeshi	34000	0.23	-	34000	0.23	-	-
15	Abhay V. Udeshi	32800	0.22	-	32800	0.22	-	-
16	Hemant V. Udeshi	25500	0.17	-	25500	0.17	-	-
17	Jayraj G. Udeshi (HUF)	25400	0.17	-	25400	0.17	-	-
18	Dr. Subhash V. Udeshi	25000	0.17	-	25000	0.17	-	-
19	Vithaldas G. Udeshi	21300	0.14	-	21300	0.14	-	-
20	Mrs. Pushpa V. Udeshi	20000	0.13	-	20000	0.13	-	-
21	Mrs. Malti M. Udeshi	20000	0.13	-	20000	0.13	-	-
22	Bharat M. Udeshi	20000	0.13	-	20000	0.13	-	-
23	Sudhir V. Udeshi (HUF)	21000	0.14	-	21000	0.14	-	-
24	Mrs. Malti M. Udeshi	20000	0.13	-	20000	0.13	-	-
25	Dhruv Udeshi	20000	0.13	-	20000	0.13	-	-
26	Mrs. Lajwanti Hemant Udeshi	19500	0.13	-	19500	0.13	-	-
27	Dr. Subhash V. Udeshi	17500	0.12	-	17500	0.12	-	-
28	Dhruvi Subhash Udeshi	15800	0.11	-	15800	0.11	-	-
29	Hemant V. Udeshi	15500	0.10	-	15500	0.10	-	-
30	Sudhir V. Udeshi	14000	0.09	-	14000	0.09	-	-
31	Abhay V. Udeshi	12850	0.09	-	12850	0.09	-	-
32	Vikram V. Udeshi	12400	0.08	-	12400	0.08	-	-
33	Pushpa V. Udeshi	12000	0.08	-	12000	0.08	-	-
34	Sudhir V. Udeshi	12000	0.08	-	12000	0.08	-	-
35	Trupti A. Udeshi	10600	0.07	-	10600	0.07	-	-



36	Mulraj G. Udeshi	6800	0.05	-	6800	0.05	-	-
37	Dhruv Udeshi	6000	0.04	-	6000	0.04	-	-
38	Yatin V. Udeshi	2000	0.01	-	2000	0.01	-	-
39	Varun Abhay Udeshi	2500	0.02	-	2500	0.02	-	-
40	Dhayvat Hemant Udeshi	2500	0.02	-	2500	0.02	-	-
41	Sandeep Sudhir Udeshi	700	0.00	-	700	0.00	-	-
42	Jayraj G. Udeshi	51800	0.35	-	51800	0.35	-	-
<b>Total</b>		<b>9752776</b>	<b>65.02</b>		<b>9823796</b>	<b>65.49</b>	<b>-</b>	<b>0.47%</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year 01.04.2014		Cumulative shareholding during the year 31.03.2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1	<b>At the beginning of the year</b>	9752776	65.02	9752776	65.02
	<b>Purchase During the year</b>	71020	0.47	9823796	65.49
	<b>At the end of the year</b>	9823796	65.49	9823796	65.49

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of shareholder	Shareholding		Date of transaction*	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
1	ITOH OIL CHEMICALS CO LTD	600000	4.00	01/04/2014				
		600000	4.00	31/03/2015	No change		600000	4.00
2	BALWAN FINANCE AND LEASING PRIVATE LIMITED	193583	1.29	31/03/2014				
		193583	1.29	31/03/2015	No change		193583	1.29
3	S.SHYAM	135417	0.90	31/03/2014				
			0.10	06/06/2014	15024	Transfer	150441	1.00
		150441	1.00	31/03/2015				
4	INVESTINDIA SECURITIES PVT LTD	121549	0.81	31/03/2014				
				21/11/2014	-121549	Transfer	0	0.00
		0	0.00	31/03/2015				
5	VIJAYA S	120757	0.81	31/03/2014				
				20/06/2014	3158	Transfer	123915	0.83
				15/08/2014	1219	Transfer	125134	0.83
				22/08/2014	1072	Transfer	126206	0.84
				05/09/2014	17783	Transfer	143989	0.96
				12/09/2014	3824	Transfer	147813	0.99
				19/09/2014	817	Transfer	148630	0.99



				13/02/2015	2503	Transfer	151133	1.01
		151133	1.01	31/03/2015				
6	MIRA DESAI	82000	0.55	31/03/2014	No change			
		82000	0.55	31/03/2015			82000	0.55
7	VIJAYSINH VIRCHAND VED	71000	0.47	31/03/2014	No change			
		71000	0.47	31/03/2015			71000	0.47
8	DEEPAK V VED	50180	0.33	31/03/2014	No change			
		50180	0.33	31/03/2015			50180	0.33
9	AMITA DEEPAK VED	50000	0.33	31/03/2014	No change			
		50000	0.33	31/03/2015			50000	0.33
10	NALINI SEKHSARIA	50000	0.33	31/03/2014	No change			
		50000	0.33	31/03/2015			50000	0.33
11	SHIVASARAN CONSULTING PVT LTD.	0	0.00	31/03/2014				0.00
				14/11/2014	15827	Transfer	15827	0.11
				21/11/2014	4273	Transfer	20100	0.13
				28/11/2014	5000	Transfer	25100	0.17
				19/12/2014	1415	Transfer	26515	0.18
				31/12/2014	6668	Transfer	33183	0.22
				02/01/2015	3020	Transfer	36203	0.24
				09/01/2015	12480	Transfer	48683	0.32
				16/01/2015	8588	Transfer	57271	0.38
				23/01/2015	22459	Transfer	79730	0.53
				06/02/2015	3599	Transfer	83329	0.56
				13/02/2015	20157	Transfer	103486	0.69
				20/02/2015	5778	Transfer	109264	0.73
				27/02/2015	7000	Transfer	116264	0.78
		116264	0.78	31/03/2015				0.00

\*For the purpose of date of transaction, benpose generation date is considered.

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.		Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding End of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Abhay V. Udeshi	45650	0.30	45650	0.30
2	Mr. Hemant V. Udeshi	41000	0.27	41000	0.27
3	Dr. Subhash V. Udeshi	42500	0.28	42500	0.28
4	Mr. Vikram V. Udeshi	12400	0.08	12400	0.08
5	Mr. Dinesh M Kapadia	-	-	-	-





## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2014)</b>				
Principal Amount	2,22,87,14,035	-	-	2,22,87,14,035
Interest due but not paid	-	-	-	-
Interest accrued but not due	15,29,049	-	-	15,29,049
<b>Total (i + ii+ +iii)</b>	<b>2,23,02,43,084</b>	<b>-</b>	<b>-</b>	<b>2,23,02,43,084</b>
<b>Change in Indebtedness during the financial year</b>				
Addition / (Reduction)	(79,58,57,560)	-	-	(79,58,57,560)
<b>Indebtedness at the end of the financial year (31.03.2015)</b>				
Principal Amount	143,28,56,475	-	-	143,28,56,475
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13,91,685	-	-	13,91,685
<b>Total (i+ii+iii)</b>	<b>143,42,48,160</b>	<b>-</b>	<b>-</b>	<b>143,42,48,160</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ In Lacs)

Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	Abhay V. Udeshi	Hemant V. Udeshi	Dr. Subhash V. Udeshi	
<b>Gross salary</b>				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.24	29.24	29.24	87.72
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.70	2.81	0.39	6.91
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>Total (A)</b>	<b>32.94</b>	<b>32.05</b>	<b>29.63</b>	<b>94.63</b>
<b>Stock Option</b>	-	-	-	-
<b>Sweat Equity</b>	-	-	-	-
<b>Commission</b>	-	-	-	-
<b>Others (Contribution to Provident Fund)</b>	<b>2.40</b>	<b>2.40</b>	<b>2.40</b>	<b>7.21</b>
<b>Total (B)</b>	<b>2.40</b>	<b>2.40</b>	<b>2.40</b>	<b>7.21</b>
<b>Total (A+B)</b>	<b>35.35</b>	<b>34.46</b>	<b>32.03</b>	<b>101.85</b>

The Managerial Remuneration paid is within the ceiling limits as specified under the provisions of the Companies Act, 2013



**B. Remuneration to other directors:**

(₹ In Lacs)

Particulars of Remuneration	Name of Directors					Total Amount
<b>Independent Directors</b>	Mr. Jayasinh V Mariwala	Mr. V. K. Bhandari	Mr. Mukesh C Khagram	Mr. Deepak V. Bhimani	Mrs. Sucheta N. Shah	
• Fee for attending board committee meetings	0.97	0.82	0.67	0.82	0.15	3.45
• Commission	-	-	-	-	-	-
• Others	-	-	-	-	-	-
<b>Total Remuneration</b>	0.97	0.82	0.67	0.82	0.15	3.45

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ In Lacs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO (Vikram V. Udeshi)	CS (Dinesh M. Kapadia)	Total
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.24	11.68	40.92
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7.67	-	7.67
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
<b>2</b>	<b>Stock Option</b>	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-
<b>4</b>	<b>Commission</b>	-	-	-
<b>5</b>	<b>Others, (Contribution to PF)</b>	2.40	1.09	3.50
	<b>Total</b>	39.32	12.78	52.10



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NIL		
Compounding					



## ANNEXURE V

### Conservation of Energy

In line with the company's commitment towards conservation of energy, all plants continue with their endeavor to make more efficient use of energy through improved operational and maintenance practices.

The measures taken in this direction at the units are as under:

1. Installed power factor capacitor banks to save energy.
2. Heat recovery by recycling maximum condensate hot water to boiler feed.
3. Optimum use of new high capacity boiler for catering steam from single source.
4. Energy audits are conducted.
5. Employees have been trained in energy conservation measures.
6. Trimming of impellers to save on power
7. All the hot oil heaters are converted in to De-Oil cake & reduction in Furnace oil consumption as compare to last year.
8. LED lights installed in place of florescent ones which are more energy efficient with minimum maintenance and long life.
9. Installation of Energy Monitoring System for greater accuracy of energy consumption.
10. Replacement of fixed speed compressors with variable speed Compressors.
11. Ranoli unit and ISCPL Unit are ISO 14001:2004 certify.
12. Wind mills are efficiently operative to generate clean power. 47 % of power is received from wind mill.
13. 94 % of thermal energy generated by using ecofriendly Castor De-oil cake.
14. To prevent heat loss, efficient thermal insulation provided wherever necessary.

### FORM 'A'

		Power & Fuel consumption	2014-2015	2013-2014
A	1 (i)	<b>Electricity</b>		
		Purchased Units (KWH/"000)	<b>17,431.936</b>	16,370.876
		Total Amount (₹ in Lacs)	<b>1,175.71</b>	1,058.53
		Rate /Unit (₹)	<b>6.74</b>	6.47
	(ii)	<b>Own generation</b>		
		Through Diesel Generator:	<b>36.205</b>	33.071
		Unit (KWH in ₹ In 000)	<b>10.741</b>	11.133
		Unit per Ltr. of Diesel Oil Cost/unit (₹)	<b>18.27</b>	18.99
	(iii)	<b>Through Windmill Generation</b>		
		Unit (in 000) Gross	<b>35.910</b>	37.190
		Total Amount (₹ In 000)	<b>106.71</b>	92.20
		Rate / Unit ₹	<b>2.97</b>	2.20
	2 (i)	<b>Fuel</b>		
		Furnace Oil Quantity (KLS)	<b>275.388</b>	420.433
		Total Amount (₹ in Lacs)	<b>103.15</b>	176.03
		Rate/Ltr (₹)	<b>37.46</b>	41.87



<b>B</b>	<b>(ii)</b>	De-Oil Cake : Quantity (M.T.)	<b>29,621.937</b>	30,731.691
		Total amount (₹ in Lacs)	<b>1525.54</b>	1,533.99
		Rate / MT (₹)	<b>5,150.00</b>	4,992.00
		<b>Consumption per Unit of Production</b>		
		Electricity (KWH/MT)	<b>232.74</b>	202.47
		Furnace Oil (LTR/MT)	<b>4.12</b>	5.78
		De – Oil cake (Kg/MT)	<b>394.67</b>	379.31

### TECHNOLOGY ABSORPTION

Details of efforts made in technology absorption are given out as per Form B

### FORM 'B'

#### a Research & Development (R & D) :

(i) The (i) The Company has its own Research and Development Department which facilitates new improvement in efficiency and upgradation of the quality to maintain leadership position in Castor industry.

iii) Benefits derived as a result of the above efforts:-

- New Product introduced for export and local markets
- Cost reduction in existing process.
- Improvements in quality of various products

(iv)	Expenditure on R & D for FY 2014-2015	(₹in Lacs.)
	(a) Capital	NIL
	(b) Recurring (Gross)	146.43
	(c) Total	146.43
	(d) Total R & D Expenditure as 0.22 percentage of total turnover.	

#### b Technology Absorption, Adoption and Innovation

Details of Technology imported during the past five years: NIL

#### C FOREIGN EXCHANGE EARNING AND OUTGO :

Details of Foreign Exchange used and earned are provided in Note 25 to 29 of Notes on Financial Statements.

For and on behalf of the Board

**ABHAY V. UDESHI**  
CHAIRMAN

Place: Mumbai.  
Date : July 25, 2015





## ANNEXURE VI

### Remuneration Details

#### Disclosure under section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) the ratio of the remuneration of each director\* to the median remuneration of the employees of the Company for the financial year and comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company;

Sr No.	Director	Remuneration (₹ In Lacs)	Median Remuneration (₹ In Lacs)	Ratio	Comparison of the Remuneration of the KMP against the Performance of the Company
1	Mr. Abhay. V. Udeshi, Chairman & Whole – time Director	35.35	3.13	11.30	2.73
2	Mr. Hemant V. Udeshi, Managing Director	32.04	3.13	10.24	2.47
3	Dr. Subhash V. Udeshi, Whole – time Director	34.46	3.13	11.01	2.66
4	Mr. Vikram V. Udeshi, Chief Financial Officer	39.32	-	-	3.03
5	Mr. Dinesh M Kapadia, Company Secretary	12.78	-	-	0.99

\*Since the Independent Director are not paid remuneration apart from sitting fees for attending the meetings of the Company, details of only executive directors are incorporated.

ii	The percentage increase in the median remuneration of employees in the financial year	18%
iii	The number of permanent employees on the rolls of company	353
iv	The explanation on the relationship between average increase in remuneration and company performance.	The average increase in remuneration is linked to the individual performance and achievement of overall targeted business goals of the Company. The performance of the Company in Financial Year 13-14 grew by approx. (18.62%). Accordingly the average increment in remuneration was done which is in line with the performance of the Company
v	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	In the Financial Year 2014-15, the Key Managerial Personnel were paid remuneration 11.87% of the Net Profit of the Company



vi	<p>a. variations in the market capitalisation of the company</p> <p>b. Price earnings ratio.</p> <p>c. Variation in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer.</p>	<p>The market capitalisation as on March 31, 2015 was ₹ 150.75 crore (₹ 138.22 crore as on March 31, 2014)</p> <p>As on March 31, 2015 ratio is 13.70 and (3.70 as on March 31, 2014)</p> <p>The closing share price of the Company at BSE Limited as on 31st March, 2015 being ₹ 100.50/- face value of ₹ 5/- each has grown 20 times since the last offer for sale made in 1993 at the time of IPO (offer price was at face value of ₹ 10/- at par).</p>
vii	<p>Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year and comparison with the percentage increase in the managerial remuneration and justification thereof</p>	<p>Average salaries increased of employees in the financial year was 16.39% and average remuneration increase of managerial personnel was 21%.</p> <p>There was no revision in the managerial remuneration of the Executive Directors for last three year. In view of the same there is a marginal difference in the salaries between the employees and managerial personnel.</p>
viii	<p>The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year</p>	<p>1.11</p>
ix	<p>It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company</p>	



(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

Sr No.	Name of Company	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1.	Ihsedu Agrochem Private Limited	-	-	732.35	4407.68	19978.29	14838.26	333.06	97,899,18	(232.37)	146.46	(85.91)	Nil	75.10
2.	Ihsedu Itoh Green Chemicals Marketing Private Limited	-	-	125	22.41	150.32	2.92	-	20.82	14.65	4.66	9.98	Nil	60
3.	Ihsedu Coreagri Services Private Limited	-	-	5.00	19.90	25.46	0.55	-	1.07	(3.74)	-	(3.74)	Nil	100

#### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr No.	Name of Company	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Network attributable to Shareholding as per latest audited Balance Sheet Profit after taxation	Profit / Loss for the year % of shareholding	
			No.	Amount of Investment	% of Holding				Considered in Consolidation	Not Considered in Consolidation
1.	Vithal Castor Polyols Private Limited	31.03.2015	18000000	900.00	50	N.A	-	-	25%	



## CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY:

The Company's philosophy of Corporate Governance is to provide products and services of international standards, which best satisfy the needs of our customers and in doing so, to bring about prosperity to our organisation, its Investors and the Country at large. The Company's obligation to the investors is amply reflected in unbroken record of continuous payment of dividend from the commencement of commercial production since 1993-94.

### 2. BOARD OF DIRECTORS:

- The majority of the Directors on the Board are Non-executive & Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49 across all the companies in which they are Director. Necessary disclosures regarding Committee positions and Directorships in other public companies as at March 31, 2015 have been made by the Directors.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given below.

Sr. No	Name of Directors	DIN	Category (Executive / Non – Executive / Independent)	No. of Board Meetings attended during the year 2014-2015	Last AGM Attended (Yes/No.)	No. of Directorship(s) held in other Public Companies	Member of Committee in other Public Companies
1.	Mr. Abhay V. Udeshi #	00355598	Promoter – Executive Director	5	Yes	5	1
2.	Mr. Hemant V. Udeshi #	00529329	Promoter – Executive Director	5	Yes	--	--
3	Dr. Subhash V. Udeshi #	00355658	Promoter – Executive Director	5	Yes	2	--
4.	Mr. Jayasinh V. Mariwala.	00182835	Independent & Non – Executive Director	5	Yes	6	--
5	Mr. Vijay Kumar Bhandari	00052716	Independent & Non – Executive Director	5	No	8	8
6.	Mr. Mukesh C. Khagram	00437042	Independent & Non – Executive Director	4	Yes	2	1
7.	Mr. Deepak V. Bhimani	00276661	Independent & Non – Executive Director	4	Yes	1	2
8	Mrs. Sucheta N Shah**	00322403	Independent & Non – Executive Director	1	N.A	3	1

\*\*Appointed as an Additional Director (Independent) w.e.f. 8<sup>th</sup> November, 2014.

# Inter-se relationship between Directors



None of the Independent Directors has any material pecuniary relationship or transactions with the Company.

Necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been from time to time placed before the Board for their consideration.

During the year under report, 5 Board Meetings were held on 17<sup>th</sup> May, 2014, 5<sup>th</sup> July, 2014, 29<sup>th</sup> July, 2014, 8<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015.

### **3. FAMILIARISATION OF INDEPENDENT DIRECTOR:**

In pursuance to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, every Independent Directors are familiarized with the business operations, organisation structure, functioning of various departments, internal control processes and other relevant information. The Company through its Nomination and Remuneration Committee has put in place a formal procedure for appointment of Director whereby a letter of appointment is given to the Independent Directors to inter alia explain the role, duties, functions and responsibilities of the Director so appointed. The detailed familiarization program is posted on the Company's website (<http://www.jayantagro.com>).

### **4. AUDIT COMMITTEE:**

As required under Section 177 of the Companies Act, 2013 ("the Act") read with the provisions of Clause 49 of the Listing Agreement, the Board has constituted an Audit Committee. Mr. Jayasinh V. Mariwala is the Chairman of the Committee. Mr. Abhay V. Udeshi, Mr. Mukesh C Khagram, Mr. Deepak V. Bhimani and Mr. Vijay Kumar Bhandari are the other members.

Five (5) Audit Committee Meetings were held on 17<sup>th</sup> May, 2014, 5<sup>th</sup> July, 2014, 29<sup>th</sup> July, 2014, 8<sup>th</sup> November, 2014 and 12<sup>th</sup> February 2015. The Composition and the attendance of Audit Committee is as under:-

	<b>Name of Director</b>	<b>Designation</b>	<b>No. of Meeting Attended</b>
1.	Mr. Jayasinh V. Mariwala	Chairman	5 of 5
2.	Mr. Abhay V. Udeshi	Member	5 of 5
3.	Mr. Mukesh C. Khagram	Member	4 of 5
4.	Mr. Deepak V. Bhimani	Member	4 of 5
5.	Mr. Vijay Kumar Bhandari	Member	5 of 5

The C.F.O. and Statutory Auditor including Internal Auditor are regular invitees to the meetings of the Audit Committee. The Company Secretary acts as Secretary to the Committee.

The Board of Directors note the minutes of the Audit Committee meetings at the Board Meetings.

The terms of reference of the Audit Committee covers all matters as specified under Clause 49 of the Listing Agreement and also as required under Section 177 and other applicable provisions of the Companies Act, 2013

### **5. NOMINATION AND REMUNERATION COMMITTEE:**

As required under Section 178(1) of the Act, read with the provisions of Clause 49 of the Listing Agreement, the Board has constituted the Nomination and Remuneration Committee. Mr. Jayasinh V Mariwala is the Chairman of the Committee. Mukesh C. Khagram and Mr. Deepak V. Bhimani are the other members of the Committee.

The Committee is, inter alia, authorized to identify persons who are qualified to become Directors and who may be appointed in Senior Management, evaluation of Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a director and recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees. During





the year, two meetings of the Committee were held on 4<sup>th</sup> July, 2014 & 1<sup>st</sup> November, 2014. The details of attendance of the members of the Nomination and Remuneration Committee are as follows

	Name of Director	Designation	No. of Meeting Attended
1.	Mr. Jayasinh V. Mariwala	Chairman	2 of 2
2.	Mr. Mukesh C. Khagram	Member	0 of 2
3.	Mr. Deepak V. Bhimani	Member	2 of 2

### Remuneration Policy

In accordance with the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed to the Directors' Report.

### Details of remuneration to Directors:

#### (A) Details of Remuneration to Executive Directors:

Executive Directors	Remuneration during 2014-2015		
	Remuneration Package	Service contract, and notice period, severance fee.	Stock option details, if any.
1. Mr. Abhay V. Udeshi Chairman	₹ 35,35,346/-	Please see note (a)	Please see note (b)
2. Mr. Hemant V. Udeshi, Managing Director	₹ 34,46,448/-	- do -	- do -
3. Dr. Subhash V. Udeshi Whole – Time Director	₹ 32,03,667/-	- do -	- do -

### NOTES:

- The appointment is subject to termination by 6 months' notice, in writing, on either side or as agreed mutually. Period is 3 years for Mr. Abhay V. Udeshi and Dr. Subhash V. Udeshi and 5 years for Mr. Hemant V. Udeshi from the date of appointment. No severance fee payable to any Executive Director, including Managing Director.
- The Company does not have any Scheme for grant of Stock Options to its Directors or Employees, at present.

#### (B) Non-Executive Directors were paid Sitting fees of ₹7,500/- per sitting of Board / Committee as approved by the Board which was within the limit as prescribed under the Companies Act 2013, the details of which are: -

	Name of the Director	Amount
1.	Mr. Jayasinh V. Mariwala	₹97,500/-
2.	Mr. Vijaykumar Bhandari	₹82,500/-
3.	Mr. Mukesh C Khagram	₹67,500/-
4.	Mr. Deepak V. Bhimani	₹82,500/-
5.	Mrs. Sucheta N Shah	₹15,000/-

The terms of reference include the matters specified under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

**(C) Disclosure of shareholding of Non-Executive Directors as required under Clause 49(IV)(E)(iv) :**

Names	Shares held on 31-03-2015 (own or held by/for other persons on beneficial basis)
1. Mr. Jayasinh V. Mariwala	Nil
2. Mr. Vijay Kumar Bhandari	Nil
3. Mr. Mukesh C. Khagram	Nil
4. Mr. Deepak V. Bhimani	Nil
5. Mrs. Sucheta N Shah	Nil

**Performance Evaluation**

Pursuant to the Provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its Committees. During the year under review, the Independent Directors had a meeting to evaluate the performance of the Executive Directors (i.e Mr. Abhay V. Udeshi Chairman & Whole-time Director, Mr. Hemant V. Udeshi Managing Director and Dr. Subhash V. Udeshi Whole – time Director). The Independent Directors expressed their satisfaction with performance of the Executive Directors.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee comprises of Four (4) Director, Mrs. Sucheta N Shah, Mr. Abhay V. Udeshi, Mr. Hemant V. Udeshi and Dr. Subhash V. Udeshi. During the year under review Mr. Vijay Kumar Bhandari ceased to be the Chairman and Member of the Committee and Mrs. Sucheta N Shah was appointed as the Chairperson of the Committee w.e.f. 8<sup>th</sup> November, 2014.

Mr. Dinesh M Kapadia, Company Secretary, is Compliance Officer and Company Secretary of the Company

Details of complaints received in 2014-2015 from Shareholders:

(1) Opening balance	: NIL
(2) Received during the year	: NIL
(3) Resolved during the year	: NIL
(4) Closing balance	: NIL

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to Section 135 of the Companies Act, 2013, the Board of Directors at its meeting held on 5<sup>th</sup> July, 2014 constituted a CSR committee comprising of 3 directors namely, Mr. Deepak V. Bhimani, Mr. Abhay V. Udeshi and Mr. Hemant V. Udeshi. Mr. Deepak V. Bhimani was appointed as the Chairman of the Committee. As stipulated under section 135 read with rules and schedule VII of the Companies Act, 2013, the CSR Committee had also framed a policy which outlined the activities the Company proposes to undertake as a part of its commitment towards betterment of the society. During the year under review the Company undertook activities relating to rural development and providing vocational education for the livelihood of backward class of the society. The terms of reference of the Committee is in accordance with the provisions of the Companies Act, 2013.

The Policy of the Company is available on the web link [http://www.jayantagro.com/pdf/annoucement/CSR%20Policy\\_new.pdf](http://www.jayantagro.com/pdf/annoucement/CSR%20Policy_new.pdf).



## 8. INDEPENDENT DIRECTORS MEETING:

Schedule IV to the Act and provisions of Listing Agreement, inter alia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of the non – independent directors and members of the management.

During the year, one meeting of independent directors was held on 14<sup>th</sup> March, 2015. Mr. Jayasinh V Mariwala was unanimously elected as the Chairman of the Meeting of the Independent Directors. At the meeting, the Independent Directors reviewed the performance of the non-independent directors (including the chairperson) and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the Meeting.

## 9. DETAILS OF GENERAL BODY MEETINGS FOR THE LAST THREE YEARS:

(i) Location and time, where last General Meetings held :

Year	Location	Date / Time	Special Resolutions Passed
2011-2012 AGM	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2 <sup>nd</sup> floor, 18/20, Kaikhashru Dubash Marg, Mumbai 400 001	26.09.2012 11.00 A.M.	Alteration of Articles of Association of the Company for insertion of provision to enable conducting of General Meeting, Board Meeting and/or Committee meeting of the Board by Video conference facility or any other permissible electronic mode of communication
2012-2013 AGM	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2 <sup>nd</sup> floor, 18/20, Kaikhashru Dubash Marg, Mumbai 400 001	13.09.2013 12.30 P.M.	Reappointment of Mr. Varun A. Udeshi, to an Office or Place of Profit as "Vice President – Operations & Business Development" for a period of 3 years w.e.f. July 1, 2013.
2013-2014 AGM	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2 <sup>nd</sup> floor, 18/20, Kaikhashru Dubash Marg, Mumbai 400 001	27.09.2014 11.00 A.M	-

None of the business to be transacted at this AGM is required to be passed by Postal ballot

(ii) The Company had passed certain special resolution through Postal Ballot. The approval for the following resolutions were sought from the shareholders through postal ballot;

- Special Resolution under Section 180 1 (c) approving the borrowing limits.
- Special Resolution under Section 180 1 (a) approving the security to be provided in connection with borrowings under section 180 1 (c).
- Special Resolution under Section 186 empowering the Company to make inter – corporate Loans, investments, guarantees / security etc.

The Company had appointed Mr. V. V Chakradeo, Practising Company Secretary of M/s. V. V. Chakradeo & Co. as scrutinizer for the postal ballot voting process in a fair and transparent manner.

The details of the voting pattern in respect of Special Resolution passed was as under:



- Special Resolution under Section 180 1 (c) approving the borrowing limits.

Promoter/ Public	No. of Shares held	No of votes polled	% of votes polled on Outstanding shares	Number of votes -in favour	Number of votes – against	% of votes in favour of votes polled	% of votes Against on votes polled
	(1)	(2)	$(3)+[(2)/(1)]*100$	(4)	(5)	$(6)=[(4)/(2)]*100$	$(7)=[(5)/(2)]*100$
<b>Promoter</b>	9752776	9716176	99.62	9716176	0	100.00	0.00
<b>Public- Institutional Holders</b>	7600	0	0.00	0	0	0.00	0.00
<b>Public Others</b>	5239624	144616	2.76	86307	58309	59.68	40.32
<b>Total</b>	<b>15000000</b>	<b>9860792</b>	<b>65.74</b>	<b>9802483</b>	<b>58309</b>	<b>99.41</b>	<b>0.59</b>

- Special Resolution under Section 180 1 (a) approving the security to be provided in connection with borrowings under section 180 1 (c).

Promoter/Public	No. of Shares held	No of votes polled	% of votes polled on Outstanding shares	Number of votes -in favour	Number of votes – against	% of votes in favour of votes polled	% of votes Against on votes polled
	(1)	(2)	$(3)+[(2)/(1)]*100$	(4)	(5)	$(6)=[(4)/(2)]*100$	$(7)=[(5)/(2)]*100$
<b>Promoter</b>	9752776	9716176	99.62	9716176	0	100.00	0.00
<b>Public- Institutional Holders</b>	7600	0	0.00	0	0	0.00	0.00
<b>Public Others</b>	5239624	144616	2.76	86347	58269	59.71	40.29
<b>Total</b>	<b>15000000</b>	<b>9860792</b>	<b>65.74</b>	<b>9802523</b>	<b>58269</b>	<b>99.41</b>	<b>0.59</b>

- Special Resolution under Section 186 empowering the Company to make inter – corporate Loans, investments, guarantees / security etc.

Promoter/Public	No. of Shares held	No of votes polled	% of votes polled on Outstanding shares	Number of votes -in favour	Number of votes – against	% of votes in favour of votes polled	% of votes Against on votes polled
	(1)	(2)	$(3)+[(2)/(1)]*100$	(4)	(5)	$(6)=[(4)/(2)]*100$	$(7)=[(5)/(2)]*100$
<b>Promoter</b>	9752776	9716176	99.62	9716176	0	100.00	0.00
<b>Public- Institutional Holders</b>	7600	0	0.00	0	0	0.00	0.00
<b>Public Others</b>	5239624	144676	2.76	84954	59722	58.72	41.27
<b>Total</b>	<b>15000000</b>	<b>9860852</b>	<b>65.74</b>	<b>9801130</b>	<b>59722</b>	<b>99.39</b>	<b>0.61</b>

## 10. DISCLOSURES:

- (A) There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large.



However, the details of transactions with related parties are made in Note 35 (b) to the Accounts.

- (B) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years: Nil.
- (C) CEO /CFO Certification: A certification from the CEO and CFO in terms of Clause 49 (v) of the Listing Agreement was placed before the Board at the Board Meeting held on 13<sup>th</sup> May, 2015 to approve the Audited Annual Accounts for the year ended March 31, 2015.
- (D) Subsidiary Companies: The Company has three subsidiary Companies out of which one (1) is material unlisted subsidiary company. As required under Listing Agreement, the Company has formulated a policy for determining material subsidiaries and the policy is posted on the website of the Company web link <http://jayantagro.com/pdf/annoucement/Policy%20on%20Material%20Subsidiaries.pdf>
- (E) Whistle Blower Policy: The Company has formulated Whistle Blower Policy for vigil mechanism for directors and employees to report unethical behavior, fraud or violation of the code of conduct of the Company. The policy provides adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no employee was denied access to the Audit Committee.

## 11. MEANS OF COMMUNICATION:

Quarterly / Half Yearly results being put on the Company's Website, and also released in the News Papers, viz: **Business Standard, all editions and Sakal (Marathi).**

THE COMPANY'S WEBSITE: [www.jayantagro.com](http://www.jayantagro.com)

## 12. GENERAL SHAREHOLDER INFORMATION:

(1)	Annual General Meeting Date and Time, Venue	23 <sup>rd</sup> Annual General Meeting On Thursday, the September 24, 2015 at 11.00 a.m.at M.C.Ghia Hall, Bhogilal Hargovindas Bldg., 4 <sup>th</sup> floor, 18/20, K.Dubash Marg, Mumbai 400 001	
(2)	Financial year (Tentative) Financial Year : From April 1, 2015 to March 31, 2016	Results for quarter ending June 30, September 30, and December 31, 2015	Will be in the last week of July 2015, October 2015, and January 2016 respectively
		Results for year ending March 31, 2016	Audited : Last week of May, 2016
		Annual General Meeting for the year ended on March 31, 2016	Before Sept. 2016
(3)	Book Closure date	19.09.2015 to 24.09.2015 (both days inclusive)	
(4)	Dividend payment date	on or after 29.09.2015	
(5)	Registered Office and address for correspondence.	701, Tower "A", Peninsula Business Park, Senapati Bapat Marg, Lower Parel (West) Mumbai – 400 013.	





(6)	Listing on Stock Exchanges	BSE Ltd. – Equity Code No.524330.	
	Note : Listing fees and custody charges for the year 2015-2016 have been paid.	National Stock Exchange of India Ltd., Mumbai. Equity Code JAYAGROGN EQ,	
(7)	Demat ISIN Number in NSDL and CDSL:	ISIN No. INE785A01026	

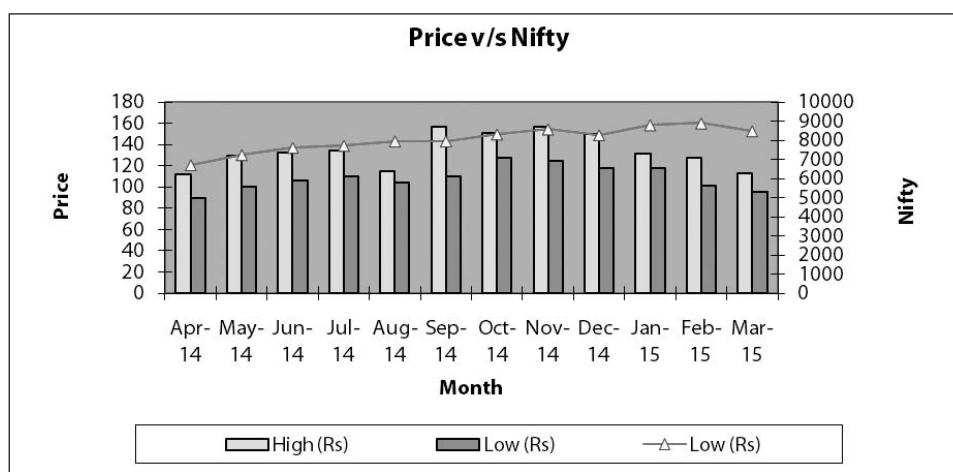
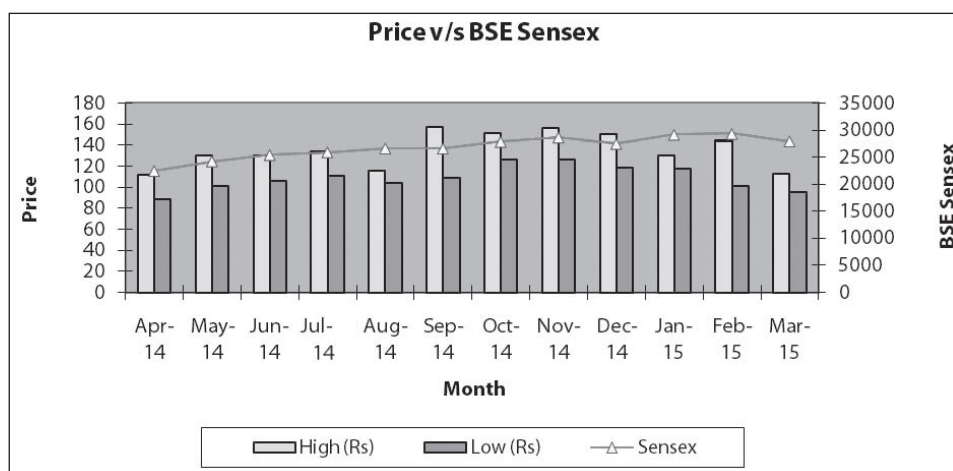
### 13. SHARE TRANSFER SYSTEM:

All the share related work is being undertaken by our R&T Agent, Sharepro Services (India) Pvt. Ltd., Mumbai. A Share Transfer Committee of four Directors approves the share transfer, transmission, split and consolidation, among others, of shares. The share transfers are registered and returned within a period of 15 days from the date of receipt if relevant documents are completed in all respects. The Shareholders' / Investors' Grievances are also taken up by our R&T Agent.

**Demat** : Trading in shares has been compulsory in dematerialised form by all Investors with effect from July 24, 2000. As on March 31, 2015, 92.96% of Equity of your Company has been dematerialised.

### 14. STOCK MARKET DATA FROM APRIL 1, 2014 TO MARCH 31, 2015

Month	BSE Limited			National Stock Exchange of India Limited		
	High (Rs)	Low (Rs)	Sensex (closing)	High (Rs)	Low (Rs)	NIFTY (closing)
Apr-14	112.00	89.00	22417.80	112.10	89.95	6696.40
May-14	129.80	101.10	24217.34	130.00	100.40	7229.95
Jun-14	130.00	106.10	25413.78	132.10	106.10	7611.35
Jul-14	134.50	110.60	25894.97	134.80	110.50	7721.30
Aug-14	115.60	104.25	26638.11	114.85	104.00	7954.35
Sep-14	157.10	109.15	26630.51	156.55	110.10	7964.80
Oct-14	151.55	126.00	27865.83	151.45	128.00	8322.20
Nov-14	156.00	126.10	28693.99	156.50	125.15	8588.25
Dec-14	150.00	118.25	27499.42	149.95	117.50	8282.70
Jan-15	129.80	118.00	29182.95	131.90	118.25	8808.90
Feb-15	145.00	101.00	29361.50	127.50	101.00	8901.85
Mar-15	113.20	95.00	27957.49	113.45	95.00	8491.00



#### 15. DISTRIBUTION OF SHAREHOLDINGS AS ON MARCH 31, 2015:

No. of Equity Shares held	No. of Share-Holders	% of Share-Holders	No. of Shares held	% Share-holding
1-1000	4605	88.90	1000196	6.67
1001-2000	243	4.70	376290	2.50
2001-4000	131	2.53	394273	2.63
4001-6000	52	1.00	263669	1.76
6001-8000	25	0.48	178518	1.20
8001-10000	15	0.29	140979	0.94
10001 and above	109	2.10	12646075	84.30
<b>Total</b>	<b>5180</b>	<b>100.00</b>	<b>15000000</b>	<b>100.00</b>



- 16. Registrar Share Transfer Agent:** M/s Sharepro Services (I) Pvt. Ltd.  
13 – AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Off. Andheri – Kurla Road,  
Saki Naka Telephone Exchange, Sakinaka, Andheri (East), Mumbai 400 072.  
Tel: 67720300/67720400, Fax: 28591568
- 17.** As required under clause 5A of the listing agreement, the Company has already sent three reminders to the shareholders whose shares were lying unclaimed/undelivered with the Company. The Company has received requests to claim these share certificates which are released after a thorough due diligence. The Company has opened the “Unclaimed Suspense Account” with Edelweiss Broking Limited.

**18. CATEGORIES OF SHAREHOLDINGS AS ON MARCH 31, 2015**

Category	No. of Shares Held	% of Shares held
Promoters/Associates/ Directors	9752776	65.02
Private Corporate Bodies	670924	4.47
OCB	600000	4.00
N R I	29548	0.20
Mutual Funds/ Nationalized Banks	7600	0.05
Indian Public	3939152	26.26
<b>Total</b>	<b>15000000</b>	<b>100.00</b>

- 19. Details on use of public funds obtained in the last three years:** No funds have been raised from public in the last three years.
- 20. Outstanding GDRs / ADRs / Warrant etc.:** The Company did not issue any GDRs / ADRs / warrants during the year:
- 21. Plant location:** ISPC Division.  
Plot Nos. 601, 602, 624-627 & Plot No. 296 – 300,  
603, Behind G.A.C.L. Near GIPCL & Hettich,  
Post Petrochemicals Dhanora, PO :- Petrochemicals,  
Dist. Vadodara 391 346. Gujarat. Dist. Vadodara, Gujarat – 391 346
- 22. Address for Correspondence: Regd. Office**  
701, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai: 400 013.  
**Tel:** 022 - 40271300 **Fax:** 022 - 40271399 **Website:** www.jayantagro.com **Email:** investors@jayantagro.com

**23. Disclosure of accounting treatment different from accounting standards: None**

**24. Code of Conduct for Board Members and Senior Management:**

The Board of Directors, has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company's website – www.jayantagro.com A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report. Further, the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

Place :- Mumbai  
Date :- July 25, 2015

On behalf of the Board  
**ABHAY V. UDESHI**  
Chairman



### Compliance Certificate

The Members,  
Jayant Agro-Organics Ltd.,  
701, Tower A, Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West),  
Mumbai 400 013

We have examined the compliance of conditions of Corporate Governance by Jayant Agro-Organics Limited for the year ended on March 31, 2015, as stipulated in Clause 49 of the 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further 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.

For and on behalf of  
**T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
Registration No. 124444W

Place: Mumbai  
Date: July 25, 2015

T.P. Ostwal  
(Partner)  
M.NO.30848

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In terms of the requirement of Clause 49 of the Listing Agreement, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31<sup>st</sup> March, 2015.

Hemant V. Udeshi  
Managing Director

Vikram V. Udeshi  
Chief Financial Officer

Place: Mumbai.  
Date: July 25, 2015



## **INDEPENDENT AUDITORS' REPORT**

To the Members of **JAYANT AGRO-ORGANICS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **JAYANT AGRO-ORGANICS LIMITED**, which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the 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**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 auditors' 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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, 2015;
- (b) in the case of the Statement of Profit and Loss, 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet and the Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors of the Company, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2015 for being appointed as a director in terms of Section 164(2) of the Act;
  - f) with respect to the other matters included in the Auditor's Report and to the best of our knowledge and according to the information and explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on its financial position in Note 31 of the financial statements
    - ii. Since the company does not have any long term contracts including of derivatives, there are no material foreseeable losses on account of such contracts.
    - iii. Amounts required to be transferred to the Investor Education and Protection Fund is transferred by the Company on time.

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No. 124444W)

**T. P. Ostwal**

(Partner)

Membership No. 30848

**Place:** Mumbai

**Date:** May 13, 2015



## **ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph (1) of our report of even date on the financial statements for the year ended March 31, 2015 of Jayant Agro-Organics Limited and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state that:

- i. (a) The Company has generally maintained proper books and records showing full particulars, including quantitative details and situations of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are physically verified, periodically. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. (a) As explained to us, inventories have been physically verified during the year by the Company's management. In our opinion the frequency of physical verification is reasonable.  
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) On the basis of our examination of the inventory records, we are of the opinion that, the Company is maintaining proper records of its inventory. The discrepancies noticed during physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services.  
During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public.
- vi. According to the information and explanations given to us, the Central Government vide Companies (Cost records and audit) Rules, 2014 prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. The Company has maintained the cost records and accounts as required by the Companies (Cost records and audit) Rules, 2014.
- vii. In respect of statutory dues:
  - (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2015 for a period of more than six months from the date on which they become payable.
  - (b) According to the information and explanation given to us and based on the records of the Company examined by us, dues of income tax, VAT and other statutory dues outstanding as on March 31, 2015 which have not been deposited on account of any dispute are tabulated below :-



(Amount in lacs ₹)

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1944	Customs	190.00	2003-04	Commissioner of Customs
		23.13	2005-06	CESTAT
Income Tax Act, 1961	Income Tax	39.45	2008-09	ITAT
		142.37	2010-11	CIT (Appeals) DCIT
		56.88	2011-12	CIT (Appeals) DCIT
		3.03	2012-13	CIT (Appeals) DCIT
Chapter V of Finance Act, 1994	Service Tax	76.75	Various years covering the periods from 2006-2013	Commissioner of Central Excise
		25.86	Various years covering the periods from 2006-2013	Commissioner (Appeal)
		15.74	Various years covering the periods from 2005-2013	Assistant Commissioner/ Deputy Commissioner
		8.36	Various years covering the periods from 2011-2013	CESTAT

- (c) Amount required to be transferred to the Investor Education and Protection Fund in accordance with provisions of Companies Act, 1956 and rules made there under is transferred by the company to such fund on timely basis.
- viii. The company neither has accumulated losses nor incurred cash losses during the financial year covered by our report and immediately preceding financial year.
- ix. According to the information and explanations given to us, and based on the verification of records of the company, the company has not defaulted in repayment of dues to banks. The company did not take any loans from financial institutions or debenture holders.
- x. According to the information and explanations given to us and representations made by the management, the Company has given guarantee for loans taken from banks or financial institutions by its holding company, subsidiary as well as entities controlled by directors and relatives, details of which are provided in Note No. 31. In our opinion the terms and conditions of these guarantees are not prejudicial to the interest of the Company.
- xi. According to the information and explanations given to us, the company has applied the term loans for the purpose for which they were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported, during the year under audit.

**For T.P. Ostwal & Associates (Regd.)**Chartered Accountants  
(Registration No. 124444W)**T. P. Ostwal**

(Partner)

Membership No. 30848

**Place:** Mumbai**Date:** May 13, 2015



## BALANCE SHEET AS AT MARCH 31, 2015

(Amount in ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	1	75,000,000	75,000,000
Reserves and Surplus	2	1,792,404,667	1,746,843,772
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	118,345,266	257,535,177
Deferred Tax Liabilities (Net)	4	237,760,332	238,862,956
<b>Current Liabilities</b>			
Short Term Borrowings	5	1,170,144,657	1,814,256,917
Trade Payables		165,567,790	377,696,349
Other Current Liabilities	6	257,808,125	275,977,030
Short-Term Provisions	7	58,032,223	34,430,089
<b>TOTAL</b>		<b>3,875,063,060</b>	<b>4,820,602,290</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>	8		
Tangible Assets		1,715,240,583	1,596,017,794
Intangible Assets		9,841,584	23,396,975
Capital Work-in-Progress		47,672,516	135,985,993
Non Current Investments	9	154,903,000	154,903,000
Long-Term Loans and Advances	10	93,117,703	91,485,854
<b>Current Assets</b>			
Inventories	11	697,765,822	1,018,233,321
Trade Receivables	12	430,544,935	673,347,648
Cash and Bank Balances	13	86,405,528	90,832,345
Short-Term Loans and Advances	14	525,795,293	850,633,394
Other Current Assets	15	113,776,096	185,765,966
<b>TOTAL</b>		<b>3,875,063,060</b>	<b>4,820,602,290</b>
Significant Accounting Policies			
Notes on Financial Statements	1 - 42		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No.30848

Place: Mumbai  
Date: May 13, 2015

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

**Abhay V. Udeshi**  
Chairman

**Dinesh M. Kapadia**  
Company Secretary

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
<b>INCOME:</b>			
Revenue from Operations	16	6,548,476,664	6,528,140,643
Other Income	17	73,136,444	223,699,207
<b>Total Revenue</b>		<b>6,621,613,108</b>	<b>6,751,839,850</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	18	4,878,228,199	4,868,563,899
Purchases of Stock-in-Trade		118,831,856	78,734,220
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	19	74,607,805	(31,336,951)
Employee Benefits Expense	20	163,164,718	131,201,097
Finance Costs	21	238,419,583	217,219,660
Depreciation and Amortization Expense	8	89,525,082	97,479,146
Other Expenses	22	929,151,648	922,065,162
<b>Total Expenses</b>		<b>6,491,928,891</b>	<b>6,283,926,233</b>
<b>Profit Before Tax</b>		<b>129,684,217</b>	<b>467,913,617</b>
<b>Less: Tax Expense:</b>			
Current Tax		26,000,000	64,000,000
Deferred Tax		1,612,109	54,336,212
<b>Add: Mat Credit Entitlement</b>		<b>11,101,031</b>	<b>23,583,591</b>
<b>Profit for the Year</b>		<b>113,173,139</b>	<b>373,160,996</b>
<b>Earnings per Equity Share of Face Value of ₹5/- each</b>			
Basic and Diluted EPS (in ₹)	39	7.54	24.88
Significant Accounting Policies			
Notes on Financial Statements		1 to 42	

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**Chartered Accountants  
(Registration No:124444W)**T. P. Ostwal**  
(Partner)  
Membership No.30848Place: Mumbai  
Date: May 13, 2015**For and on behalf of the Board of Directors****Abhay V. Udeshi**  
Chairman**Dinesh M. Kapadia**  
Company Secretary**Hemant V. Udeshi**  
Managing Director**Vikram V. Udeshi**  
Chief Financial Officer





## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax	129,684,217	467,913,617
Adjustments for :-		
Depreciation & Amortisation Expense	89,525,082	97,479,146
Forward Contract Loss/(Gain)	33,147,086	(19,034,296)
Loss/(Profit) on Sale of Assets	139,868	217,483
Interest Received	(63,735,511)	(33,920,253)
Short/(Excess) Provision Written Back	(12,463)	26,660
Dividend Received	(2,862,500)	(183,902,500)
Wealth Tax Provision	35,000	45,000
Interest Paid	238,419,583	217,219,660
<b>Operating Profit before Working Capital Changes</b>	<b>424,340,362</b>	<b>546,044,517</b>
Adjusted for :-		
(Increase)/Decrease in Inventories	320,467,499	(273,115,694)
(Increase)/Decrease in Trade Receivables	242,802,713	(98,908,764)
(Increase)/Decrease in Long Term Loans & Advances	9,131,585	4,420,353
(Increase)/Decrease in Short Term Loans & Advances	324,838,102	(42,077,794)
(Increase)/Decrease in Other Current Assets	(5,443,334)	129,081,492
Increase/(Decrease) in Trade Payables	(212,128,559)	128,674,529
Increase/(Decrease) in Short Term Provisions	8,102,474	1,853,703
Increase/(Decrease) in Other Current Liabilities	(18,168,905)	51,794,229
	<b>669,601,574</b>	<b>(98,277,945)</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(115,258,508)	(109,588,383)
Sale of Fixed Assets	252,778	698,667
Net Investment in Joint Venture	-	(90,000,000)
Dividend Received	2,862,500	183,902,500
Interest Received	63,735,511	33,920,253
<b>Net Cash from /(used in) Investing Activities</b>	<b>(48,407,719)</b>	<b>18,933,037</b>
<b>C Cash Flow from Financing Activities</b>		
Borrowings	(783,302,171)	(89,064,718)
Taxes Paid	(19,899,482)	(78,868,284)
Wealth Tax Paid	(32,537)	(41,660)
Dividend Paid	(7,500,000)	(71,250,000)
Tax on Distributed Profits	(807,262)	-
Interest Paid	(238,419,583)	(217,219,660)
<b>Net Cash from/(used in) Financing Activities</b>	<b>(1,049,961,035)</b>	<b>(456,444,322)</b>
<b>Net Increase/(Decrease) in Cash Equivalents</b>	<b>(4,426,817)</b>	<b>10,255,286</b>
<b>Cash &amp; Cash equivalent</b>		
At the beginning of the year	90,832,345	80,577,059
At the end of the year	86,405,528	90,832,345

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**

(Partner)

Membership No.30848

Place: Mumbai

Date: May 13, 2015

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

**Abhay V. Udeshi**

Chairman

**Dinesh M. Kapadia**

Company Secretary

**Hemant V. Udeshi**

Managing Director

**Vikram V. Udeshi**

Chief Financial Officer



## Notes on Financial Statements for the year ended March 31, 2015

### Note 1: Share Capital

#### (a) Authorised/Issued/Subscribed and Paid Up

Particulars	March 31, 2015		March 31, 2014	
	Number	₹	Number	₹
<b>Authorised</b>				
Redeemable Preference Shares of ₹5/- each	6,000,000	30,000,000	6,000,000	30,000,000
Equity Shares of ₹5/- each	79,000,000	395,000,000	79,000,000	395,000,000
		<b>425,000,000</b>		<b>425,000,000</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹5/- each fully paid up	15,000,000	75,000,000	15,000,000	75,000,000
	<b>15,000,000</b>	<b>75,000,000</b>	<b>15,000,000</b>	<b>75,000,000</b>
<b>(b) Reconciliation of outstanding number of shares</b>				
Shares outstanding at the beginning of the year	15,000,000	75,000,000	15,000,000	75,000,000
Shares outstanding at the end of the year	15,000,000	75,000,000	15,000,000	75,000,000

#### (c) Details of shareholders holding more than 5 % shares

Name of Shareholders	March 31, 2015		March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayant Finvest Limited	8,055,410	53.70%	7,584,390	50.56%

**(d) Rights, preferences and restrictions attached to equity shares:** The company has one class of equity shares having a face value of ₹5/- each per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (e) Equity Shares held by holding company :

##### Holding Company:

8,055,410 (P.Y. 7,584,390) equity shares held by Jayant Finvest Limited.



## Notes on Financial Statements for the year ended March 31, 2015

### Note 2: Reserves and Surplus

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Capital Reserves</b>		
Balance as at the beginning of the year	62,925,000	62,925,000
<b>Add:</b> During the year	-	-
<b>Balance at the end of the year (a)</b>	<b>62,925,000</b>	<b>62,925,000</b>
<b>Capital Redemption Reserve</b>		
Balance as at the beginning of the year	30,000,000	30,000,000
<b>Add:</b> During the year	-	-
<b>Balance at the end of the year (b)</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>Securities Premium Account</b>		
Balance as at the beginning of the year	228,588,000	228,588,000
<b>Add:</b> During the year	-	-
<b>Balance at the end of the year (c)</b>	<b>228,588,000</b>	<b>228,588,000</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	306,351,508	266,351,508
<b>Add:</b> Transfer form Surplus in the Statement of Profit and Loss	-	40,000,000
<b>Less:</b> Impact of Change in method of depreciation	7,986,859	-
<b>Add:</b> Reversal of Deferred Tax Liability	2,714,733	-
<b>Balance at the end of the year (d)</b>	<b>301,079,382</b>	<b>306,351,508</b>
<b>Foreign Currency Fluctuation Reserve</b>		
Balance as at the beginning of the year	58,258,116	(4,671,231)
<b>Add/(Less):</b> During the year	(44,286,118)	62,929,347
<b>Balance at the end of the year (e)</b>	<b>13,971,998</b>	<b>58,258,116</b>
<b>Surplus</b>		
Balance as at the beginning of the year	1,060,721,148	773,367,414
<b>Add:</b> Net Profit/(Loss) For the current year	113,173,139	373,160,996
<b>Less:</b> Proposed Dividend	15,000,000	7,500,000
Interim Dividend	-	37,500,000
Dividend Distribution Tax	3,054,000	807,262
Transfer to General Reserve	-	40,000,000
<b>Balance at the end of the year (f)</b>	<b>1,155,840,287</b>	<b>1,060,721,148</b>
<b>Total (a+b+c+d+e+f)</b>	<b>1,792,404,667</b>	<b>1,746,843,772</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 3: Long Term Borrowings

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Secured</b>		
<b>Term Loans</b>		
From Banks #	117,473,803	256,251,399
From Banks (Secured against hypothecation of vehicles)	871,463	1,022,569
From Companies (Secured against hypothecation of vehicles)	-	261,209
	<b>118,345,266</b>	<b>257,535,177</b>

#(3.1) Loans are secured against hypothecation of equipments and mortgage of office premises acquired out of sanctioned loan amount and also secured by way of charge on pari passu basis on block of fixed asset (present and future) of the Company excluding the assets which are under first charge of term lenders. Also secured against mortgage of factory premises on pari passu basis in consortium.

#(3.2) Some of the term loans are personally guaranteed by promoter directors and some of the term loans are guaranteed by Chief Financial Officer ("CFO") of the Company along with one of the promoter director as well as individually by CFO.

(3.3) Term loan maturity profile:

Repayable in Financial Years	Amount in ₹
2016-17	70,867,023
2017-18	41,788,523
2018-19	5,689,720

### Note 4: Deferred Tax Liability

Particulars	March 31, 2015	March 31, 2014
<b>Opening Deferred Tax Liability</b>	<b>238,862,956</b>	<b>184,526,744</b>
<b>Add: Deferred Tax Liability</b>		
Difference of net block claimed as per Income Tax Act over net block as per the books of accounts	1,415,285	55,392,956
(a)	<b>240,278,241</b>	<b>239,919,700</b>
<b>Less: Deferred Tax Assets</b>		
Expenses allowable on actual payment basis	2,517,909	1,056,744
(b)	<b>2,517,909</b>	<b>1,056,744</b>
<b>Deferred Tax Liability (Net)</b>	<b>Total (a-b)</b>	<b>237,760,332</b>
		<b>238,862,956</b>

**Notes on Financial Statements for the year ended March 31, 2015****Note 5: Short Term Borrowings****(Amount in ₹)**

<b>Particulars</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
<b>Secured</b>		
From Banks*	1,170,144,657	1,814,256,917
	<b>1,170,144,657</b>	<b>1,814,256,917</b>

\*Short term loans are secured in consortium by joint deed of hypothecation, pari passu basis on raw material, work in process, finished goods, spares and receivables and personal guarantee of the directors. Further, collaterally secured by equitable mortgage of all present and future immovable properties comprising inter alia machinery, equipment, plant and spares.

**Note 6: Other Current Liabilities**

Interest Accrued but not due on Borrowings	1,391,685	1,529,049
Current Maturities on Long-Term Debt	144,366,553	156,921,941
Bills Discounting	85,978,430	-
Advances from Customers	8,912,925	3,480,193
Creditors for Capital Goods	9,296,776	15,890,472
Others Payable	7,972	7,972
Statutory Dues	5,197,481	4,082,147
Bank Account Overdrawn	39,088	88,605,552
Security Deposit	801,333	801,333
Unclaimed Dividend	1,815,882	4,658,371
	<b>257,808,125</b>	<b>275,977,030</b>

**Note 7: Short Term Provisions****Provision for Employee Benefits:**

Bonus	6,104,631	5,174,107
Compensated Absences	26,425,920	19,948,650
Contribution to Provident Fund	1,218,066	523,386

**Other Provisions:**

Proposed Dividend	15,000,000	7,500,000
Dividend Distribution Tax	3,054,000	807,262
Income Tax	6,194,606	431,684
Wealth Tax	35,000	45,000
	<b>58,032,223</b>	<b>34,430,089</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 8: Fixed Asset

(Amount in ₹)

Particulars	Gross Block				Depreciation		Net Block			
	As at April 01, 2014	Additions during the year	Deductions during the year	As at March 31, 2015	As at April 01, 2014	For the year	Deductions during the year	Transfer to Reserve	As at March 31, 2015	As at March 31, 2014
<b>Tangible Assets</b>										
Freehold Land	52,590,552	-	-	52,590,552	-	-	-	-	52,590,552	52,590,552
Building	490,425,532	37,135,306	-	527,560,838	34,935,885	13,386,686	-	-	479,238,267	455,489,647
Plant and Machinery	1,348,140,041	80,782,166	-	1,428,922,207	337,556,713	49,287,655	-	2,106,188	1,039,971,651	1,010,583,328
Office Equipments	25,136,431	1,103,216	-	26,239,647	3,441,112	4,973,517	-	636,353	17,188,665	21,695,319
Computers	18,775,732	1,839,556	-	20,615,288	14,481,411	1,822,765	-	861,638	3,449,474	4,294,321
Furniture and Fixtures	41,046,753	4,182,376	-	45,229,129	8,784,264	3,138,543	-	4,374,560	28,931,762	32,262,489
Vehicles	17,577,123	2,656,999	1,130,678	19,103,444	6,893,047	3,255,783	738,032	8,120	9,684,526	10,684,076
<b>Sub Total</b>	<b>1,993,692,164</b>	<b>127,699,619</b>	<b>1,130,678</b>	<b>2,120,261,105</b>	<b>406,092,432</b>	<b>75,864,949</b>	<b>738,032</b>	<b>7,986,859</b>	<b>1,631,054,897</b>	<b>1,587,599,732</b>
<b>Leased Assets</b>										
Leasehold Land	10,126,777	75,872,366	-	85,999,143	1,708,715	104,742	-	-	84,185,686	8,418,062
<b>Sub Total</b>	<b>10,126,777</b>	<b>75,872,366</b>	<b>-</b>	<b>85,999,143</b>	<b>1,708,715</b>	<b>104,742</b>	<b>-</b>	<b>-</b>	<b>84,185,686</b>	<b>8,418,062</b>
<b>Total</b>	<b>2,003,818,941</b>	<b>203,571,985</b>	<b>1,130,678</b>	<b>2,206,260,248</b>	<b>407,801,147</b>	<b>75,969,691</b>	<b>738,032</b>	<b>7,986,859</b>	<b>1,715,240,583</b>	<b>1,596,017,794</b>
<b>Previous year figures</b>	<b>1,878,719,301</b>	<b>127,362,546</b>	<b>2,262,906</b>	<b>2,003,818,941</b>	<b>325,224,148</b>	<b>83,923,755</b>	<b>1,346,756</b>	<b>-</b>	<b>407,801,147</b>	<b>1,596,017,794</b>
<b>Intangible Assets</b>										
Technology	54,221,563	-	-	54,221,563	30,824,588	13,555,391	-	-	9,841,584	23,396,975
<b>Total</b>	<b>54,221,563</b>	<b>-</b>	<b>-</b>	<b>54,221,563</b>	<b>30,824,588</b>	<b>13,555,391</b>	<b>-</b>	<b>-</b>	<b>9,841,584</b>	<b>23,396,975</b>
<b>Previous year figures</b>	<b>54,221,563</b>	<b>-</b>	<b>-</b>	<b>54,221,563</b>	<b>17,269,197</b>	<b>13,555,391</b>	<b>-</b>	<b>-</b>	<b>23,396,975</b>	<b>135,985,993</b>
<b>Capital Work in Progress</b>									<b>47,672,516</b>	

#### Change in the method of depreciation

Based on the Chartered Engineer's evaluation of remaining useful life of assets, the company has revised the depreciation computation of certain fixed assets and accordingly the carrying amount of such assets at the beginning of current year are depreciated over the remaining useful life of assets as per the requirements of the provisions of the Companies Act, 2013 but has resulted in change in accounting policy of providing depreciation. This change has resulted in lower depreciation charge by a sum of ₹ 12,500,153/- and profit has accordingly been increased by the said sum. Further, where the useful life of the assets is completed pursuant to Schedule II of the Companies Act, 2013, the assets which had reflected some balance in the accounts beyond scrap value amounting to ₹ 7,986,859/- is debited to General Reserve and correspondingly deferred tax provision of ₹ 2,714,733/- has been reduced and credited to General Reserve.





## Notes on Financial Statements for the year ended March 31, 2015

### Note 9: Non Current Investments

(Amount in ₹)

Particulars	Current year		Previous Year		March31,2015	March31,2014
	No. of shares	% of Holding	No. of shares	% of Holding		
<b>A) Trade Investments (Valued at cost)</b>						
<b>Equity Shares (unquoted fully paid up)</b>						
<b>In Subsidiary:</b>						
Ihsedu Agrochem Private Limited	5,500,000	75.10	5,500,000	75.10	55,000,000	55,000,000
(Face Value of ₹10/-)						
Ihsedu Coreagri Services Private Limited	50,000	100.00	50,000	100.00	500,000	500,000
(Face Value of ₹10/-)						
Ihsedu Itoh Green Chemicals Marketing Private Limited	750,000	60.00	750,000	60.00	7,500,000	7,500,000
(Face Value of ₹10/-)						
<b>In Joint Venture</b>						
Vithal Castor Polyols Private Limited	18,000,000	*25.00	18,000,000	50.00	90,000,000	90,000,000
(Face Value of ₹5/-)						
<b>In Other Companies:</b>						
Enviro Infrastructure Company Limited	75,000	-	75,000	-	750,000	750,000
(Face Value of ₹10/-)						
Ahmedabad Commodity Exchange Limited	121,600	-	121,600	-	1,153,000	1,153,000
(Face Value of ₹10/-)						
					<b>154,903,000</b>	<b>154,903,000</b>

\*Percentage of holding calculated after considering dilution of compulsorily convertible cumulative preference shares.

### Note 10: Long Term Loans and Advances

Particulars	March31,2015	March31,2014
<b>Unsecured, Considered Good</b>		
Capital Advances	2,544,000	2,205,242
Security Deposits	29,685,980	38,452,757
<b>(a)</b>	<b>32,229,980</b>	<b>40,657,999</b>
<b>Other Loans and Advances</b>		
Loan to Employees	1,604,197	2,307,764
MAT Credit Entitlement	59,283,526	48,520,091
<b>(b)</b>	<b>60,887,723</b>	<b>50,827,855</b>
<b>Total (a+b)</b>	<b>93,117,703</b>	<b>91,485,854</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 11: Inventories

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Raw Materials, Chemicals and Packing Materials	231,619,097	479,389,697
Finished Goods	419,013,187	483,936,836
Traded Goods	139,254	-
Stores and Spares	16,036,199	14,125,293
Work in Process	30,958,085	40,781,495
(For mode and method of valuation refer point G of Note 24)		
	<b>697,765,822</b>	<b>1,018,233,321</b>
<b>Productwise Description of Finished and Traded Goods:</b>		
Castor Oil	231,096,749	278,914,697
Derivatives	145,660,085	145,087,224
By Product	42,395,607	59,934,915
	<b>419,152,441</b>	<b>483,936,836</b>
<b>Note 12: Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Over Six months	3,172,865	3,043,687
Others	427,372,070	670,303,961
	<b>430,544,935</b>	<b>673,347,648</b>
<b>Note 13: Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	616,053	717,775
Balance with Banks		
- in Current Accounts	80,422,961	78,953,065
- Unclaimed Dividend	1,815,882	4,658,371
<b>Other Bank Balance:</b>		
Margin Money with Bank	115,000	115,000
Fixed Deposit with Bank	3,435,632	6,388,134
	<b>86,405,528</b>	<b>90,832,345</b>
<b>Note 14: Short Term Loans and Advances</b>		
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Parties (refer Note No. 35)	-	274,008,406
<b>Others - Unsecured, Considered Good</b>		
VAT, Excise and Other Taxes Recoverable	524,594,679	575,022,781
Prepaid Expenses	132,652	613,075
Loan to Employees	1,067,962	989,132
	<b>525,795,293</b>	<b>850,633,394</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 15: Other Current Assets

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Advance to Others	3,194,025	5,599,350
Advance to Suppliers	20,700,724	4,102,432
Mark to Market Gain on Forward Contracts	19,666,784	97,099,988
Export Incentive Receivable	70,214,563	78,964,196
	<b>113,776,096</b>	<b>185,765,966</b>

### Note 16: Revenue from Operations

#### Sale of Products

Finished Goods	6,442,253,025	6,587,467,618
Less: Excise Duty	48,041,063	49,380,548
	<b>6,394,211,962</b>	<b>6,538,087,070</b>

Power Generation Income	23,419,571	22,311,856
Service Income	15,000,000	-

#### Other Operating Revenue

Foreign Exchange Gain/(Loss)	115,845,131	(32,258,283)
	<b>6,548,476,664</b>	<b>6,528,140,643</b>

#### (16.1) Details of Products Sold

Castor Oil	29,533,077	224,688,180
Derivatives	5,919,275,971	5,862,409,015
By Product	262,624,212	248,711,495
Others	182,778,702	202,278,380
	<b>6,394,211,962</b>	<b>6,538,087,070</b>

#### (16.2) Details of Traded and Manufactured Goods

Traded Goods	130,341,738	162,115,523
Manufactured Goods	6,263,870,224	6,375,971,547
	<b>6,394,211,962</b>	<b>6,538,087,070</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 17: Other Income

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Net Gain on Foreign Exchange Fluctuation	-	2,516,991
Dividend Income	2,862,500	183,902,500
Interest Income	63,735,511	33,920,253
Miscellaneous Receipts	1,739,693	-
Insurance Claim	683,400	415,264
Refund of Duties and Claims	4,115,340	2,944,199
	<b>73,136,444</b>	<b>223,699,207</b>
<b>Note 18: Cost of Raw Materials Consumed</b>		
Raw Material	4,468,002,039	4,458,336,303
Chemicals	410,226,160	410,227,596
	<b>4,878,228,199</b>	<b>4,868,563,899</b>
<b>(18.1) Principal Raw Material</b>		
Castor Oil	236,746,411	170,815,775
Castor Seed	4,231,255,628	4,287,520,528
	<b>4,468,002,039</b>	<b>4,458,336,303</b>
<b>Note 19: Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade</b>		
<b>Increase/(Decrease) in Stock</b>		
<b>Opening Stock</b>		
Work in Process	40,781,495	34,913,718
Traded Goods	-	63,954,885
Finished Goods	483,936,836	394,512,777
	<b>524,718,331</b>	<b>493,381,380</b>
<b>Closing Stock</b>		
Work in Process	30,958,085	40,781,495
Traded Goods	139,254	-
Finished Goods	419,013,187	483,936,836
	<b>450,110,526</b>	<b>524,718,331</b>
<b>Increase/(Decrease) in Stock</b>	<b>(74,607,805)</b>	<b>31,336,951</b>
<b>(19.1) Major component of Finished and Traded Goods:</b>		
<b>Opening Stock</b>		
- Castor Oil	278,914,697	237,292,340
- Derivatives	145,087,224	166,597,368
- By Product	59,934,915	54,577,954
	<b>483,936,836</b>	<b>458,467,662</b>
<b>Closing Stock</b>		
- Castor Oil	231,096,749	278,914,697
- Derivatives	145,660,085	145,087,224
- By Product	42,395,607	59,934,915
	<b>419,152,441</b>	<b>483,936,836</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 20: Employee Benefits Expense

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Salaries and Incentives	142,115,940	113,705,920
Contributions to Provident Fund and Other Funds	11,281,547	11,167,024
Staff Welfare Expenses	9,767,231	6,328,153
	<b>163,164,718</b>	<b>131,201,097</b>

### Note 21: Finance Costs

#### Interest Expense

To Banks	230,398,308	215,096,050
To Others	58,711	104,356

#### Other Borrowing Cost

Processing Fees	7,962,564	2,019,254
	<b>238,419,583</b>	<b>217,219,660</b>

### Note 22: Other Expenses

Consumption of Stores and Spares	39,503,957	43,192,068
Consumption of Packing Materials	82,533,504	68,051,588
Power and Fuel	147,192,746	142,269,569
Rent, Rates and Taxes	6,091,339	5,652,205
Job Work Charges	164,521,493	185,262,868

#### Repairs & Maintenance:

- Building	3,620,466	3,502,983
- Machinery	35,525,829	25,531,472
- Others	7,768,627	9,916,588

Insurance	18,796,262	17,941,378
Freight, Coolie and Cartage	263,856,741	276,939,284
Brokerage on Sales	13,732,522	13,953,383
Brokerage on Purchases	2,141,227	4,788,573
Research and Development Expenses	4,632,638	2,980,987
Loss on Foreign Exchange Fluctuation	13,282,752	-
Other Operating Expenses	121,864,251	118,323,774

#### Auditors' Remuneration:

- Statutory Audit Fees	1,853,940	1,853,940
- Tax Audit Fees	561,800	561,800
- Income Tax Matters	1,171,055	876,408
- Certification	420,500	280,900
- Other matters	80,000	185,394
	<b>929,151,648</b>	<b>922,065,162</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 23: Corporate Information

Jayant Agro - Organics Limited was incorporated on 7th May, 1992 having CIN L24100MH1992PLC066691 is holding company of Ihsedu Agrochem Pvt. Ltd., Ihsedu Itoh Green Chemicals Marketing Pvt. Ltd. and Ihsedu Coreagri Services Pvt. Ltd. and a subsidiary of Jayant Finvest Limited. Company is mainly engaged in manufacturing and trading of castor oil and its derivatives such as oleo chemicals.

### Note 24: Significant Accounting Policies

#### A. Basis of Accounting

The financial statements are prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the generally accepted accounting principles (Indian GAAP) in India. The accounting policy has been consistently applied by the Company.

#### B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

#### C. Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Cost comprises the purchase price and any attributable / allocated cost of bringing the asset to its working condition for its intended use. The cost also includes direct costs and other related incidental expenses.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenue earned, if any, before capitalisation from such capital projects are adjusted against the capital work in progress. Borrowing costs relating to acquisition/ construction/ development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relates to the period till such assets are ready to be put to use.

#### D. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of qualifying asset or for long - term project development are capitalised as part of their costs. Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the asset for their intended use are in progress. Other borrowing costs are recognized as an expense, in the period in which they are incurred.

#### E. Depreciation

##### (a) Tangible Assets:

Depreciation on assets is provided from the date of asset is put to use on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule





## **Notes on Financial Statements for the year ended March 31, 2015**

II of the Companies Act, 2013 whichever is higher.

During the year management of the Company estimated the useful life of all the assets, revised the remaining useful life of asset wherever appropriate based on an evaluation. The carrying amount as on April 01, 2014 is depreciated over the revised remaining useful life of the asset.

The revised estimated useful life of certain plant and machinery is taken as 25 years from April 1, 2014.

Depreciation method, useful life and residual value are reviewed periodically.

Leasehold Land is amortized over the period of lease.

### **(b) Intangible Assets:**

Intangible Asset is amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

## **F. Research and Development**

Revenue expenditure on research and development is recognized as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated on straight line method at the rates prescribed in Schedule II of the Companies Act, 2013.

## **G. Valuation of Inventories**

- (a) Inventories are valued at lower of cost and net realizable value except for scrap and by-products which are valued at net realizable value.
- (b) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.
- (c) Cost of inventories of raw material, material cost of finished goods as well as work-in-process, Chemicals, Packing Materials, stores and spare parts are valued at weighted average cost.
- (d) The basis of determining the cost of inventory of raw material has been changed from First in First Out to Weighted Average Cost method due to auto computation, which has increased the value of stock by sum of ₹5,009,276/-. Accordingly, profit has increased to that extent

## **H. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are recognized when goods are supplied. Turnover includes sale of goods, services, scrap, export incentives and are net of Sales Tax/Value Added Tax, Excise Duty and Service Tax.

Dividend income is recognized when right to receive the payment is established by the Balance Sheet Date.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

## **I. Accounting of Claims**

- (a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax claims and duty drawback claims are accounted on accrual basis.



## Notes on Financial Statements for the year ended March 31, 2015

### J. Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities on the closing date denominated in foreign currencies are recognized in the Statement of Profit and Loss as per AS 11. In case such monetary items are covered by forward contracts, gain or loss on the same is accounted in the statement of profit and loss as per AS 11.

**Hedge Reserve:** In order to recognize the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transactions, in appropriate accounting periods, the Company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India. Accordingly, the unrealized gain/(loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments, represented by simple forward covers, to hedge future exports, are carried as a Hedging Reserve and ultimately set off in the statement of Profit and Loss when the underlying transaction arises.

### K. Sundry Debtors

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

### L. Impairment of Assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

### M. Employee Benefits

#### Defined Contribution Plan

- (a) Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of profit and loss. Company has made appropriate provision for payment of gratuity to those employees which are not covered under the gratuity scheme so managed by LIC.
- (b) Entitlements to annual leave and sick leave are recognized as and when accrue to the employees. Sick leave can only be availed and annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for compensated absences is based on year end leave balance.

#### Defined Benefit Plan

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services.

### N. Taxes on Income

#### (a) Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the year after availing exemptions and deductions at the rates applicable under the Income Tax Act, 1961.



## **Notes on Financial Statements for the year ended March 31, 2015**

### **(b) Deferred Taxation**

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed at each Balance Sheet date to reassess realization.

### **(c) Minimum Alternative Tax (MAT)**

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income Tax Act, 1961.

### **O. Earnings Per Share (EPS)**

A basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **P. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **Q. Provisions and Contingent Liabilities**

- (a) A provision is recognised when the Company has a present obligation as a result of past event/(s); it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.
- (b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.



## Notes on Financial Statements for the year ended March 31, 2015

- (c) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### R. Proposed Dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

### S. Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### T. Current / Non-Current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### U. Leases

#### (a) Where the Company is the Lessee

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

#### (b) Where the Company is the Lessor

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

### V. Segment Reporting

#### Identification of Segments

The Company's Operating businesses are organised and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

#### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocable Items

Includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



## Notes on Financial Statements for the year ended March 31, 2015

### Note 25: Expenditure in Foreign Currency

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Travelling Expenses	4,816,603	3,353,287
Professional Fees	2,764,060	2,866,572
Brokerage and Commission	5,921,743	5,061,734
Membership and Subscription	723,847	4,201,705
Others	-	148,569
	<b>14,226,253</b>	<b>15,631,867</b>

### Note 26: Value of Imports on C. I. F. Basis

Chemicals	76,398,602	85,608,247
Packing Material	364,164	406,853
Purchases	77,309,710	-
Capital Goods	981,461	2,129,747
	<b>155,053,937</b>	<b>88,144,847</b>

### Note 27: Earning in Foreign Currency

FOB Value of Export	4,691,710,378	4,752,247,593
	<b>4,691,710,378</b>	<b>4,752,247,593</b>

### Note 28: Break up of Consumption

Particulars	March 31, 2015		March 31, 2014	
	%	Value ₹	%	Value ₹
<b>Raw Material and Chemicals</b>				
Indigenous	98.27	4,793,930,175	97.97	4,769,778,507
Import	1.73	84,298,024	2.03	98,785,392
	<b>100.00</b>	<b>4,878,228,199</b>	<b>100.00</b>	<b>4,868,563,899</b>
<b>Stores and Spares</b>				
Indigenous	100.00	39,503,957	100.00	43,192,068

### Note 29: Outstanding Forward Contracts

Forward Contracts of ₹583,080,101 (USD 9.37 Million) (PY ₹1,483,743,365 (USD 24.90 Million)) are outstanding as on March 31, 2015.

### Note 30: Research and Development Expenditure

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Capital other than Building	-	1,009,803
Revenue	14,643,376	12,083,341
	<b>14,643,376</b>	<b>13,093,144</b>



## Notes on Financial Statements for the year ended March 31, 2015

### Note 31: Contingent Liabilities:

(Amount in lacs ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Claims against company not acknowledged as debts:</b>		
Service Tax (net of advances)	126.71	140.94
Income Tax	241.73	238.70
Custom (net of advances)	213.13	190.00
<b>Counter Guarantee given to banks for:</b>		
Service Tax	72.06	72.06
APMC License	30.00	30.00
Guarantee on behalf of Associated Concern	810.00	810.00
Guarantees Given on behalf of its Subsidiaries *	30,920.00	22,780.00

\* The borrowings of the subsidiary are primarily secured by the fixed assets of the subsidiary in case of Term loan and Current Assets in case of Working capital loans. The company being the holding company has provided corporate guarantee over and above the security provided by the subsidiary.

### Guarantees given to Banks on behalf of Entities Controlled by Directors and relatives

Company has given guarantees for certain borrowings by other group companies including holding company. However, there are no outstanding financial liabilities in existence at the end of the year of such group companies. But these guarantees have not yet been cancelled though expired and also have not renewed and hence have not been considered as contingent liabilities. The company is pursuing with the banks to redeem the guarantees.

### Note 32: Capital Commitment

Estimated amount of contracts remaining to be executed on Capital accounts amounted to ₹900,000/- (P.Y. ₹ 5,000,000)

### Note 33: Micro, Small and Medium Enterprises Dues

The Company is in the process of identifying the Micro, Small and Medium Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006." However, based on the information so far available with the Company, the Company has no dues to micro and small enterprises during the year ended March 31, 2015.

### Note 34: Employee Benefit Obligation

The Company has recognised, in the Statement of Profit and Loss the following amount as contribution made under defined contribution plans.

(Amount in ₹)

Benefit (Contribution to)	March 31 2015	March 31 2014
Provident Fund	9,178,858	7,552,746

The Company's contributions paid / payable during the year towards provident fund and superannuation fund are charged in the Statement of Profit and Loss every year.





**Note 34: Employee Benefit Obligation** (continued...)

**Reconciliation of opening and closing balances of Defined Benefit Obligation** (Amount in ₹)

Particulars	Gratuity (Funded)	
	March 31 2015	March 31 2014
Defined Benefit Obligation at beginning of year	27,886,102	23,667,903
Current Service Cost	2,646,831	2,175,116
Interest Cost	2,230,888	2,109,941
Actuarial Gain / (Loss)	276,530	240,530
Benefits Paid	307,972	307,388
Defined Benefit Obligation at year end	32,732,379	27,886,102
<b>Reconciliation of opening and closing balances of fair value of Plan Assets</b>		
Fair Value of Plan Assets at beginning of year	27,133,061	22,274,842
Expected Return on Plan Assets	2,511,577	2,109,941
Employer Contribution	1,473,151	3,055,666
Benefits Paid	307,972	307,388
Fair Value of Plan Assets at year end	30,809,817	27,133,061
Defined Benefit Obligation at year end	32,732,379	27,886,102
<b>Reconciliation of fair value of Plan Assets and Obligations</b>		
Fair Value of Plan Assets	32,732,379	27,886,102
Present Value of Obligation	30,809,817	27,133,061
Amount recognised in Balance Sheet	1,922,562	753,041
<b>Expenses recognised during the year</b>		
Current Service Cost	2,646,831	2,175,116
Interest Cost	2,230,888	2,109,941
Expected Return on Plan Assets	2,511,577	2,109,941
Actuarial (Gain) / Loss	276,530	240,530
<b>Assumptions and definitions</b>		
Discounting rate	8.00%	8.00%
Rate of increase in compensation level	7.00%	7.00%
Attrition rate	1 - 3%	1 - 3%
Retirement age	62	62
Mortality table	Indian assured lives mortality (1994-96) Ultimate	Indian assured lives mortality (1994-96) Ultimate



## Notes on Financial Statements for the year ended March 31, 2015

### Note 35: Related Party disclosures:

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

#### a) Related Parties and their relationship :

##### i. Holding Company :

Jayant Finvest Limited

##### ii. Subsidiary companies :

Ihsedu Agrochem Private Limited

Ihsedu Coreagri Services Private Limited

Ihsedu Itoh Green Chemicals Marketing Private Limited

##### iii. Joint Venture :

Vithal Castor Polyols Private Limited

##### iv. Enterprises Controlled by directors/relatives:

Enlite Chemical Industries Limited

Gokuldas K. Udeshi Investment

Innovative Micro Systems Private Limited

Varun Leasing & Finance Private Limited

Kalyan Impex Private Limited

Gokulmani Agricom Limited

Akhandanand Engineering & Trading Company

##### v. Key Management Personnel:

Mr. Abhay V. Udeshi

- Chairman

Mr. Hemant V. Udeshi

- Managing Director

Dr. Subhash V. Udeshi

- Whole-time Director

Mr. Vikram V. Udeshi

- Chief Financial Officer

Mr. Dinesh M. Kapadia

- Company Secretary

##### vi. Relative of Key Management Personnel:

Mr. Sudhir V. Udeshi

Mrs. Trupti A. Udeshi

Mr. Varun A. Udeshi

Mr. Dhayvat H. Udeshi



## Notes on Financial Statements for the year ended March 31, 2015

### Note 35: Related Party disclosures (continued...)

#### b) Details of Transactions with Related Parties referred to in items above : (Amount in lacs ₹)

Particulars	Subsidiary company	Joint Venture	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Purchase of Raw Materials:</b>					
Enlite Chemical Industries Limited	- (-)	- (-)	- (1,316.33)	- (-)	- (-)
Ihsedu Agrochem Private Limited	2,147.79 (1,303.38)	- (-)	- (-)	- (-)	- (-)
<b>Services Received:</b>					
<b>- Job Work Charges:</b>					
Ihsedu Agrochem Private Limited	1,608.09 (1,821.91)	- (-)	- (-)	- (-)	- (-)
<b>- Storage Charges:</b>					
Gokulmani Agricom Limited	- (-)	- (-)	20.22 (20.22)	- (-)	- (-)
<b>-Marketing Fees:</b>					
Ihsedu Itoh Green Chemicals Marketing Private Limited	9.39 (8.25)	- (-)	- (-)	- (-)	- (-)
<b>Services Provided:</b>					
Vithal Castor Polyols Private Limited	- (-)	150.00 (-)	- (-)	- (-)	- (-)
<b>Sale of Goods:</b>					
Ihsedu Agrochem Private Limited	1,503.79 (1,522.49)	- (-)	- (-)	- (-)	- (-)
<b>Remuneration :</b>					
Managing Director	- (-)	- (-)	- (-)	32.04 (26.66)	- (-)
Executive Director	- (-)	- (-)	- (-)	69.82 (59.09)	- (-)
Key Management Personnel (other than directors)	- (-)	- (-)	- (-)	53.38 (43.38)	- (-)
<b>Relative of Key Management Personnel:</b>					
- Rent paid	- (-)	- (-)	- (-)	- (-)	4.20 (4.20)
- Remuneration	- (-)	- (-)	- (-)	- (-)	49.46 (50.70)
<b>Loan Given:</b>					
Ihsedu Agrochem Private Limited	- (2,452.68)	- (-)	- (-)	- (-)	- (-)
<b>Loan Realised:</b>					
Ihsedu Agrochem Private Limited	2,450.41 (-)	- (-)	- (-)	- (-)	- (-)



## Notes on Financial Statements for the year ended March 31, 2015

### Note 35: Related Party disclosures (continued...)

(Amount in lacs ₹)

Particulars	Subsidiary company	Joint Venture	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Dividend Received:</b>					
Ihsedu Agrochem Private Limited	27.50 (1,837.90)	- (-)	- (-)	- (-)	- (-)
<b>Interest Received:</b>					
Ihsedu Agrochem Private Limited	91.15 (321.86)	- (-)	- (-)	- (-)	- (-)
<b>Reimbursement of expenses (Received):</b>					
Ihsedu Agrochem Private Limited	141.74 (183.46)	(-) (-)	(-) (-)	(-) (-)	(-) (-)
Vithal Castor Polyols Private Limited	(-) (-)	9.00 (-)	(-) (-)	(-) (-)	(-) (-)
<b>Investment in Share Capital:</b>					
Vithal Castor Polyols Private Limited	- (-)	- (900.00)	- (-)	- (-)	- (-)
<b>Balance Outstanding at the Year End:</b>					
<b>i) Loans and Advances</b>					
Ihsedu Agrochem Private Limited	- (2450.41)	- (-)	- (-)	- (-)	- (-)
<b>ii) Accrued Interest</b>					
Ihsedu Agrochem Private Limited	- (289.67)	- (-)	- (-)	- (-)	- (-)
<b>iii) Trade Receivable:</b>					
Ihsedu Agrochem Private Limited	155.46 (184.44)	- (-)	- (-)	- (-)	- (-)
<b>iv) Trade Payable:</b>					
Gokulmani Agricom Limited	- (-)	- (-)	- (18.42)	- (-)	- (-)
<b>v) Deposits:</b>					
Akhandanand Engineering & Trading Company	- (-)	- (-)	161.00 (161.00)	- (-)	- (-)
<b>vi) Equity Contribution:</b>					
Ihsedu Agrochem Private Limited	550.00 (550.00)	- (-)	- (-)	- (-)	- (-)
Ihsedu Coreagri Services Private Limited	5.00 (5.00)	- (-)	- (-)	- (-)	- (-)
Ihsedu Itoh Green Chemicals Marketing Private Limited	75.00 (75.00)	- (-)	- (-)	- (-)	- (-)
Vithal Castor Polyols Private Limited	- (-)	900.00 (900.00)	- (-)	- (-)	- (-)

Note: Figures in the bracket are in respect of the Previous Year.





### Notes on Financial Statements for the year ended March 31, 2015

#### Note 36: Segment Information (continued...)

Particulars	March 31, 2015					March 31, 2014					(Amount in lacs ₹)	
	Castor Oil	Derivatives	Power	Unallocable	Total	Castor Oil	Derivatives	Power	Unallocable	Total		
<b>OTHER INFORMATION</b>												
Segment Assets	571.85	31,748.17	771.08	5,659.53	38,750.63	2,069.99	36,090.89	804.64	9,240.51	48,206.03		
<b>Total Assets</b>	<b>571.85</b>	<b>31,748.17</b>	<b>771.08</b>	<b>5,659.53</b>	<b>38,750.63</b>	<b>2,069.99</b>	<b>36,090.89</b>	<b>804.64</b>	<b>9,240.51</b>	<b>48,206.03</b>		
Segment Liabilities	-	16,012.03	39.88	4,024.67	20,076.58	2.15	25,613.26	86.31	4,285.87	29,987.59		
<b>Total Liabilities</b>	<b>-</b>	<b>16,012.03</b>	<b>39.88</b>	<b>4,024.67</b>	<b>20,076.58</b>	<b>2.15</b>	<b>25,613.26</b>	<b>86.31</b>	<b>4,285.87</b>	<b>29,987.59</b>		
Capital Expenditure	-	2,025.66	-	10.06	2,035.72	-	795.31	-	478.31	1,273.62		
<b>Total Capital Expenditure</b>	<b>-</b>	<b>2,025.66</b>	<b>-</b>	<b>10.06</b>	<b>2,035.72</b>	<b>-</b>	<b>795.31</b>	<b>-</b>	<b>478.31</b>	<b>1,273.62</b>		
Depreciation	-	692.45	50.42	152.38	895.25	-	825.03	55.58	94.18	974.79		
<b>Total Depreciation</b>	<b>-</b>	<b>692.45</b>	<b>50.42</b>	<b>152.38</b>	<b>895.25</b>	<b>-</b>	<b>825.03</b>	<b>55.58</b>	<b>94.18</b>	<b>974.79</b>		





## Notes on Financial Statements for the year ended March 31, 2015

### Note 37: Details related to Joint Venture

The Company has the following joint ventures as on 31<sup>st</sup> March 2015 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint venture is given below:

(Amount in ₹)				
Name of the Joint Venture	Country of Incorporation	Percentage of Holding	March 31, 2015	March 31, 2014
Vithal Castor Polyols Private Limited	India	*25% for current year (50% for previous year)		
<b>Share of Company in Joint Venture</b>				
Assets			90,688,836	90,749,481
Liabilities			688,836	749,481
Contingent Liabilities			-	-
Capital Commitments			-	-

\*Percentage of holding calculated after considering dilution of compulsorily convertible cumulative preference shares.

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – “Financial Reporting of Interests in Joint Ventures” notified by Companies (Accounting Standards) Rules, 2006.

### Note 38: Remittance in Foreign Currency of Dividend on Equity Shares (Including Interim Dividend)

Particulars	March 31, 2015 Final Dividend of FY 13-14	March 31, 2014 Interim Dividend of FY 13-14	March 31, 2014 Final Dividend of FY 12-13
Number of Non - Resident Shareholders	57	59	55
Number of Other Body Corporate	-	-	1
Number of Ordinary Shares held by Non Resident Shareholders	18,948	29,548	26,633
Number of Ordinary Shares held by Other Non Resident Body Corporate	600,000	600,000	600,000
Gross Amount of Dividend (in ₹)	1,809,474	73,870	1,409,924*

\*Amount credited to Rupee account in India out of which ₹1,800,000 (P.Y. ₹1,350,000) amount of equity dividend has been credited to other than Rupee account in India.



## Notes on Financial Statements for the year ended March 31, 2015

### Note 39 : Earning Per Share

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Weighted Average Number of Shares for Earning Per Share computation</b>		
For Basic Earnings Per Share of ₹5/- each	15,000,000	15,000,000
For Diluted Earnings Per Share of ₹5/- each	15,000,000	15,000,000
Net Profit Available for Equity Shareholders	113,173,139	373,160,996
<b>Earning Per Share (Weighted Average)</b>		
Basic Earnings Per Share ₹	7.54	24.88
Diluted Earnings Per Share ₹	7.54	24.88

**Note 40:** During the year, pursuant to Joint Venture Agreement, the company has subscribed to 36,000,000 share warrants of ₹ 5 each issued by Vithal Castor Polyols Pvt. Ltd. a joint venture of the company. These warrants entitle the company to subscribe 36,000,000 equity shares of ₹ 5 each fully paid upon payment at any time after the period of 7 years but on or before 20 years from the date of issue of warrants made by the said associated enterprise during the year.

**Note 41:** Interest income include an amount of ₹51,995,871/- received from Department of Commercial Tax in Gujarat as interest on VAT refunds.

### Note 42: Previous Year Figures

Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

#### For and on Behalf of Board of Directors

**Abhay V. Udeshi**  
Chairman

**Hemant V. Udeshi**  
Managing Director

**Dinesh M. Kapadia**  
Company Secretary

**Vikram V. Udeshi**  
Chief Financial Officer

Place : Mumbai  
Date : May 13, 2015



## **INDEPENDENT AUDITORS' REPORT**

To the Members of **Jayant Agro-Organics Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **JAYANT AGRO-ORGANICS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and jointly controlled entity which comprises of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including the jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of the jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the generally accepted accounting principles (Indian GAAP) in India, of the consolidated state of affairs of the Group, the jointly controlled entity as at March 31, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.



### Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (net) of ₹ 2,546,064 as at March 31, 2015, total revenue (net) of ₹ 107,130 and net cash flow amounting to ₹ (390,937) for the year in which the share of loss of the Group is ₹ 374,376. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and jointly controlled entity incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entity incorporated in India, none of the director of the Group companies and jointly controlled entity incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 31 to the consolidated financial statements.
    - ii. The Group and the jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No. 124444W)

**Place:** Mumbai  
**Date:** May 13, 2015

**T. P. Ostwal**  
(Partner)  
Membership No.30848

**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph (1) of our report of even date on the consolidated financial statements for the year ended March 31, 2015 of the group and the jointly controlled entity and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we state that:

- i. (a) The group and the jointly controlled entity have generally maintained proper books and records showing full particulars, including quantitative details and situations of fixed assets. However, two subsidiaries do not hold any assets.  
(b) The group and the jointly controlled entity have a regular programme of physical verification of its fixed assets by which all fixed assets are physically verified, periodically. In our opinion, periodicity of physical verification is reasonable having regard to the size of the group and the nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management of the group where manufacturing and trading activities are carried on. In our opinion the frequency of physical verification is reasonable. The jointly controlled activity is in the construction phase and one of the subsidiaries did not undertake manufacturing and trading activities.  
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the group and the nature of their business.  
(c) On the basis of our examination of the inventory records, we are of the opinion that, the group is maintaining proper records of its inventory wherever applicable. The discrepancies noticed during physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the group and the jointly controlled entity have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the group and the jointly controlled entity and the nature of their business for the purchase of inventory and fixed assets and for sale of goods and services wherever applicable.  
During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v. In our opinion and according to the information and explanations given to us, the group and the jointly controlled entity have not accepted any deposit from the public.
- vi. According to the information and explanations given to us, the Central Government vide Companies (Cost records and audit) Rules, 2014 prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Two of the group companies have maintained the cost records and accounts as required by the Companies (Cost records and audit) Rules, 2014. The other entities are not required to maintain the cost records.
- vii. In respect of statutory dues:
  - (a) According to the information and explanation given to us and according to the records of the group and the jointly controlled entity as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2015 for a period of more than six months from the date on which they become payable.
  - (b) According to the information and explanation given to us and based on the records of the group and the jointly controlled entity examined by us, dues of income tax, VAT and other statutory dues outstanding as on March 31, 2015 which have not been deposited on account of any dispute are tabulated below:-



(Amount in lacs ₹)

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1944	Customs	190.00	2003-04	Commissioner of Customs
		23.13	2005-06	CESTAT
Income Tax Act, 1961	Income Tax	39.45	2008-09	ITAT
		142.37	2010-11	CIT (Appeals) DCIT
		57.44	2011-12	CIT (Appeals) DCIT
		3.03	2012-13	CIT (Appeals) DCIT
Chapter V of Finance Act, 1994	Service Tax	76.75	Various years covering the periods from 2006-2013	Commissioner of Central Excise
		25.86	Various years covering the periods from 2006-2013	Commissioner (Appeal)
		15.74	Various years covering the periods from 2005-2013	Assistant Commissioner/ Deputy Commissioner
		8.36	Various years covering the periods from 2011-2013	CESTAT
Gujarat VAT, 2003	VAT	30.26	2007-08	Gujarat Value Added Tax Tribunal
		12.94	2009-10	Gujarat Value Added Tax Tribunal
		117.71	2010-11	DCCT (Appeals)

(c) Amount required to be transferred to the Investor Education and Protection Fund in accordance with provisions of Companies Act, 1956 and rules made there under is transferred by the Holding company to such fund on timely basis.

- viii. The group and the jointly controlled entity does not have accumulated losses and did not incur cash losses except one of its subsidiaries which has a cash loss of ₹ 374,376 (Previous year ₹ 294,666) during the financial year covered by our report and immediately preceding financial year.
- ix. According to the information and explanations given to us, and based on the verification of records of the group, the group has not defaulted in repayment of dues to banks. The group and the jointly controlled entity did not take any loans from financial institutions or debenture holders.
- x. According to the information and explanations given to us and representations made by the management, the Holding company has given guarantee for loans taken from banks or financial institutions by the entities controlled by its directors and relatives, the details of which are provided in Note No. 31. In our opinion the terms and conditions of these guarantees are not prejudicial to the interest of the group and the jointly controlled entity.
- xi. According to the information and explanations given to us, the group has applied the term loans, if taken, for the purpose for which they were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the group and the jointly controlled entity has been noticed or reported, during the year under audit.

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No. 124444W)

**T. P. Ostwal**

(Partner)

Membership No. 30848

**Place:** Mumbai

**Date:** May 13, 2015





**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015**

(Amount in ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	1	75,000,000	75,000,000
Reserves and Surplus	2	2,126,756,129	2,126,612,652
Minority Interest		133,883,140	148,616,698
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	163,345,266	350,606,842
Deferred Tax Liabilities (Net)	4	321,462,862	334,589,872
Pre Operative Income (pending capitalisation)		-	2,276,567
Other Long-Term Liabilities		306,152	306,152
<b>Current Liabilities</b>			
Short Term Borrowings	5	2,217,507,267	3,224,211,380
Trade Payables		380,574,476	625,606,020
Other Current Liabilities	6	319,876,423	621,578,482
Short-Term Provisions	7	67,413,400	57,493,535
<b>TOTAL</b>		<b>5,806,125,114</b>	<b>7,566,898,200</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>	8		
Tangible Assets		2,298,035,526	2,188,509,522
Intangible Assets		9,841,584	23,396,975
Capital Work-in-Progress		64,701,569	148,611,172
Non Current Investments	9	1,909,000	1,914,000
Long-Term Loans and Advances	10	126,240,187	125,925,731
Pre Operative Expenses (pending capitalisation)		6,327,979	1,107,526
Other Non-Current Assets	11	152,287	154,071
<b>Current Assets</b>			
Inventories	12	1,156,472,912	2,222,686,807
Trade Receivables	13	1,017,568,307	1,516,699,832
Cash and Bank Balances	14	226,004,564	215,566,664
Short-Term Loans and Advances	15	734,868,470	783,298,557
Other Current Assets	16	164,002,729	339,027,344
<b>TOTAL</b>		<b>5,806,125,114</b>	<b>7,566,898,200</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 43		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**  
Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**  
(Partner)  
Membership No.30848

Place: Mumbai  
Date: May 13, 2015

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

**Abhay V. Udeshi**  
Chairman

**Dinesh M. Kapadia**  
Company Secretary

**Hemant V. Udeshi**  
Managing Director

**Vikram V. Udeshi**  
Chief Financial Officer



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in ₹)

Particulars	Note No.	March 31, 2015	March 31, 2014
<b>INCOME:</b>			
Revenue from Operations	17	15,807,179,934	15,378,052,604
Other Income	18	68,020,537	233,498,010
<b>Total Revenue</b>		<b>15,875,200,471</b>	<b>15,611,550,614</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	19	10,775,092,900	11,342,318,480
Purchases of Stock-in-Trade		2,237,643,776	1,950,971,781
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	20	437,005,056	(373,538,402)
Employee Benefits Expense	21	231,079,153	198,337,682
Finance Costs	22	421,764,746	345,626,004
Depreciation and Amortization Expense	8	118,449,605	136,743,570
Other Expenses	23	1,546,626,825	1,487,827,763
<b>Total Expenses</b>		<b>15,767,662,061</b>	<b>15,088,286,878</b>
<b>Profit Before Tax</b>		<b>107,538,409</b>	<b>523,263,736</b>
<b>Less: Tax Expense:</b>			
Current Tax		26,466,430	81,178,000
Deferred Tax		(9,258,026)	63,456,189
Mat Credit Entitlement		11,101,031	-
Add :Mat Credit Entitlement of Earlier Years		844,347	27,162,438
Short / (Excess) Provision of earlier years		(2,931,084)	(66,714)
<b>Profit for the Year</b>		<b>105,206,468</b>	<b>405,858,699</b>
<b>Earnings per Equity Share of Face Value of ₹ 5/- each</b>			
Basic and Diluted EPS (in ₹)	39	7.01	27.06
Significant Accounting Policies			
Notes on Financial Statements	1 to 43		

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**Chartered Accountants  
(Registration No:124444W)**T. P. Ostwal**(Partner)  
Membership No.30848Place: Mumbai  
Date: May 13, 2015**For and on behalf of the Board of Directors****Abhay V. Udeshi**

Chairman

**Dinesh M. Kapadia**

Company Secretary

**Hemant V. Udeshi**

Managing Director

**Vikram V. Udeshi**

Chief Financial Officer



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax	107,538,409	523,263,736
Adjustments for :-		
Depreciation & Amortisation Expense	118,449,605	136,743,570
Forward Contract Loss/(Gain)	83,996,025	(68,439,611)
Loss/(Profit) on Assets Discarded	-	8,150,905
Loss/(Profit) on Sale of Assets	192,412	(3,007,492)
Interest Received	(56,034,583)	(2,817,580)
Short/(Excess) Provision Written Back	(21,013)	35,510
Dividend Received	(2,862,500)	(183,902,500)
Wealth Tax Provision	105,000	115,000
Interest Paid	421,764,746	345,626,004
<b>Operating Profit before Working Capital Changes</b>	<b>673,128,101</b>	<b>755,767,542</b>
Adjusted for :-		
(Increase)/Decrease in Inventories	1,066,213,895	(971,140,294)
(Increase)/Decrease in Trade Receivables	499,131,525	(316,743,143)
(Increase)/Decrease in Long Term Loans & Advances	12,171,895	2,676,556
(Increase)/Decrease in Short Term Loans & Advances	48,430,087	(268,333,077)
(Increase)/Decrease in Other Current Assets	(2,860,646)	127,099,511
(Increase)/Decrease in Other Non Current Assets	1,785	1,853,895
Increase/(Decrease) in Pre Operative Income	(2,276,567)	-
Increase/(Decrease) in Trade Payables	(245,031,544)	279,278,373
Increase/(Decrease) in Short Term Provisions	9,578,998	5,495,448
Increase/(Decrease) in Other Current Liabilities	(301,702,059)	156,600,721
<b>B Cash Flow from Investing Activities</b>	<b>1,083,657,369</b>	<b>(983,212,009)</b>
Purchase of Fixed Assets	(142,879,649)	(141,598,033)
Pre-Operative expenses	(5,220,453)	-
Sale of Fixed Assets	429,222	6,765,590
Dividend Received	2,862,500	183,902,500
Sale of Investment	5,000	-
Interest Received	56,034,583	2,817,580
Net Cash from /(used in) Investing Activities	<b>(88,768,797)</b>	<b>51,887,637</b>
<b>C Cash Flow from Financing Activities</b>		
Share Capital	-	18,235,700
Securities Premium	-	279,170,331
Borrowings	(1,193,965,689)	723,190,149
Taxes Paid	(29,162,983)	(89,603,837)
Wealth Tax Paid	(93,987)	(100,510)
Dividend Paid	(11,161,785)	(255,040,000)
Tax on Distributed Profits	(1,429,582)	(31,235,110)
Interest Paid	(421,764,746)	(345,626,004)
Net Cash from/(used in) Financing Activities	<b>(1,657,578,773)</b>	<b>298,990,719</b>
Net Increase/(Decrease) in Cash Equivalents	<b>10,437,900</b>	<b>123,433,889</b>
<b>Cash &amp; Cash equivalent</b>		
At the beginning of the year	215,566,664	92,132,775
At the end of the year	226,004,564	215,566,664

As per our Report of even date

**For T. P. Ostwal & Associates (Regd.)**

Chartered Accountants  
(Registration No:124444W)

**T. P. Ostwal**

(Partner)

Membership No.30848

Place: Mumbai

Date: May 13, 2015

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

**Abhay V. Udeshi**

Chairman

**Dinesh M. Kapadia**

Company Secretary

**Hemant V. Udeshi**

Managing Director

**Vikram V. Udeshi**

Chief Financial Officer



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	March 31, 2015		March 31, 2014	
	Number	₹	Number	₹
<b>Note 1: Share Capital</b>				
<b>(a) Authorised/Issued/ Subscribed and Paid Up</b>				
<b>Authorised</b>				
Redeemable Preference Shares of ₹ 5/- each	6,000,000	30,000,000	6,000,000	30,000,000
Equity Shares of ₹ 5/- each	79,000,000	395,000,000	79,000,000	395,000,000
		<b>425,000,000</b>		<b>425,000,000</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 5/- each fully paid up	15,000,000	75,000,000	15,000,000	75,000,000
	<b>15,000,000</b>	<b>75,000,000</b>	<b>15,000,000</b>	<b>75,000,000</b>
<b>(b) Reconciliation of outstanding number of shares</b>				
Shares outstanding at the beginning of the year	15,000,000	75,000,000	15,000,000	75,000,000
Shares outstanding at the end of the year	15,000,000	75,000,000	15,000,000	75,000,000
<b>(c) Details of shareholders holding more than 5 % shares</b>				
<b>Name of Shareholders</b>	<b>March 31, 2015</b>		<b>March 31, 2014</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Jayant Finvest Limited	8,055,410	53.70%	7,584,390	50.56%

**(d) Rights, preferences and restrictions attached to equity shares:** The company has one class of equity shares having a face value of ₹ 5/- each per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(e) Equity Shares held by holding company :**

**Holding Company:**

8,055,410 (P.Y. 7,584,390) equity shares held by Jayant Finvest Limited.



**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**Note 2: Reserves and Surplus**

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Capital Reserves</b>		
Balance as at the beginning of the year	62,925,000	62,925,000
<b>Add:</b> During the year	-	-
<b>Balance at the end of the year (a)</b>	<b>62,925,000</b>	<b>62,925,000</b>
<b>Capital Redemption Reserve</b>		
Balance as at the beginning of the year	30,000,000	30,000,000
<b>Add:</b> During the year	-	-
<b>Balance at the end of the year (b)</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>Securities Premium Account</b>		
Balance as at the beginning of the year	507,758,331	228,588,000
<b>Add:</b> During the year	-	279,170,331
<b>Balance at the end of the year (c)</b>	<b>507,758,331</b>	<b>507,758,331</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	327,957,091	284,457,091
<b>Add:</b> Transfer form Surplus in the Statement of Profit and Loss	-	43,500,000
<b>Less:</b> Impact of Change in method of depreciation	11,722,298	-
<b>Add:</b> Reversal of Deferred Tax Liability	3,868,984	-
<b>Balance at the end of the year (d)</b>	<b>320,103,777</b>	<b>327,957,091</b>
<b>Foreign Currency Fluctuation Reserve</b>		
Balance as at the beginning of the year	114,511,272	(16,432,280)
<b>Add/(Less):</b> During the year	(93,889,235)	130,943,552
<b>Balance at the end of the year (e)</b>	<b>20,622,037</b>	<b>114,511,272</b>
<b>Surplus</b>		
Balance as at the beginning of the year	1,083,460,958	1,072,113,922
<b>Add:</b> Net Profit/(Loss) For the current year	105,206,468	405,858,699
<b>Less:</b> Proposed Dividend	15,000,000	11,161,785
Interim Dividend	-	187,540,000
Dividend Distribution Tax	3,054,000	26,928,880
Transfer to General Reserve	-	43,500,000
Minority Interest	(14,733,558)	125,380,998
<b>Balance at the end of the year (f)</b>	<b>1,185,346,984</b>	<b>1,083,460,958</b>
<b>Total (a+b+c+d+e+f)</b>	<b>2,126,756,129</b>	<b>2,126,612,652</b>



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 3: Long Term Borrowings

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Secured</b>		
<b>Term Loans</b>		
From Banks #	162,473,803	349,323,064
From Banks (Secured against hypothecation of vehicles)	871,463	1,022,569
From Companies (Secured against hypothecation of vehicles)	-	261,209
	<b>163,345,266</b>	<b>350,606,842</b>

#(3.1) Loans are secured against hypothecation of equipments and mortgage of office premises acquired out of sanctioned loan amount and also secured by way of charge on pari passu basis on block of fixed asset (present and future) of the Company excluding the assets which are under first charge of term lenders. Also secured against mortgage of factory premises on pari passu basis in consortium.

#(3.2) Some of the term loans are personally guaranteed by promoter directors and some of the term loans are guaranteed by Chief Financial Officer ("CFO") of the Company along with one of the promoter directors as well as individually by CFO.

(3.3) Term loan maturity profile:

Repayable in Financial Years	Amount in ₹
2016-17	100,867,023
2017-18	56,788,523
2018-19	5,689,720

### Note 4: Deferred Tax Liability

Particulars	March 31, 2015	March 31, 2014
<b>Opening Deferred Tax Liability</b>	<b>334,589,872</b>	<b>271,133,683</b>
<b>Add: Deferred Tax Liability</b>		
Difference of net block claimed as per Income Tax Act over net block as per the books of accounts	(2,473,124)	65,911,249
<b>(a)</b>	<b>332,116,748</b>	<b>337,044,932</b>
<b>Less: Deferred Tax Assets</b>		
Expenses allowable on actual payment basis	2,540,651	2,455,060
Business Loss	8,113,235	-
<b>(b)</b>	<b>10,653,886</b>	<b>2,455,060</b>
<b>Deferred Tax Liability (Net)</b>	<b>Total (a-b)</b>	<b>321,462,862</b>
		<b>334,589,872</b>





**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**Note 5: Short Term Borrowings**

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Secured</b>		
From Banks *	2,017,507,267	3,224,211,380
<b>Unsecured</b>		
From a bank	200,000,000	-
	<b>2,217,507,267</b>	<b>3,224,211,380</b>

\*Short term loans are secured in consortium by joint deed of hypothecation, *pari passu* basis on raw material, work in process, finished goods, spares and receivables and personal guarantee of the directors. Further, collaterally secured by equitable mortgage of all present and future immovable properties comprising inter alia machinery, equipment, plant and spares.

**Note 6: Other Current Liabilities**

Interest Accrued but not due on Borrowings	2,787,853	3,513,048
Current Maturities on Long-Term Debt	197,815,408	231,225,346
Bills Discounting	85,978,430	-
Advances from Customers	11,859,162	3,943,554
Creditors for Capital Goods	9,600,559	18,419,952
Others Payable	238,355	76,041
Statutory Dues	8,571,875	9,791,646
Bank Account Overdrawn	407,566	349,149,191
Security Deposit	801,333	801,333
Unclaimed Dividend	1,815,882	4,658,371
	<b>319,876,423</b>	<b>621,578,482</b>

**Note 7: Short Term Provisions**

**Provision for Employee Benefits:**

Bonus	8,857,586	7,721,763
Compensated Absences	38,699,076	30,812,666
Contribution to Provident Fund	1,218,066	523,386
Gratuity	479,672	617,587

**Other Provisions:**

Proposed Dividend	15,000,000	11,161,785
Dividend Distribution Tax	3,054,000	1,429,582
Income Tax	-	5,111,766
Wealth Tax	105,000	115,000
	<b>67,413,400</b>	<b>57,493,535</b>



# CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

## Note 8: Fixed Asset

(Amount in ₹)

Particulars	Gross Block				Depreciation		Net Block			
	As at April 01, 2014	Additions during the year	Deductions during the year	As at March 31, 2015	As at April 01, 2014	For the year	Deductions during the year	Transfer to Reserve	As at March 31, 2015	As at March 31, 2014
<b>Tangible Assets</b>										
Freehold Land	79,561,287	-	-	79,561,287	-	-	-	-	79,561,287	79,561,287
Building	569,048,759	38,443,996	-	607,492,755	49,337,156	19,023,184	-	-	68,360,340	519,711,603
Plant and Machinery	2,032,558,361	91,306,680	-	2,123,865,041	525,728,004	68,762,200	-	3,750,964	598,241,168	1,506,830,357
Office Equipments	16,207,511	1,625,044	-	17,832,555	2,864,601	5,532,093	-	2,550,566	10,947,260	13,342,910
Computers	20,296,705	2,387,857	-	22,684,562	16,552,222	1,942,528	-	1,038,088	19,532,838	3,744,483
Furnitures and Fixtures	46,261,670	4,215,282	-	50,476,952	10,944,704	3,942,067	-	4,374,560	19,261,331	35,316,966
Vehicles	33,687,395	4,352,016	2,182,365	35,857,046	12,103,541	5,612,502	1,560,731	8,120	16,163,432	21,583,854
<b>Sub Total</b>	<b>2,797,621,688</b>	<b>142,330,876</b>	<b>2,182,365</b>	<b>2,937,770,199</b>	<b>617,530,228</b>	<b>104,814,574</b>	<b>1,560,731</b>	<b>11,722,298</b>	<b>732,506,369</b>	<b>2,180,091,460</b>
<b>Leased Assets</b>										
Leasehold Land	10,126,777	84,458,376	-	94,585,153	1,708,715	104,742	-	-	1,813,457	8,418,062
<b>Sub Total</b>	<b>10,126,777</b>	<b>84,458,376</b>	<b>-</b>	<b>94,585,153</b>	<b>1,708,715</b>	<b>104,742</b>	<b>-</b>	<b>-</b>	<b>1,813,457</b>	<b>8,418,062</b>
<b>Total</b>	<b>2,807,748,465</b>	<b>226,789,252</b>	<b>2,182,365</b>	<b>3,032,355,352</b>	<b>619,238,943</b>	<b>104,919,316</b>	<b>1,560,731</b>	<b>11,722,298</b>	<b>734,319,826</b>	<b>2,188,509,522</b>
<b>Previous year figures</b>	2,675,954,678	147,987,733	14,590,776	2,809,351,635	500,335,706	123,188,179	2,681,772	-	620,842,113	2,188,509,522
<b>Intangible Assets</b>										
Technology	54,221,563	-	-	54,221,563	30,824,588	13,555,391	-	-	44,379,979	23,396,975
<b>Total</b>	<b>54,221,563</b>	<b>-</b>	<b>-</b>	<b>54,221,563</b>	<b>30,824,588</b>	<b>13,555,391</b>	<b>-</b>	<b>-</b>	<b>44,379,979</b>	<b>23,396,975</b>
<b>Previous year figures</b>	54,221,563	-	-	54,221,563	17,269,197	13,555,391	-	-	30,824,588	23,396,975
<b>Capital Work in Progress</b>									<b>64,701,569</b>	<b>148,611,172</b>

Note: Difference in gross block and accumulated depreciation of ₹1,603,170 is due to leasehold building fully depreciated.

## Change in method of depreciation

Based on the Chartered Engineer's evaluation of remaining useful life of assets, the group has revised the depreciation computation of certain fixed assets and accordingly the carrying amount of such assets at the beginning of current year are depreciated over the remaining useful life of assets during the year as per the requirements of the provisions of the Companies Act, 2013 but has resulted in change in accounting policy of providing depreciation. This change has resulted in lower depreciation charge by a sum of ₹23,520,872/- and consolidated profit has accordingly been increased by the said sum. Further, where the useful life of the assets is completed pursuant to Schedule II of the Companies Act, 2013, the assets which had reflected some balance in the accounts beyond scrap value amounting to ₹11,722,298/- is debited to General Reserve and correspondingly deferred tax provision of ₹3,868,984/- has been reduced and credited to General Reserve.



CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

**Note 9: Non Current Investments**

(Amount in ₹)

Particulars	Current year		Previous Year		March 31, 2015	March 31, 2014
	No. of shares	% of Holding	No. of shares	% of Holding		
<b>A) Trade Investments (Valued at cost)</b>						
<b>I) Equity Shares (unquoted fully paid up)</b>						
<b>In Other Companies:</b>						
Enviro Infrastructure Company Limited (Face Value of ₹ 10/-)	75,000	-	75,000	-	750,000	750,000
Ahmedabad Commodity Exchange Limited (Face Value of ₹ 10/-)	121,600	-	121,600	-	1,153,000	1,153,000
<b>B) Other Investments (Valued at cost)</b>						
National Savings Certificate					6,000	11,000
					<b>1,909,000</b>	<b>1,914,000</b>

**Note 10: Long Term Loans and Advances**

Particulars	March 31, 2015	March 31, 2014
<b>Unsecured, Considered Good</b>		
Capital Advances	8,870,771	10,093,487
Security Deposits	41,441,067	50,118,485
<b>(a)</b>	<b>50,311,838</b>	<b>60,211,972</b>
<b>Other Loans and Advances</b>		
Advance to Creditors	-	1,333,802
Loan to Employees	3,196,358	4,134,317
Advance Income Tax	878,569	-
MAT Credit Entitlement	71,853,422	60,245,640
<b>(b)</b>	<b>75,928,349</b>	<b>65,713,759</b>
<b>Total (a+b)</b>	<b>126,240,187</b>	<b>125,925,731</b>
<b>Note 11: Other Non Current Assets</b>		
Margin Money with Bank	150,500	150,500
Preliminary Expenses	1,787	3,571
	<b>152,287</b>	<b>154,071</b>



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 12: Inventories

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Raw Materials, Chemicals and Packing Materials	277,237,495	906,725,643
Finished Goods	806,050,817	1,203,486,220
Traded Goods	13,139,637	42,885,880
Stores and Spares	29,086,878	28,807,569
Work in Process	30,958,085	40,781,495
(For mode and method of valuation refer point H of Note 25)		
	<b>1,156,472,912</b>	<b>2,222,686,807</b>
<b>Productwise Description of Finished and Traded Goods:</b>		
Castor Oil	610,744,367	1,011,411,553
Derivatives	145,660,085	145,087,224
Hybrid seed	589,657	8,698,598
By Product	62,196,345	81,174,725
	<b>819,190,454</b>	<b>1,246,372,100</b>
<b>Note 13: Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Over Six months	3,172,865	3,043,687
Others	1,014,395,442	1,513,656,145
	<b>1,017,568,307</b>	<b>1,516,699,832</b>
<b>Note 14: Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	907,989	1,265,124
Balance with Banks		
- in Current Accounts	141,679,061	114,342,171
- Unclaimed Dividend	1,815,882	4,658,371
<b>Other Bank Balance:</b>		
Margin Money with Bank	115,000	115,000
Fixed Deposit with Bank	81,486,632	95,185,998
	<b>226,004,564</b>	<b>215,566,664</b>
<b>Note 15: Short Term Loans and Advances</b>		
<b>Others - Unsecured, Considered Good</b>		
VAT, Excise and Other Taxes Recoverable	732,879,807	781,036,038
Prepaid Expenses	132,652	613,075
Loan to Employees	1,856,011	1,649,444
	<b>734,868,470</b>	<b>783,298,557</b>



**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**Note 16 : Other Current Assets**

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Advance to Others	3,194,025	5,599,351
Advance to Suppliers	26,442,258	4,971,188
Mark to Market Gain on Forward Contracts	30,035,715	207,920,975
Accrued Interest on Fixed Deposit	869,671	1,581,399
Export Incentive Receivable	103,461,061	118,954,431
	<b>164,002,729</b>	<b>339,027,344</b>

**Note 17: Revenue from Operations**

**Sale of Products**

Finished Goods	15,568,838,873	15,532,548,873
Less: Excise Duty	55,441,567	59,085,586
	<b>15,513,397,306</b>	<b>15,473,463,287</b>

Power Generation Income	32,946,177	30,825,300
Service Income	15,000,000	-

**Other Operating Revenue**

Foreign Exchange Gain/(Loss)	245,836,450	(126,235,983)
	<b>15,807,179,934</b>	<b>15,378,052,604</b>

**(17.1) Details of Products Sold**

Castor Oil	8,174,141,499	8,277,523,930
Derivatives	5,919,275,971	5,862,409,015
By Product	1,227,833,632	1,123,095,072
Castor Seed	9,367,502	8,156,440
Others	182,778,702	202,278,830
	<b>15,513,397,306</b>	<b>15,473,463,287</b>

**(17.2) Details of Traded and Manufactured Goods**

Traded Goods	2,300,486,725	2,051,175,881
Manufactured Goods	13,212,910,581	13,422,287,406
	<b>15,513,397,306</b>	<b>15,473,463,287</b>

**Note 18: Other Income**

Net Gain on Foreign Exchange Fluctuation	-	39,422,982
Storage Charges	427,500	753,540
Dividend Income	2,862,500	183,902,500
Interest Income	56,034,583	2,817,580
Sundry Balance Written Back	1,677,637	-
Miscellaneous Receipts	848,527	3,640,239
Insurance Claim	2,054,450	16,970
Refund of Duties and Claims	4,115,340	2,944,199
	<b>68,020,537</b>	<b>233,498,010</b>



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 19: Cost of Raw Materials Consumed

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Raw Material	10,286,228,212	10,845,232,229
Chemicals	488,864,688	497,086,251
	<b>10,775,092,900</b>	<b>11,342,318,480</b>
<b>(19.1) Principal Raw Material</b>		
Castor Oil	236,746,411	170,815,775
Castor Seed	10,049,481,802	10,674,416,454
	<b>10,286,228,212</b>	<b>10,845,232,229</b>
<b>Note 20: Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade</b>		
<b>Increase/(Decrease) in Stock</b>		
<b>Opening Stock</b>		
Work in Process	40,781,495	34,913,718
Traded Goods	42,885,880	63,976,150
Finished Goods	1,203,486,220	814,725,325
	<b>1,287,153,595</b>	<b>913,615,193</b>
<b>Closing Stock</b>		
Work in Process	30,958,085	40,781,495
Traded Goods	13,139,637	42,885,880
Finished Goods	806,050,817	1,203,486,220
	<b>850,148,539</b>	<b>1,287,153,595</b>
<b>Increase/(Decrease) in Stock</b>	<b>(437,005,056)</b>	<b>373,538,402</b>
<b>(20.1) Major component of Finished and Traded Goods:</b>		
<b>Opening Stock</b>		
- Work in Process	40,781,495	34,913,718
- Castor Oil	1,011,411,553	567,944,562
- Derivatives	145,087,224	166,597,368
- By Product	81,174,725	131,484,311
- Hybrid Seeds	8,698,598	12,675,234
	<b>1,287,153,595</b>	<b>913,615,193</b>
<b>Closing Stock</b>		
- Work in Process	30,958,085	40,781,495
- Castor Oil	610,744,367	1,011,411,553
- Derivatives	145,660,085	145,087,224
- By Product	62,196,345	81,174,725
- Hybrid Seeds	589,657	8,698,598
	<b>850,148,539</b>	<b>1,287,153,595</b>




**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**
**Note 21: Employee Benefits Expense**
**(Amount in ₹)**

<b>Particulars</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
Salaries and Incentives	204,162,253	172,736,551
Contributions to Provident Fund and Other Funds	16,412,469	18,496,731
Staff Welfare Expenses	10,504,431	7,104,400
	<b>231,079,153</b>	<b>198,337,682</b>

**Note 22: Finance Costs**
**Interest Expense**

To Banks	404,840,527	330,852,064
To Others	635,836	4,623,277

**Other Borrowing Cost**

Processing Fees	16,288,384	10,150,663
	<b>421,764,746</b>	<b>345,626,004</b>

**Note 23: Other Expenses**

Consumption of Stores and Spares	73,486,453	70,437,384
Consumption of Packing Materials	170,378,724	151,708,780
Power and Fuel	237,283,953	240,528,886
Rent, Rates and Taxes	17,322,674	6,841,290
Job Work Charges	3,710,674	3,071,714

**Repairs & Maintenance:**

- Building	4,578,780	5,341,504
- Machinery	49,215,127	35,470,007
- Others	8,867,447	11,021,721

Insurance	36,663,094	30,618,812
Freight, Coolie and Cartage	641,976,800	675,544,978

Storage Charges	49,261,485	36,792,657
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Brokerage on Sales	16,571,954	20,235,092
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Brokerage on Purchases	7,466,334	11,189,272
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Loss on Discarded Asset	-	7,190,382
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Loss on Sale of Asset	52,544	-
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Research and Development Expenses	4,632,638	2,980,987
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Loss on Foreign Exchange Fluctuation	59,175,214	-
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Other Operating Expenses	159,450,119	172,803,711
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**Auditors' Remuneration:**

- Statutory Audit Fees	2,752,820	2,752,820
- Tax Audit Fees	730,340	735,958
- Income Tax Matters	1,322,741	1,016,858
- Certification	1,455,898	1,292,140
- Other matters	271,012	252,810

	<b>1,546,626,825</b>	<b>1,487,827,763</b>
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## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 24: Corporate Information

Jayant Agro-Organics Limited (the "Company" or "JAOL") was incorporated on 7th May, 1992. The company, a public limited company, and its subsidiaries (together referred to as the "Group") and jointly controlled entity are mainly engaged in manufacturing and trading of various grades of castor oil and its derivatives.

### Note 25: Significant Accounting Policies

#### A. Basis of Accounting

The consolidated financial statements are prepared to comply in all material respects with the mandatory Accounting Standards notified by Companies (Accounts) Rules, 2014, (as amended) and other relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis in accordance with the accounting principles generally accepted in India. The accounting policy has been consistently applied by the Group and is consistent with those used in the previous year.

#### B. Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events, plans and actions, actual results could differ from these estimates. Any revision to accounting estimates and assumptions are recognised prospectively.

#### C. Principles of Consolidation

The consolidated financial statements are prepared using the financial statements of the Group, its subsidiaries and joint ventures. The consolidated financial statements have been prepared in accordance with Accounting Standard ('AS') - 21 'Consolidated Financial Statements' and AS - 27 'Financial Reporting of Interests in Joint Ventures', other applicable accounting standards, as applicable, notified by the Companies (Accounts) Rules, 2014 (as amended).

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events, in similar circumstances, to the extent possible on the following basis:

##### (a) Subsidiaries

The financial statements of the subsidiaries are consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances/transactions and resulting elimination of unrealised profits and losses, if any.

Minority interest, if any, in the net assets value of consolidated subsidiaries consist of -

- The amount of equity attributable to minority shareholders as at the date of its investment or the date immediately preceding the date of investments in the subsidiary;
- The minority shareholders' share of movements in equity since the date the holding subsidiary relationship came into existence.

##### (b) Joint Ventures

The financial statements of joint ventures are consolidated using the proportionate consolidation method and accordingly, Group's share of the assets, liabilities income and expenses of jointly controlled operations / entities / assets, as the case may be, is consolidated as per AS - 27 - 'Financial Reporting of Interests in Joint Ventures'.

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

The excess of cost, if any, to the Group of its investments in the joint venture over the Group's portion of equity of the joint venture, as at the date of its investment or the date immediately preceding the date of investment, is recognised in the consolidated financial statements as goodwill, which is tested for impairment, if any, at balance sheet date.

The excess, if any, of Group's portion of equity of the joint venture over the cost to the Group of its investment in joint venture as at the date of its investment or the date immediately preceding the date of investment is treated as capital reserve.

Depending upon the terms of agreement between the partners, the Associate can be a Subsidiary under AS - 23 or Jointly controlled entity under AS - 27 and the financial statements are consolidated accordingly.

**D. Fixed Assets**

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Cost comprises the purchase price and any attributable / allocated cost of bringing the asset to its working condition for its intended use. The cost also includes direct costs and other related incidental expenses. Pre-operative expenses including trial run expenses (net of revenue) are capitalized.

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenue earned, if any, before capitalisation from such capital projects are adjusted against the capital work in progress.

Borrowing costs relating to acquisition/ construction/ development of tangible assets, intangible assets and capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**E. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition of qualifying asset or for long - term project development are capitalised as part of their costs. Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the asset for their intended use are in progress. Other borrowing costs are recognized as an expense, in the period in which they are incurred.

**F. Depreciation****(a) Tangible Assets:**

Depreciation on assets is provided from the date of asset is put to use on straight line method as per the useful life of the assets estimated by the management or at the rates prescribed under Schedule II of the Companies Act, 2013.

Depreciation method, useful life and residual value are reviewed periodically.



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

During the year management of the Company estimated the useful life of all the assets, revised the remaining useful life of asset wherever appropriate based on an evaluation. The carrying amount as on April 01, 2014 is depreciated over the revised remaining useful life of the asset.

The revised estimated useful life of certain plant and machinery is taken as 25 years from April 1, 2014.

Leasehold Land is amortized over the period of lease.

### (b) Intangible Assets:

Intangible Asset is amortised using straight line method over the estimated useful life, not exceeding 5 years. Amortisation method, useful life and residual value are reviewed periodically.

### G. Research

Revenue expenditure on research and development is recognized as an expense in the year in which it is incurred and the expenditure on capital assets is depreciated on straight line method at the rates prescribed in Schedule II of the Companies Act, 2013.

### H. Valuation of Inventories

- (a) Inventories are valued at lower of cost and net realizable value except for scrap and by-products which are valued at net realizable value.
- (b) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other costs.
- (c) Cost of inventories of raw material, material cost of finished goods as well as work-in-process, Chemicals, Packing Materials, stores and spare parts are valued at weighted average cost.
- (d) The basis of determining the cost of inventory of raw material has been changed from First in First Out to Weighted Average Cost method due to auto computation, which has increased the value of stock by sum of ₹ 5,162,842/-.

### I. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are recognized when goods are supplied. Turnover includes sale of goods, services, scrap, export incentives and are net of Sales Tax/Value Added Tax, Excise Duty and Service Tax.

Dividend income is recognized when right to receive the payment is established by the Balance Sheet Date.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

### J. Accounting of Claims

- (a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax, Service Tax, Excise duty and duty drawback claims are accounted on accrual basis.

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****K. Foreign Currency Transactions**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities on the closing date denominated in foreign currencies are recognized in the Statement of Profit and Loss as per AS 11. In case such monetary items are covered by forward contracts, gain or loss on the same is accounted in the statement of profit and loss as per AS 11.

**Hedge Reserve :** In order to recognize the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transactions, in appropriate accounting periods, the Company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India. Accordingly, the unrealized gain/(loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments, represented by simple forward covers, to hedge future exports, are carried as a Hedging Reserve and ultimately set off in the statement of Profit and Loss when the underlying transaction arises.

**L. Sundry Debtors**

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

**M. Impairment of Assets**

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

**N. Employee Benefits****Defined Contribution Plan**

- (a) Retirement benefits in the form of contribution to provident fund and pension fund are charged to statement of profit and loss. Company has made appropriate provision for payment of gratuity to those employees which are not covered under the gratuity scheme so managed by LIC.
- (b) Entitlements to annual leave and sick leave are recognized as and when accrue to the employees. Sick leave can only be availed and annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. Provision for compensated absences is based on year end leave balance.

**Defined Benefit Plan**

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services.

**O. Taxes on Income****(a) Current Tax**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year after availing exemptions and deductions at the rates applicable under the Income Tax Act, 1961.

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****(b) Deferred Taxation**

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets, if any, are reviewed as at each Balance Sheet date to reassess realization.

**(c) Minimum Alternative Tax (MAT)**

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income Tax Act, 1961.

**P. Earnings Per Share (EPS)**

A basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

**Q. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****R. The details of entities included in these consolidated financial statements are as under**

The details of entities included in these consolidated financial statements are as under:

Name of Entity	Country	Ownership Interest		Ownership Interest held by
		March 31, 2015	March 31, 2014	
<b>Subsidiaries</b>				
Ihsedu Agrochem Private Limited	India	75.10%	75.10%	JAOL
Ihsedu Coreagri Services Private Limited	India	100.00%	100.00%	JAOL
Ihsedu Itoh Green Chemicals Marketing Private Limited	India	60.00%	60.00%	JAOL
<b>Joint Venture Entity</b>				
Vithal Castor Polyols Private Limited	India	25.00%	50.00%	JAOL

**S. Provisions and Contingent Liabilities**

- A provision is recognised when the Company has a present obligation as a result of past event/(s); it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.
- A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in rare cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.
- Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**T. Proposed Dividend**

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

**U. Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**V. Current / Non-Current Classification**

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**W. Leases****(a) Where the Company is the Lessee**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****(b) Where the Company is the Lessor**

Assets representing lease arrangements given under operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs are recognised immediately in the statement of profit and loss.

**X. Segment Reporting****Identification of Segments**

The Company's Operating businesses are organised and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocable Items**

Includes general corporate income and expense items which are not allocated to any business segment.

**Segment Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**Note 26: Expenditure in Foreign Currency**

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
Travelling Expenses	4,816,603	3,353,287
Professional Fees	2,764,060	2,866,572
Brokerage and Commission	7,675,248	9,731,534
Membership and Subscription	723,847	4,201,705
Insurance	518,236	-
Others	-	148,569
Ocean Freight	89,679,302	85,210,407
	<b>106,177,296</b>	<b>105,512,074</b>

**Note 27: Value of Imports on C.I.F. Basis**

Chemicals	76,398,602	85,608,247
Packing Material	6,489,977	11,647,937
Purchases	77,309,710	-
Capital Goods	981,461	2,129,747
	<b>161,179,750</b>	<b>99,385,931</b>

**Note 28: Earning in Foreign Currency**

FOB Value of Export	13,357,208,067	13,223,404,096
	<b>13,357,208,067</b>	<b>13,223,404,096</b>

**Note 29: Break up of Consumption**

Particulars	March 31, 2015		March 31, 2014	
Raw Material and Chemicals	%	Value ₹	%	Value ₹
Indigenous	99.22	10,690,794,876	99.13	11,243,533,088
Import	0.78	84,298,024	0.87	98,785,392
	<b>100.00</b>	<b>10,775,092,900</b>	<b>100.00</b>	<b>11,342,318,480</b>
Stores and Spares				
Indigenous	100.00	73,486,453	100.00	70,437,384

**Note 30: Research and Development Expenditure**

Particulars	March 31, 2015	March 31, 2014
Capital other than Building	-	1,009,803
Revenue	14,643,376	12,083,341
	<b>14,643,376</b>	<b>13,093,144</b>

**Note 31: Contingent Liabilities:**

(Amount in lacs ₹)

Particulars	March 31, 2015	March 31, 2014
<b>Claims against company not acknowledged as debts:</b>		
Service Tax (net of advances)	126.71	140.94
Income Tax	242.29	365.80
Custom (net of advances)	213.13	190.00
Industrial Dispute Act, 1947	3.11	-
Gujarat VAT, 2003	160.90	43.20
<b>Counter Guarantee given to banks for:</b>		
Service Tax	72.06	72.06
APMC Licence	30.00	30.00
Guarantee given on behalf of Associate Concern	810.00	810.00



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 31: Contingent Liabilities (continued...):

#### Guarantees given to Banks on behalf of Entities Controlled by Directors and relatives

Company has given guarantees for certain borrowings by other group companies including holding company. However, there are no outstanding financial liabilities in existence at the end of the year of such group companies. But these guarantees have not yet been cancelled though expired and also have not renewed and hence have not been considered as contingent liabilities. The company is persuing with the banks to redeem the guarantees.

### Note 32: Capital Commitment

Estimated amount of contracts remaining to be executed on Capital accounts amounted to ₹ 2,150,000/- (P. Y. ₹ 12,084,100)

### Note 33: Micro, Small and Medium Enterprises Dues

The Company is in the process of identifying the Micro, Small and Medium Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006." However, based on the information so far available with the Company, the Company has no dues to micro and small enterprises during the year ended March 31, 2015.

### Note 34: Employee Benefit Obligation

The Company has recognised, in the Statement of Profit and Loss the following amount as contribution made under defined contribution plans.

(Amount in ₹)

Benefit (Contribution to)	March 31, 2015	March 31, 2014
Provident Fund	13,118,145	11,084,125

The Company's contributions paid / payable during the year towards provident fund and superannuation fund are charged in the Statement of Profit and Loss every year.

### Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Gratuity (Funded)	
	March 31, 2015	March 31, 2014
Defined Benefit Obligation at beginning of year	33,600,118	27,163,261
Current Service Cost	3,275,600	2,837,652
Interest Cost	2,688,009	2,442,671
Acturial Gain/(Loss)	2,470,809	1,865,053
Benefits Paid	736,005	708,519
Defined Benefit Obligation at year end	41,298,531	33,600,118

### Reconciliation of opening and closing balances of fair value of Plan Assets

The Company has recognised, in the Statement of Profit and Loss the following amount as contribution made under defined contribution plans.



**Note 34: Employee Benefit Obligation** (continued...)

(Amount in ₹)

Particulars	Gratuity (Funded)	
	March 31, 2015	March 31, 2014
Fair Value of Plan Assets at beginning of year	33,742,715	25,770,200
Expected Return on Plan Assets	3,108,688	2,442,671
Employer Contribution	2,405,342	6,238,363
Benefits Paid	736,005	708,519
Fair Value of Plan Assets at year end	38,520,740	33,742,715
<b>Reconciliation of fair value of Plan Assets and Obligations</b>		
Fair Value of Plan Assets	41,298,531	33,600,118
Present Value of Obligation	38,520,740	33,742,715
Amount recognised in Balance Sheet	2,777,791	(142,597)
<b>Reconciliation of fair value of Plan Assets and Obligations</b>		
Current Service Cost	3,275,600	2,837,652
Interest Cost	2,688,009	2,442,671
Expected Return on Plan Assets	3,108,688	2,442,671
Actuarial (Gain) / Loss	2,470,809	1,865,053
<b>Assumptions and definitions</b>		
Discounting rate	9.00%	8.75%
Rate of increase in compensation level	7.00%	7.00%
Attrition rate	1 - 3%	1 - 3%
Retirement age	62	62
Mortality table	Indian assured lives mortality (2006-08) Ultimate	Indian assured lives mortality (2006-08) Ultimate

**Note 35: Related Party disclosures** (As identified by the Management):

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below :-

**a) Related Parties and their relationship :**

**i. Holding Company:**

Jayant Finvest Limited

**ii. Subsidiary companies:**

Ihsedu Agrochem Private Limited

Ihsedu Coreagri Services Private Limited

Ihsedu Itoh Green Chemicals Marketing Private Limited

**iii. Joint Venture:**

Vithal Castor Polyols Private Limited

**Note 35: Related Party disclosures** (continued...)**iv. Associate Company:**

Arkema Asie SAS  
Itoh Oil Chemicals Co. Limited

**v. Enterprises Controlled by directors/relatives:**

Enlite Chemical Industries Limited  
Gokuldas K. Udeshi Investment  
Innovative Micro Systems Private Limited  
Varun Leasing & Finance Private Limited  
Kalyan Impex Private Limited  
Gokulmani Agricom Limited  
Akhandanand Engineering & Trading Company

**vi. Key Management Personnel:**

Mr. Abhay V. Udeshi	- Chairman
Mr. Hemant V. Udeshi	- Managing Director
Mr. Mulraj G. Udeshi	- Whole-time Director
Mr. Bharat M. Udeshi	- Whole-time Director
Mr. Jayraj G. Udeshi	- Whole-time Director
Dr. Subhash V. Udeshi	- Whole-time Director
Mr. Jean Marc Biragnet	- Director
Mr. Sudhir V. Udeshi	- Director
Mr. Suresh Ramchandran	- Director
Mr. Vikram V. Udeshi	- Chief Financial Officer
Mr. Dinesh M. Kapadia	- Company Secretary
Mr. Krunal G. Veni	- Company Secretary

**vii. Relative of Key Management Personnel:**

Mrs. Trupti A. Udeshi  
Mr. Varun A. Udeshi  
Mr. Dhayvat H. Udeshi





**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

**Note 35: Related Party disclosures (continued...)**

**b) Details of Transactions with Related Parties referred to in items above: (Amount in lacs ₹)**

Particulars	Holding Company	Joint Venture	Associate company	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Purchase of Raw Materials:</b>						
Jayant Finvest Limited	- (1441.50)	- (-)	- (-)	- (-)	- (-)	- (-)
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	- (2,757.12)	- (-)	- (-)
<b>Services Provided:</b>						
Vithal Castor Polyols Private Limited	- (-)	150.00 (-)	- (-)	- (-)	- (-)	- (-)
<b>Services Received:</b>						
<b>- Storage/Rent Charges</b>						
Gokulmani Agricom Limited	- (-)	- (-)	- (-)	20.22 (20.22)	- (-)	- (-)
Udeshi Trust	- (-)	- (-)	- (-)	106.15 (-)	- (-)	- (-)
Enlite Chemical Industries Limited	- (-)	- (-)	- (-)	- (3.77)	- (-)	- (-)
Jayant Finvest Limited	- (3.77)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Sale of Goods :</b>						
Jayant Finvest Limited	- (1,386.86)	- (-)	- (-)	- (-)	- (-)	- (-)
Itoh Oil Chemicals Co. Limited	- (-)	- (-)	5,402.98 (4,512.28)	- (-)	- (-)	- (-)
Arkema France	- (-)	- (-)	30,402.08 (20,855.32)	- (-)	- (-)	- (-)
<b>Interest Paid:</b>						
Jayant Finvest Limited	5.75 (44.95)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Dividend Paid :</b>						
Arkema Asie SAS	- (-)	- (-)	9.12 (-)	- (-)	- (-)	- (-)
<b>Reimbursement of expenses (Received):</b>						
Vithal Castor Polyols Private Limited	- (-)	9.00 (-)	- (-)	- (-)	- (-)	- (-)
<b>Remuneration to Managing Directors:</b>						
	- (-)	- (-)	- (-)	32.04 (26.66)	- (-)	- (-)
<b>Remuneration to Whole-time Directors:</b>						
	- (-)	- (-)	- (-)	169.19 (142.82)	- (-)	- (-)
<b>Key Management Personnel:</b>						
- Remuneration	- (-)	- (-)	- (-)	- (-)	55.60 (43.38)	- (-)
<b>Relative of Key Management Personnel:</b>						
- Rent paid	- (-)	- (-)	- (-)	- (-)	- (-)	8.40 (8.40)
- Remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	49.46 (22.18)



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 35: Related Party disclosures (continued...)

(Amount in lacs ₹)

Particulars	Holding Company	Joint Venture	Associate company	Controlled by Directors & personnel	Key Management Person	Others/ Relatives
<b>Subscription to Share Capital:</b>						
Arkema Asie SAS	- (-)	- (-)	- (182.36)	- (-)	- (-)	- (-)
Vithal Castor Polyols Private Limited	- (-)	- (900.00)	- (-)	- (-)	- (-)	- (-)
<b>Subscription to Share Premium:</b>						
Arkema Asie SAS	- (-)	- (-)	- (2,791.70)	- (-)	- (-)	- (-)
<b>Balance Outstanding at the Year End:</b>						
<b>i) Trade Receivable:</b>						
Jayant Finvest Limited	- (40.45)	- (-)	- (-)	- (-)	- (-)	- (-)
Itoh Oil Chemicals Co. Limited	- (-)	- (-)	- (123.86)	- (-)	- (-)	- (-)
<b>ii) Trade Payable:</b>						
Gokulmani Agricom Limited	- (-)	- (-)	- (-)	- (18.42)	- (-)	- (-)
<b>iii) Share Capital Owned:</b>						
Vithal Castor Polyols Private Limited	- (-)	900.00 (900.00)	- (-)	- (-)	- (-)	- (-)
Itoh Oil Chemicals Co. Limited	- (-)	- (-)	50.00 (50.00)	- (-)	- (-)	- (-)
Arkema Asie SAS	- (-)	- (-)	182.36 (182.36)	- (-)	- (-)	- (-)
<b>iv) Deposits:</b>						
Akhandanand Engineering & Trading Company	- (-)	- (-)	- (-)	161.00 (161.00)	- (-)	- (-)

**Note:** Figures in the bracket are in respect of the Previous Year.

### Note 36: Segment Information

The business segment has been considered as the primary segment. The Company is organized into three business segments namely Castor Oil, Derivatives and Power Generation. These business segments have been identified considering the customers, the differing Risks and Returns and the Internal Financial Reporting System. Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and the amounts allocated on a reasonable basis. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the significant accounting policies. Income and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while the remainders of the costs are categorized in relation to the associated turnover of the segment.

Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total income. Fixed assets used in the Company's business or liabilities contracted have been identified to the reportable segments.



CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Note 36: Segment Information (Continued...)

(Amount in lacs ₹)

Particulars	March 31, 2015					March 31, 2014				
	Castor Oil	Derivatives	Power Generation	Unallocable	Total	Castor Oil	Derivatives	Power Generation	Unallocable	Total
<b>REVENUE</b>										
Net Sales/Income from Operation										
Local	4,496.81	14,533.97	329.47	-	19,360.25	3,822.68	13,696.60	308.25	-	17,827.53
Export	89,794.07	48,917.48	-	-	138,711.55	88,529.62	47,423.38	-	-	135,953.00
<b>Total Revenue</b>	<b>94,290.88</b>	<b>63,451.45</b>	<b>329.47</b>	<b>-</b>	<b>158,071.80</b>	<b>92,352.30</b>	<b>61,119.98</b>	<b>308.25</b>	<b>-</b>	<b>153,780.53</b>
<b>RESULT</b>										
Segment Result	1,949.30	3,672.52	267.79	28.62	5,918.23	2,684.60	5,232.55	272.68	1,839.47	10,029.30
Operating Profit					5,918.23	2,684.60	5,232.55	272.68	1,839.47	10,029.30
Finance Cost					4,217.65					3,456.26
Interest Income					560.35					28.18
Income Tax					115.90					539.49
Wealth Tax					1.05					1.15
Deferred Tax					(92.58)					634.56
<b>Net Profit after tax and before depreciation</b>					<b>2,236.56</b>					<b>5,426.02</b>
<b>OTHER INFORMATION</b>										
Segment Assets	20,245.51	32,649.93	1,101.17	4,129.53	58,126.14	32,682.06	36,117.80	1,152.88	5,870.43	75,823.17
<b>Total Assets</b>	<b>20,245.51</b>	<b>32,649.93</b>	<b>1,101.17</b>	<b>4,129.53</b>	<b>58,126.14</b>	<b>32,682.06</b>	<b>36,117.80</b>	<b>1,152.88</b>	<b>5,870.43</b>	<b>75,823.17</b>
Segment Liabilities	14,622.44	16,021.84	100.80	5,363.50	36,108.58	22,254.80	25,617.75	162.46	5,772.04	53,807.05
<b>Total Liabilities</b>	<b>14,622.44</b>	<b>16,021.84</b>	<b>100.80</b>	<b>5,363.50</b>	<b>36,108.58</b>	<b>22,254.80</b>	<b>25,617.75</b>	<b>162.46</b>	<b>5,772.04</b>	<b>53,807.05</b>
Capital Expenditure	142.90	2,114.93	-	10.06	2,267.89	206.25	795.31	-	478.31	1,479.87
<b>Total Capital Expenditure</b>	<b>142.90</b>	<b>2,114.93</b>	<b>-</b>	<b>10.06</b>	<b>2,267.89</b>	<b>206.25</b>	<b>795.31</b>	<b>-</b>	<b>478.31</b>	<b>1,479.87</b>
Depreciation	271.09	692.45	68.57	152.38	1,184.49	372.22	825.03	76.00	94.18	1,367.43
<b>Total Depreciation</b>	<b>271.09</b>	<b>692.45</b>	<b>68.57</b>	<b>152.38</b>	<b>1,184.49</b>	<b>372.22</b>	<b>825.03</b>	<b>76.00</b>	<b>94.18</b>	<b>1,367.43</b>



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 37 : Details related to Joint Venture

The Company has the following joint ventures as on 31<sup>st</sup> March 2015 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint venture is given below:

(Amount in ₹)

Name of the Joint Venture	Country of Incorporation	Percentage of Holding	March 31, 2015	March 31, 2014
Vithal Castor Polyols Private Limited	India	*25% for current year (50% for previous year)		
<b>Share of Company in Joint Venture</b>				
Assets			90,688,836	90,749,481
Liabilities			688,836	749,481
Contingent Liabilities			-	-
Capital Commitments			-	-

\*Percentage of holding calculated after considering dilution of compulsorily convertible cumulative preference shares.

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.

### Note 38: Remittance in Foreign Currency of Dividend on Equity Shares (Including Interim Dividend)

Particulars	March 31, 2015	March 31, 2014	March 31, 2014
	<b>Final Dividend of FY 13-14</b>	<b>Interim Dividend of FY 13-14</b>	<b>Final Dividend of FY 12-13</b>
Number of Non - Resident Shareholders	57	59	55
Number of Other Body Corporate	-	-	1
Number of Ordinary Shares held by Non Resident Shareholders	18,948	29,548	26,633
Number of Ordinary Shares held by Other Non Resident Body Corporate	600,000	600,000	600,000
Gross Amount of Dividend (in ₹)	1,809,474	73,870	1,409,924*

\* Amount credited to Rupee account in India out of which ₹ 1,800,000/- (P.Y. ₹ 1,350,000) amount of equity dividend has been credited to other than Rupee account in India.



## CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

**Note 39 : Earning Per Share**

Particulars	March 31, 2015	March 31, 2014
<b>Weighted Average Number of Shares for Earning Per Share computation</b>		
For Basic Earning Per Share of ₹ 5/- each	15,000,000	15,000,000
For Diluted Earning Per Share of ₹ 5/- each	15,000,000	15,000,000
Net Profit Available for Equity Shareholders	105,206,468	405,858,699
<b>Earning Per Share (Weighted Average)</b>		
Basic Earnings Per Share ₹	7.01	27.06
Diluted Earnings Per Share ₹	7.01	27.06

**Note 40:** During the year, pursuant to Joint Venture Agreement, the company has subscribed to 36,000,000 share warrants of ₹ 5 each issued by Vithal Castor Polyols Pvt. Ltd. a joint venture of the company. These warrants entitle the company to subscribe 36,000,000 equity shares of ₹ 5 each fully paid upon payment at any time after the period of 7 years but on or before 20 years from the date of issue of warrants made by the said associated enterprise during the year.

**Note 41: Outstanding Forward Contracts**

Forward Contracts of ₹ 950,198,003 (USD 15.27 Million) (PY ₹ 3,392,361,666 (USD 56.92 Million)) are outstanding as on March 31, 2015.

**Note 42:** Interest income include an amount of ₹ 51,995,871/- received from Department of Commercial Tax in Gujarat as interest on VAT refunds.

**Note 43: Previous Year Figures**

Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

**For and on Behalf of Board of Directors**

**Abhay V. Udeshi**  
Chairman

**Hemant V. Udeshi**  
Managing Director

**Dinesh M. Kapadia**  
Company Secretary

**Vikram V. Udeshi**  
Chief Financial Officer

Place : Mumbai  
Date : May 13, 2015



## JAYANT AGRO-ORGANICS LTD.

(CIN L24100MH1992PLC066691)

**Regd. Office:** 701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.

**Email:** investors@jayantagro.com, **Website:** jayantagro.com

**Phone:** 022- 40271300, **Fax:** 022-40271399

### ATTENDANCE SLIP

I / We hereby record my/our presence at the 23rd Annual General Meeting of the Company at M.C.Ghia Hall, Bhogilal Hargovindas Bldg., 4th floor, 18/20, K. Dubash Marg, Mumbai 400 001 on Thursday, September 24, 2015 at 11.00 a.m.

Folio No.	DP ID. No.	Client Id No.

Name of the Member ..... Signature .....

Name of the Proxyholder ..... Signature .....

#### Notes:

1. Please complete the Folio / DP ID –Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Electronic copy of the Annual Report for F.Y. 2014-15 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for F.Y. 2014-15 and Notice of the Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for hard copy.

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# JAYANT AGRO-ORGANICS LTD.

(CIN L24100MH1992PLC066691)

**Regd. Office:** 701, Tower "A", Peninsula Business Park,  
Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.  
**Email:** investors@jayantagro.com, **Website:** jayantagro.com  
**Phone:** 022- 40271300, **Fax:** 022-40271399

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of Member(s)	
Registered address	
E-mail Id:	

Folio No/Client ID.	
DP ID	

I / We being the member(s) holding ..... shares of the above named Company hereby appoint:

- 1) Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;
- 2) Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;
- 3) Name:..... address: .....  
Email Id: ..... Signature:.....or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, September 24, 2015 at 11.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 4th floor, 18/20, K. Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional*	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Financial Statements for year ended March 31, 2015.		
2.	Approval of dividend for the year ended March 31, 2015.		
3.	Reappointment of Mr. Abhay V. Udeshi, who retires by rotation		
4.	Ratify the appointment of M/s. T.P.Ostwal & Associates, Chartered Accountants, as Auditors and fixing their remuneration.		
<b>Special Business</b>			
5.	Appointment of Mrs. Sucheta N. Shah as Independent Director of the Company		
6.	Re-appointment of Mr. Abhay V. Udeshi as Chairman and Whole – Time Director		
7.	Re- appointment of Dr. Subhash V. Udeshi as Whole- Time Director		
8.	Approval of Remuneration to be payable M/s. Kishore Bhatia & Associates (Cost Accountant of the Company)		
9.	Approval of Transaction with related party under section 188 1 (a)		
10.	Approval of Transaction with related party under section 188 1 (d)		

Signed this ..... day of ..... 2015

Signature of shareholder .....

Signature of Proxy holder(s).....

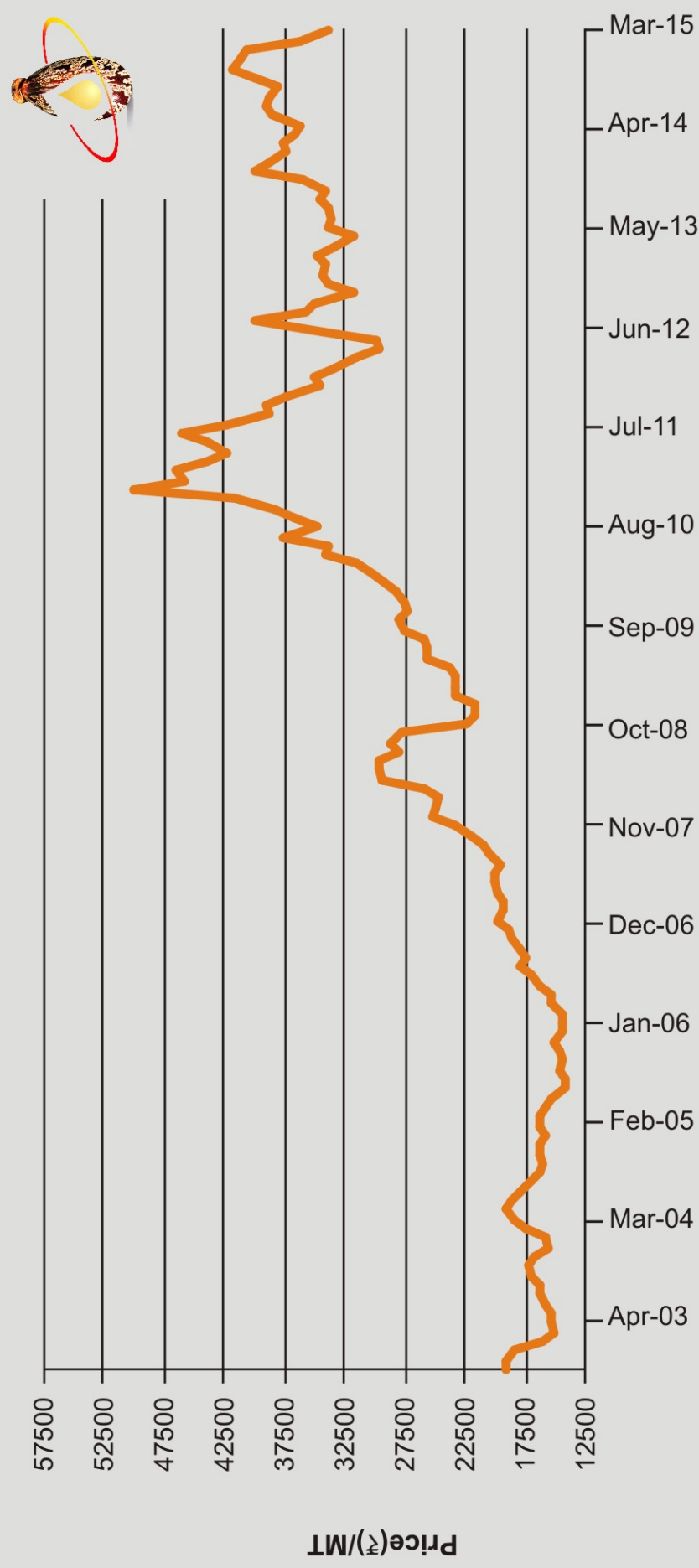
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Revenue  
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### Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 23rd Annual General Meeting.
- \*3. It is optional to a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

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# Average Castor Seed - Market Yard Price - April 2003 to March 2015





**JAYANT AGRO-ORGANICS LTD.**

*Leadership through Innovation*

**[www.jayantagro.com](http://www.jayantagro.com)**

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