

28th
Annual Report
2012-2013



A Tayal Enterprise

JAYBHARAT
TEXTILES AND REAL ESTATE LIMITED



JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

ANNUAL REPORT 2012-13

BOARD OF DIRECTORS

CHAIRMAN

Shri Deepak Mathur

MANAGING DIRECTOR

Shri Rajiv Chauhan

DIRECTORS

Shri Saurabh Kumar Tayal
Shri Kailash Nath Bhandari
Shri Rajshekhar S. Ganiger
Shri Farindra Bihari Rai
Shri Kulwinder Kumar Nayyar

COMPANY SECRETARY

Shri Hanuman P Kharwal

AUDITORS

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

BANKERS

Various Banks with Lead Bank
Bank of India & Indian Overseas Bank

REGISTERED OFFICE

Village Salvav, Taluka Pardi,
Near Vapi, Valsad Gujarat - 396 191

CORPORATE OFFICE

Raghuvanshi Mills Compound,
11/12 Senapati Bapat Marg,
Lower Parel (W),
Mumbai – 400 013

REGISTRAR & SHARE TRANSFER AGENT

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

PLANTS

Pulgaon, Maharashtra.
Bhilad (Dist. Valsad, Gujarat)

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28th ANNUAL GENERAL MEETING on Saturday, 17th August, 2013 at 3:00 P.M.
at Village Salvav, Taluka Pardi, Vapi, Dist Valsad, Gujarat - 396 191.

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the 28th Annual General Meeting of the Members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** will be held on Saturday the 17th August, 2013 to transact the following business at the Registered Office of the Company at Village Salvav, Taluka Pardi, Near Vapi, Dist Valsad – 396191 at 3.00 P. M.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Farindra Bihari Rai, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Kailash Nath Bhandari, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To reappoint Auditor and to fix remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** M/s A. F. Khasgiwala. & Co, Chartered Accountant be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following Resolutions:

AS ORDINARY RESOLUTION

5. “**RESOLVED THAT** in accordance with the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Shri Saurabh Kumar Tayal, who was appointed on 4th September, 2012, as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, and whose tenure of office comes to an end at this Annual General Meeting, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

NOTES:

1. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A SHAREHOLDER OR NOT) AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.**
2. The instrument(s) appointing the Proxy, if any, shall be delivered at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and the instrument of proxy shall be treated as invalid in case of default.
3. The Register of Members and Share Transfer Register of the Company will remain closed from 14th August, 2013 to 17th August, 2013 (both days inclusive) to comply with Annual Book Closure requirements.
4. Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting, only such joint holders who are higher in order of names will be entitled to vote.
6. Members desiring any information with regard to accounts or operations are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
7. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio. Members are requested to immediately notify any change in their registered address specifying full address with Pin Code Number and quoting their Registered Folio Number to the Company.
8. All documents and agreements referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10.00 A.M and 1.00 P.M. up to the date of Annual General Meeting.
9. **Green Initiatives in the Corporate Governance:** The Government of India-Ministry of Corporate Affairs has, vide the Circular No. 17/2011 dated 21st April, 2011, allowed service of documents to the shareholders in the electronic mode. Thus, having regard to the said Circular read with the Information Technology Act, 2000 and Section 53 of the Companies Act, 1956, the Company hereby requests the Members to register their E-mail Address (and any change therein from time to time) with Universal Capital Securities Private Limited (Formerly known as Mondkar Computers Pvt. Ltd), the Registrar and
Share Transfer Agents of the Company. The Company proposes to send the future correspondences in electronic form to the Members whose E-mail Address is registered with the Registrar and Share Transfer Agents of the Company. Any Member desiring to receive the said correspondences in the physical form should inform the Company.

For and on behalf of the Board of Directors

Sd/-

Deepak Mathur
Chairman

Place: Mumbai

Date: 29th May, 2013

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

Item No. 5

Shri Saurabh Kumar Tayal was appointed as an Additional Director on 4th September, 2012 under Section 260 of the Companies Act, 1956. He holds office till the conclusion of this Annual General Meeting. The Company has received a Notice along with the requisite deposit amount from a member, under Section 257 of the Act, signifying his intention to propose the candidature of Shri Saurabh Kumar Tayal for the office of the Director of the Company.

Shri Saurabh Kumar Tayal is Commerce Graduate. He has more than 10 Years of experience in Textile Industries & Marketing.

For and Behalf of the Board of Directors

Sd/-

Deepak Mathur
Chairman

Place: Mumbai

Date: 29th May, 2013

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 28th Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS:

	2012-2013 (₹ in Lacs)	2011-2012 (₹ in Lacs)
Revenue from operations	52,749.72	71,857.73
Finance Cost	4288.77	3716.43
Depreciation and Amortization Expense	3930.06	3930.06
Profit/(Loss) before Exceptional and Extraordinary Items and tax	(7208.79)	(3818.45)
Exceptional and Extraordinary Items	—	—
Profit/(Loss) before tax	(7208.79)	(3818.45)
Deferred tax Liabilities	(138.45)	46.48
Provision for Tax	—	—
Profit/(Loss) after Tax	(7070.52)	(3864.93)

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

DIVIDEND:

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

REVIEW OF OPERATIONS:

The Company has achieved Revenue from operations of ₹ 52,749.72 Lacs in Financial Year 2012-13 as against ₹ 71,857.73 Lacs in previous Financial Year 2011-12. During the year 2012-13 Interest outgo of the Company has registered at ₹ 4288.77 Lacs as against ₹ 3716.43 Lacs in the previous year 2011-12. The Depreciation has registered during the Current Year at ₹ 3930.06 Lacs as against ₹ 3930.06 Lacs for the previous year 2011-12. In the financial year 2012-13 the Company has incurred Net Loss of ₹ 7070.52 Lacs as against Net Loss of ₹ 3864.93 Lacs in Financial Year 2011-12.

Old machines including Ring Frames, requiring huge capital expenditure towards repairs and maintenance consuming high power with low output have been identified and shifted to workshop/godowns for appropriate action under the Technology upgradation and Modernisation Programme of plants and machineries, especially Spinning Machines. This was done to improve the efficiency of the units as per the recommendations of inhouse Expert Group.

SUBSIDIARY COMPANY:

Jaybharat Textiles and Real Estate Limited ("the Company") has only one subsidiary Company namely M/s. Pulgaon Cotton Mills Limited.

The Report and Accounts of the Subsidiary Companies are annexed to this Report along with the Statement pursuant to Section 212 of the Companies Act, 1956. However, in the context of the mandatory requirement to present consolidated accounts, which provides Members with a consolidated position of the Company including its Subsidiary, at the first instance, Members are being provided with the Report and Accounts of the Company and the Consolidated Accounts treating these as abridged accounts as contemplated by Section 219 of the Companies Act, 1956. Members who wish to receive the full Report and Accounts including the Report and Accounts of the Subsidiary Companies will be provided with it upon receipt of a written request. This will help save considerable cost in connection with printing and mailing of the Report and Accounts.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of the Company Shri Farindra Bihari Rai, and Shri Kailash Nath Bhandari, Directors, retire by rotation and, being eligible, offered them for re-appointment.

Shri Mahesh Prasad Mehrotra resigned on 23rd July, 2012, as Director of the Company. The Board of Directors place on record the valuable services rendered by them during their tenure as Director of the Company on 4th September, 2012. Shri Saurabh Kumar Tayal was appointed as an Additional Director of the Company.

PARTICULARS OF EMPLOYEES

There were no employees drawing remuneration of ₹ 60,00,000/- or more per annum employed throughout the year or ₹ 5,00,000/- or more, per month employed for a part of the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2013, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures.
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and statement of Profit & Loss of the Company for the year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

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- d. that the Directors had prepared the accounts for the Financial Year ended 31st March 2013, on a 'going concern' basis.
- e. That the accounts have been prepared on the basis of the revised schedule VI & The Companies Act, 1956, accordingly the previous year figures have adjust/ regroup/ rearranged to confirm with the current year figure.

FIXED DEPOSITS:

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

INSURANCE:

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

AUDIT COMMITTEE

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

SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE

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

REPORT ON CORPORATE GOVERNANCE

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

SAFETY, HEALTH AND ENVIRONMENT

A sustained and meticulous effort continues to be exercised by the Company at the plant of the Company towards greener production and Environment Conservation. The Company persevere its efforts to indoctrinate safe and environmentally accountable behavior in every Employee as well as Vendors by compulsory annual training and refresher courses and frequent awareness programs. Mock drills of emergency preparedness are regularly conducted at the plant showing Company's commitment towards safety, not only of its own men and plant, but also of the society at large. Involvement of workers in all safety matters has been encouraged by their participation in shop floor safety meetings.

The health of employees and the environment in and around the plant area have been given due care and attention. The Company continues to comply with the prescribed Industrial Safety Environment Protection and Pollution Control Regulation at its production plant through periodic checks of the system involved and constant monitoring to meet the standards set by the Pollution Control Authorities, etc.

The Plant of the Company is eco-friendly and do not generate any harmful effluents. Safety devices have been installed wherever necessary.

INDUSTRIAL RELATIONS & HUMAN RESOURCES MANAGEMENT

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

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

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

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

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

PARTICULARS OF EMPLOYEES

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

AUDITORS

M/s. A. F. Khasgiwala & Co., Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s. A. F. Khasgiwala & Co. to the effect that their re-appointment as Auditors, if made, would be within the limits under Section 224(1B) of the Companies Act, 1956.

ACKNOWLEDGEMENT

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

For and Behalf of the Board of Directors

Place: Mumbai
Date: 29th May, 2013

Sd/-
Deepak Mathur
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e), of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2012 – 2013:

I. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

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

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

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

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

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

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

	Year ended 31.03.2013	Year ended 31.03.2012
A. Power and Fuel Consumption :		
1. Electricity		
(a) Purchased	364.88	332.57
1. Units (KWH in Lacs)	2207.51	1942.23
2. Total Amount (Rs. in lacs)	6.05	5.84
3. Rate/Unit (Rs.)		
(b) Own Generation (through Diesel Generator/ Furnace Oil / Gas)		
1. Units (KWH in Lacs)	184.29	287.02
2. Total Amount (In Lacs)	2698.06	3452.85
3. Cost per unit (Rs.)	14.64	12.03
2. Coal	—	—
3. Furnace Oil	—	—
4. Others/Internal Generation/Steam	—	—
B. Consumption per unit of production (Product : Yarn & Fabric)		
1. Electricity (KWH per tonne)	1634.92	4809.53
2. Coal (Kgs.)		
3. Furnace Oil (Ltrs.)		
4. Steam (Tonnes)		

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

II. TECHNOLOGY ABSORPTION:

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

Research and Development (R & D)

- a) Specified areas in which R & D activities are carried out by the Company
- b) Benefits derived as a result of the above
- c) Future Plan of Action
- d) Expenditure on R & D

R & D activities are being carried out by the Company continuously to produce better quality of yarn and fabrics.

As a result of R & D activities, the Company has been able to produce quality yarn and fabrics conforming to international standards. Efforts aimed at cost reduction, improvement in quality of products and development of new process will continue.

Expenditure on R & D is being booked under the respective heads in the Profit & Loss Account as no separate account is maintained.

The Company has not utilized any imported technology.

Technology Absorption, Adaption and Innovation

III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- a) Activities relating to export Markets for products and services and export plan
- b) Foreign Exchange Outgo (Rs. in Lacs)
- c) Foreign Exchange earned (Rs. in Lacs)

The Company is exploring avenues to export its premium quality yarns.

(2012-13)	(2011-12)
—	—
—	—

For and on Behalf of the Board of Directors

Sd/-

Deepak Mathur
Chairman

Place: Mumbai
Date: 29th May, 2013

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CORPORATE GOVERNANCE REPORT

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

1. Company's Philosophy on Code of Corporate Governance

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

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

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

2. Board of Directors

2.1 The Board of Directors of the Company comprises of 6 Directors. During the Financial year 2012-2013, the Board met 4 times on the following dates namely 28th April, 2012, 6th August, 2012, 8th November, 2012 and 9th February, 2013. There was no time gap of more than four months between any two Meetings of the Board of Directors.

The name and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the 27th Annual General Meeting held on 21st July, 2012, as also the number of Directorships and Committee Memberships held by them in other Public Companies are given below:

Name	Category	Attendance Particulars		Number of other directorships and Total Committee membership/chairmanships as on 31.03.2013		
		Board Meetings	27th AGM	Directorships	Committee Memberships	Committee Chairmanships
Shri Saurabh Kumar Tayal*	NED	2	No	6	5	2
Shri Farindra Bihari Rai	NED	4	Yes	9	10	5
Shri Kailash Nath Bhandari	ID	4	No	12	4	1
Shri Rajshekhar Ganiger	ID	3	Yes	4	6	1
Shri Kulwinder Kumar Nayyar	ID	4	No	3	2	2
Shri Rajiv Chauhan	MD	2	Yes	4	1	1
Shri Deepak Mathur	NEC	4	Yes	1	1	1
Shri Mahesh Prasad Mehrotra**	NED	1	No	12	9	2

* Appointed as Additional Director w.e.f 4th September, 2012.

** Resigned from the Directorship w.e.f 23rd July, 2012

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

2.2 Re-appointment of Directors

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

Sr. No	Name of Director	Brief Resume	Area of Expertise	Other Directorships	Other Committee Memberships	Other Committee Chairmanship
1.	Shri Farindra Bihari Rai	Diploma in Textile Technology. He has 20 years of experience in Textile Industry.	Textiles	9	8	3
2.	Shri Kailash Nath Bhandari	B.A and LL. B Degree holder and rich experience in Insurance Sector and he had served as Director/member in various Organizations.	Insurance & Finance	12	4	1

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2.3) Non-Executive Directors Compensation Disclosures:

Details of Sitting Fees paid to Non-Executive and Independent Directors of the Company during the Financial Year 2012-2013, for attending the Board Meetings, Audit Committee Meetings and Share Transfer and Investors' Grievances Committee Meetings, is as follows:

Name of Director	Category	Sitting Fees (in Rs.)	
		Board Meetings	Committee Meeting
1. Shri Mahesh Prasad Mehrotra	ID	10,000	10,000
2. Shri Farindra Bihari Rai	ID	30,000	30,000
3. Shri Kailash Nath Bhandari	ID	40,000	30000
4. Shri Rajshekhar Ganiger	ID	20,000	20,000
5. Shri Kulwinder Kumar Nayyar	ID	400000	----
6. Shri Deepak mathur	NED	40,000	40000
7. Shri Rajiv Chauhan	ED	----	----
8. Shri Saurabh Tayal	NEC	----	----
	Total	1,80,000	1,30,000

3. BOARD COMMITTEES:

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

3.1) Audit Committee:

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

Further During the year the Audit Committee has reconstituted as Shri Farindra Bihari Rai elected as a chairman and Shri Kailash Nath Bhandari appointed as Member of Committee because of resignation of Shri Mahesh Prasad Mehrotra as a Chairman, but he will be continue as a member of Audit Committee.

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

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

- Overview of the company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with management the annual financial statements before submission to the board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by management (iii) qualifications in draft audit report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

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- k. Discussion with external auditors before the audits commences nature and scope of audit as well as has post-audit **discussion to ascertain any area of concern.**
- l. **To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.**
- m. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year 2012-13, the Audit Committee met 4 times on the following dates namely 28th April, 2012, 6th August, 2012, 8th November 2012 and 9th February, 2013. The composition of the Audit Committee and the details of Audit Committee Meetings attended by the Members are given hereunder:

Name of Member	Designation	Attendance
Shri Mahesh Prasad Mehrotra*	Chairman	1
Shri Farindra Bihari Rai	Chairman	3
Shri Mahesh Prasad Mehrotra*	Member	1
Shri Farindra Bihari Rai	Member	3
Shri Rajshekhar Ganiger	Member	4
Shri Kailash Nath Bhandari	Member	3

* Shri Farindra Bihari Rai appointed as a Chairman for the last Committee Meeting held on 12th January, 2012

3.2) Remuneration Committee:

The Company does not have a Remuneration Committee. The remuneration payable to the Managing Director and the sitting fees paid to the Non-Executive Directors is approved by the Board of Directors within the overall limits fixed by the Members of the Company at the General Meetings.

Remuneration to Managing Director and Non-Executive Directors for the year 2011-12.

Name	Gross Salary	Commission	Sitting Fees	Total
Shri Rajiv Chauhan (MD)	6,00,000	----	----	6,00,000
Non-Executive Directors	----	----	3,10,000	3,10,000
Total	6,00,000	----	3,10,000	9,10,000

3.3) Shareholders'/Investors' Grievance Committee:

The Committee comprises of Shri Deepak Mathur as the Chairman, Shri Farindra Bihari Rai and Shri Rajshekhar Ganiger, as the Members of the Committee.

Shri Deepak mathur	... Chairman
Shri Frindra Bihari Rai	... Member
Shri Rajshekar Ganiger	... Member

The Committee, inter alia, looks into redressing of shareholders'/investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividend, etc. The Committee oversees the performance of the Company and recommends measures for overall improvement of the quality of investor services.

During the year 2012-13, the Share Transfer Investor Grievance Committee met 4 times on the following dates namely 27th April 2012, 4th August, 2012, 7th November, 2012 and 8th February, 2013. The composition of the Share Transfer and Investors' Grievance Committee and the details of the Meetings attended by the Members are given hereunder:

Name of Member	Designation	Attendance
Shri Deepak Mathur	Chairman	4
Shri Farindra Bihari Rai	Member	4
Shri Rajshekhar Ganiger	Member	4

No. of Shareholder's Complaint received so far	:	10
Number solved to the satisfaction of shareholders	:	10
Number of pending complaints	:	Nil

3.4) Management and Finance Committee:

The Board of Directors of the Company has constituted Management and Finance Committee in their meeting held on 23rd July, 2011. The Committee is formed to take the decisions and to pass the necessary Resolutions on the day-to-day matters of the Company, on behalf of the Board of Directors. The Management and Finance Committee comprises of Shri rajiv Chauhan as the Chairman, Shri Rajshekhar Ganiger and Shri Farindra Bihari Rai as the members of the Committee.

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During the year 2012-13, the Management and Finance Committee met 14 times on the following dates namely 1st June, 2012, 28th June, 2012, 23rd August, 2012, 4th September 2012, 10th September 2012, 20th September, 2012, 25th September, 2012, 28th September, 2012, 1st October, 2012, 12th October, 2012, 10th December, 2012, 5th March, 2013, 20th March, 2013 and 8th May, 2013. The composition of the Management and Finance Committee and the details of the Meetings of the members are given hereunder:

Name of Member	Designation	Attendance
Shri Farindra Bihari	Member	14
Shri Rajshekhar Ganiger	Member	12
Shri Deepak Mathur	Chairman	14

4. GENERAL BODY MEETINGS:

The last three Annual General Meetings of the Company were held as under:-

Year	Location	Date	Time
2011-2012	Village Savlav N.H.No.8, Taluka Pardi Near Vapi, Valsad - 396191	21 st July, 2012	3.00 P.M.
2010-2011	Village Savlav N.H.No.8, Taluka Pardi Near Vapi, Valsad - 396191	2 nd July, 2011	3:00 P.M.
2009-2010	Village Savlav N.H.No.8, Taluka Pardi Near Vapi, Valsad - 396191	17 th July, 2010	11.30 A.M.

During the year the Company has not passed any special Resolution in the General Meeting or Board Meeting

5. DISCLOSURES:

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors of the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

6. MEANS OF COMMUNICATION:

- (a) The Company has published its Notice of the Board Meetings, Notice of the Annual General Meeting and Book Closure, Quarterly Financial Results, Half yearly Statement of Assets and Liabilities in the following newspapers:

Free Press Journal – English; Loksatta-Jansatta-Gujarati.

- (b) Management Discussion and Analysis forms integral part of this Annual Report. All matters pertaining to industry structure and developments, opportunities and threats, outlook, risks and concerns, etc., are discussed in the said report.

7. GENERAL SHAREHOLDER INFORMATION

7.1) Annual General Meeting:

Date and time : Saturday 17th August, 2013 at 3:00 p.m.
 Venue : Village Savlav N.H.No.8, Taluka Pardi Near Vapi, Valsad - 396191

7.2) Financial Year : 1st April to 31st March

Financial Calendar 2013-2014
 Annual General Meeting- (Next year)
 (Tentative) : August, 2014

Board Meetings:-

Results for the Quarter ending June 30, 2013 : Second week of August, 2013
 Results for the Quarter/Half year ending September 30, 2013 : Second week of November, 2013
 Results for the Quarter ending December 31, 2013 : Second week of February, 2014
 Results for the year ending March 31, 2014 : Last week of May, 2014

7.3) Book Closure Date : 14th August, 2013 to 17th August, 2013 (Both days inclusive)

7.4) Dividend Payment Date : N. A.

7.5) (a) Listing of Equity Shares : BSE Limited. (b) ISIN Numbers : Equity Shares: INE091e01039 (Note: Annual listing fees for the year 2013-2014 have been duly paid to the BSE Limited.)

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

7.6) Stock Code : 512233 (Bombay Stock Exchange)

7.7) Stock Market Data:

The shares of the Company are listed with the Bombay Stock Exchange Limited. The details of the Market Price data i.e., high, low (based on the closing prices) and volume during the financial year 2012-13, is given hereunder:

Month	High (Rs.)	Low (Rs.)	No. of Shares
April 2012	125	119.75	28
June 2012	120.50	110	143
July 2012	104.80	94.55	396
August 2012	99.20	95.00	9
September 2012	94.00	94.00	20
October 2012	94.95	94.95	100
November 2012	90.20	51.80	846
December 2012	67.50	42.35	2680
January 2013	103	70	4187
February 2013	104	99.50	728
March 2013	98.95	73.60	1782

7.8) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index, etc.

The shares of the Company are listed at Bombay Stock Exchange Ltd., the Stock Market Details of which has been given as above.

7.9) Registrar & Transfer Agent : Universal Capital Securities Private Limited
21, Shakil Nivas, Opp. Satya Sai Baba Temple, Mahakali Caves Road,
Andheri (East), Mumbai – 400 093. Email: info@unisee.in

7.10) Share Transfer System : The shares of the Company, being in the compulsory demat list, are transferable through the depository system. All transfers received are processed and approved by the Share Transfer Committee, which normally meets twice a month. Shares under objection are returned within two weeks.

7.11) a) Distribution of Shareholding as on 31st March, 2013:

Category	From	To	Number of Shareholders	Number of Shares held
Upto	-	5000	454	54813
5001	-	10000	2413	9094401
10001	-	20000	2	14927
20001	-	30000	0	0
3000	-	40000	1	15488
40001	-	50000	1	20155
50001	-	100000	0	0
100001	-	Above	29	373682716
TOTAL			2900	382837500

b) Shareholding pattern as on 31st March, 2013

	Category	No. of shares held	Percentage of shareholding
1.	Promoter's Holding	262436155	68.55
2.	Mutual Funds, Banks, Financial Institutions, FIIs, NRIs, Clearing Members & OCBs	2343750	0.61
3.	Domestic Companies	2687479	0.70
4.	Resident Individuals	106267927	27.76
	Total	382837500	100.00

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- 7.12) a) Dematerialization of Shares** : Approximately 36.66% of the shares issued by the Company has been dematerialized up to 31st March 2013.
- b) Liquidity : The Company's shares are listed on The Stock Exchange Mumbai (BSE)
- 7.13) Outstanding GDRs/ADRs/Warrants** : No such Instrument outstanding
or any other Convertible Instruments, conversion date and likely impact on Equity
- 7.14) Plant Location** : Pulgaon, Maharashtra
- 7.15) (a) Address for Investor**
Correspondence
For transfer / dematerialization of shares payment of dividend on shares, interest and redemption of debentures and any other query relating to the shares and Email: info@unisec.in debentures of the Company. : Universal Capital Securities Private Limited
21, Shakil Nivas, Opp. Satya Sai Baba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.
- Note:** Shareholders holding shares in electronic mode should address their correspondence relating to Demat Account to their respective Depository Participants.
- (b) Any query on Annual Report** : Village Salvav, Taluka Pardi, Near Vapi, Gujarat - 396191
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JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**:

We have examined the compliance of the conditions of Corporate Governance by **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Board of Directors of the Company and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

We state that in respect of investors grievances received during the year ended 31st March 2013, no investor grievances are pending against the Company as on 29th May, 2013, as per the records maintained by the Company and presented to the Share Transfer/Investors' Grievances 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 A.F. KHASGIWALA & CO.,
Chartered Accountants

Sd/-
A.F. KHASGIWALA
Partner
Membership No. 006491

Firm Registration No.: 105114W

Place: Mumbai

Date: 29th May, 2013

CERTIFICATION PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT BY THE MANAGING DIRECTOR OF THE COMPANY

I, Rahiv Chauhan, Managing Director of Jaybharat Textiles and Real Estate Limited, to the best of my knowledge and belief, certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept the responsibility for establishing and maintaining Internal Controls and that I have evaluated the effectiveness of the Internal Control System of the Company and have not found any deficiencies in the design or operation of the Internal Control System.
- (d) I further certify that:-
 - a. there have been no significant changes in Internal Control (except increase in scope of work of Internal auditor) during this year.
 - b. there have been no significant changes in accounting policies during this year.
 - c. there have been no instances of significant fraud of which we have become aware and the involvement therein, of Management or an Employee having a significant role in the Company's Internal Control System.
- (e) I further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2012-2013.

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Place : Mumbai

Date : 29th May, 2013

DECLARATION PURSUANT TO CLAUSE 49(I)(D) REGARDING COMPLIANCE WITH THE CODE OF CONDUCT BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL.

I, Rahiv Chauhan, Managing Director of Jaybharat Textiles and Real Estate Limited, hereby confirm that the Company has adopted the Code of Conduct for its Board Members and Senior Management Personnel.

I confirm that the Company has, in respect of the Financial Year ended 31st March, 2013, received from the Senior Management Team of the Company and the Members of the Board, a Declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors as on 31st March, 2013.

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Place : Mumbai

Date : 29th May, 2013

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

The Management of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** presents its Analysis report covering performance and outlook of the Company. The Report has been prepared in compliance with the requirement of Corporate Governance as laid down in the Listing Agreement. The Management accepts responsibility for the integrity and objectivity of the financial statements. However, investors and readers are cautioned that this discussion contains certain forward looking Statements that involve risk and uncertainties.

Industry Structure and Developments

Textile Industry:

India's Textiles Industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's export worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing export during 12th Five year plan (2012-2017), envisages India's exports of Textiles and Clothing at USD 64.41 billion by the end of March, 2017. The Textiles Industry accounts for 14% of industrial production, which is 4% of GDP; employ 45 million people and accounts of nearly 11% share of the country's total export basket.

The highlights of Union Budget 2013-2014 in respect of Textiles Sector are Technology Up gradation Fund Scheme (TUFS) to continue in 12th Plan with an investment target of ₹ 1,51,000 crore. The major focus would be on modernisation of the powerloom sector. It is proposed to provide ₹ 2,400 crore in 2013-14 for the purpose.

Allocation of ₹ 50 crore to Ministry of Textile to incentivise setting up Apparel Park within the SITPs to house apparel manufacturing units with an additional grant of upto ₹ 10 crore to each Park.

A new scheme with an outlay of ₹ 500 crore called the Integrated Processing Development Scheme has been proposed to be implemented in the 12th Plan to address the environmental concerns of the textiles industry, including improving the effluent treatment infrastructure. It is proposed to provide ₹ 50 crore in 2013-14 for the scheme.

- Cotton

India is the second largest producer of cotton in the world. The International Cotton Advisory Committee (ICAC) noted that India has produced 7.0 metric tonnes (MT) of cotton during the year. India's production next season is likely to touch 9.0 MT. Cotton is the predominant fabric used in the Indian industry, accounting for nearly 60 per cent of production. The average yield of cotton per hectare in Indian is about 400 kilograms which is considered low. During the year India produced total 47 million bales, out of which 14.5 million has been produced in Gujarat.

- Spinning

The Spinning Industry in India is on set to hit the global market with its enthusiasm and consistency in work. The spinning sector in India is globally competitive in terms of variety, process and production quantity. It has already reached a phenomenal status in India by beating the obstacles that caused a downfall since past few years and is now on its way to cover a wider area in the spinning sector. India has about 54 million spindles (28 per cent of the world).

- Knitting

Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labour intensive.

This sector consists of about 3.9 million handlooms, 470,000 power loom enterprises that operate about 2.8 million looms, and just 162,000 looms in the various composite mills. Power looms are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. Modern shuttleless looms account for less than 1 percent of loom capacity.

Knitting units are successful in export channels. Some of the prominent weaving / knitting clusters include Tirupur in Tamil Nadu and Ludhiana in Punjab.

i) STRENGTHS, WEAKNESSES, OPPORTUNITY AND THREATS

The present global economic scenario provides ample opportunities for strong integrated textile companies such as like your company. Over the years the Company has built up capacities of scale by installing state-of-art production facilities. By reinforcing its position across the value change and presenting customers with diversified range of products, the company has developed sustainable business model with strength and resilience to combat any down turn in demand.

Strengths:

- Various types of raw materials are available in abundance.
- The new age creative and risk taking entrepreneurs.
- Use of latest technology which produces high quality multi-fiber raw material.
- Supportive government policies.
- Strong presence across the entire value chain, from fibre to garments.

Weaknesses:

- The increased global competition due to WTO policies.
- Use of outdated manufacturing technology from the low end suppliers.
- Inefficient supply chain management.
- Lack of trained manpower and low labour productivity due to lack of technological development.
- Additionally, this sector is still unorganised at many levels and needs a lot of government reforms for further improvisation.

Opportunities:

- Large and Favourable demographics in the domestic market; increasing young population coupled with rising income levels.
- Emergence of retail industry as a whole and development of various malls provide huge opportunities for the apparel segment.
- Opportunities in product diversification (for e.g. Technical Textiles).
- Change in consumption pattern, including rising demand for high-quality premium fabrics and development of various products cater to global needs.
- Replacement of the Multi Fibre Agreement (MFA) and integration of the textile industry resulting in huge opportunities for exports. Moreover, gradual development in the technical side of the industry provides an opportunity.

Threats:

- Increased cost based competition from other countries (Bangladesh, Vietnam and Sri Lanka).
- Pricing pressures due to removal of US and EU quotas on imports from China.

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- Fluctuations in the demand in export due to the elimination of quota regime.
- Higher borrowing cost which affects the profitability of the small and medium firms.
- Raising input cost.

ii) GOVERNMENT INITIATIVES

- The highlights of Union Budget 2013-2014 in respect of Textiles Sector are Technology Up gradation Fund Scheme (TUFS) to continue in 12th Plan with an investment target of ₹ 1,51,000 crore. The major focus would be on modernisation of the power loom sector. It is proposed to provide ₹ 2,400 crore in 2013-14 for the purpose.
- Allocation of ₹ 50 crore to Ministry of Textile to incentivise setting up Apparel Park within the SITPs to house apparel manufacturing units with an additional grant of upto ₹ 10 crore to each Park.
- A new scheme with an outlay of ₹ 500 crore called the Integrated Processing Development Scheme has been proposed to be implemented in the 12th Plan to address the environmental concerns of the textiles industry, including improving the effluent treatment infrastructure. It is proposed to provide ₹ 50 crore in 2013-14 for the scheme.

iii) AREA OF CONCERNS

The major areas of concerns are however as follows:

1. Certain Regional trade blocks and trade agreements can change competitive parameters.
2. Enhancement of Preferential Access Programme for select countries. For instance, under the new GSP scheme, formulated by the EU, India's textile sector has been graduated while those from Pakistan and other countries (excluding China) have been included.
3. Evolution of Non Tariff Barriers in the form of packaging/labeling requirements, customs and other formalities; environmental safeguards, sanitary and phyto-sanitary measures.
4. The developed countries continue to seek quantitative restrictions on textiles and clothing. Their imports show that quotas are still being used as an instrument of restraining growth. The recent settlement arrived at by the European Commission under intense domestic pressure undermines the free play of market forces.

iv) OUTLOOK

As the industrial and economic growth of the Country is showing steady improvement, the Company has drawn out and is implementing an action plan which comprises thrust on high margin products, reduction in raw material costs, rationalization of operations and over-heads, optimizing inventory level, selective credit policy to customers and liquidation of slow-moving inventories and overdue receivables.

The Company with its superior product mix and higher value-addition, coupled with the change in industry scenario like more fiscal incentives as announced by Government of India for textile industry, change in consumer preferences from woven to knitted clothes etc., has benefitted significantly during the financial year 2011-2012 and is expected to do the same in the years to come.

B) SEGMENT-WISE PERFORMANCE

The Company's operations can be categorized into two segments namely Textile and Real Estate. However the operations of the Company relates only to the Textile Segment. The same has been detailed in the Financial Results of the Company.

C) RISK AND CONCERN

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results, depending on variety of factors. The risk and concerns faced by the Company are similar to those faced by any growing organization in today's dynamic industrial and economic scenario.

There are no major risk and concern to the Company's operation except from the competitive pricing pressure from cheaper imports, unethical competitions from sick units, free market policies and removal of quantitative restrictions.

D) INTERNAL CONTROL SYSTEM

The Company has been maintaining a well-established procedure for internal control system. For the purpose financial control, Company is adequately staffed with experienced and qualified personnel at all levels and play an important role in implementing and monitoring the statutory and Internal policy control environment. There has been a review conducted by M/s. Rakesh M Agarwal & Co., the Internal Auditor, about the financial and operating controls. The Audit Committee of the Company reviews the adequacy of internal audit functions.

E) FINANCIAL PERFORMANCE VS. OPERATIONAL PERFORMANCE

During the year, the Company has achieved Revenue from operations of ₹ 52,749.72 Lacs in Financial Year 2012-13 as against ₹ 71,857.73 Lacs in previous Financial Year 2011-12. During the year 2012-13 Interest outgo of the Company has registered at ₹ 4288.77 Lacs as against ₹ 3716.43 Lacs in the previous year 2011-12. The Depreciation has registered during the Current Year at ₹ 3930.06 Lacs as against ₹ 3930.06 Lacs for the previous year 2011-12. In the financial year 2012-13 the Company has incurred Net Loss of ₹ 7070.52 Lacs as against Net Loss of ₹ 3864.93 Lacs in Financial Year 2011-12.

F) DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION FRONT

As part of HR-initiatives, thrust is given for Leadership Development to meet the aspirations and long-term goals of the Company. The Company has also laid qualitative objectives to maximize overall growth. Emphasis was placed on building a cohesive workforce to maximize returns to all stakeholders. Focused attention was given for knowledge updating and application of new technologies available to reduce costs and to meet the business challenges. The focus of Human resource is on building and developing intellectual capital through innovative ideas. The industrial relation climate of the Company continues to remain harmonious with focus on quality and safety.

G) RESEARCH AND DEVELOPMENT

Increased globalization has made the marketing of products and retention of customers highly competitive. The need of the hour is total customer satisfaction and value for money from the products marketed. Keeping this objective as paramount, the research and development activities were focused into prompt attention to major customer complaints/ suggestions in order to retain/enhance customer satisfaction. The Company has started launching products of better quality and new look as per customer requirements.

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors.

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AUDITORS' REPORT

To,
The Members of
JAYBHARAT TEXTILES & REAL ESTATE LIMITED

1. We have audited the attached Balance Sheet of **JAYBHARAT TEXTILES & REAL ESTATE LIMITED** as at 31st March, 2013, the Profit and Loss Account of the Company for the year ended on that date and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report)(Amendment) order 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act,1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report in compliance with the Accounting standards referred to in Section 211 (3C) of the Companies Act,1956.
 - e) On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director of the Company in terms of Section 274 (1) (g) of the Companies Act,1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act,1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India except for the retirement benefits which are accounted for on cash basis
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013,
 - ii) in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date and ;
 - iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For A. F. KHASGIWALA & CO
CHARTERED ACCOUNTANT**

**Sd/-
A. F. KHASGIWALA
PARTNER
M. No.006491
Firm Regn no.105114W**

**Place : Mumbai
Date : 29.05.2013**

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 OF AUDITORS' REPORT OF EVEN DATE

On the basis of such checks/ audit procedures as we considered appropriate on the books of accounts produced before us and according to the information and explanation given to us during the course of audit, we state that:

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.
 - (b) The management has at reasonable intervals carried out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
 - (c) No assets have been disposed by the company during the year, therefore reporting under this clause does not arise.
2. In respect of its inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of the stocks, the frequency of such verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) In our opinion, company is maintaining proper records of inventory. The discrepancies noticed on physical verification of the above referred inventories as compared to the book records were not material and have been properly dealt with in the books of account.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls and there is no counting failure for the same.
4. The company has neither granted nor taken secured or unsecured loans to/ from Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly Sub-clause (b), (c) & (d) are not applicable to the company
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, We are of the opinion that the transactions that need to be entered into the register under section 301 have been so entered.
 - (b) According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating to Rs.5,00,000/- (Rupees Five Lacs only) or more during the year in respect of each party have been made at prices which are reasonable having regards to the prevailing market price for such goods, materials or services or the prices at which the transactions for similar goods are services have been made with other parties, where applicable.
6. The Company has not accepted any deposits from the public; hence question of complying with the provision of Section 58A and 58AA of the Companies Act, 1956 and Rules made there under does not arise.
7. In our opinion, the internal audit system of the Company is commensurate with the size of the company and nature of its business.
8. We are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government of India under Section 209 (1) (d) of the Act have been maintained. We have, however, not made a detailed examination of such accounts and records.
9. In respect of statutory dues:
 - (a) According to the records of the company, the Provident Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Cess and other material statutory dues have been regularly deposited during the year with appropriate authorities
 - (b) There are no disputed statutory dues.
10. The Company does not have any accumulated losses as at 31st March, 2013 as the debit balance of statement of Profit or Loss Rs.7070.52 Lacs has been adjusted against surplus and reserves (Refer Note No.2.2) and has not incurred cash losses in the financial year ended on that date or in the immediately preceding year.
11. According to the books of accounts & records of the company, There has been no default in repayment of dues to any Financial Institution or Banks during the year.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/ or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit fund & Nidhi / Mutual benefit / society.
14. During the year, the Company has not dealt in dealing and trading of shares, securities, debentures and other investments.
15. According to the information and explanation given to us and on the overall examination of the Balance Sheet of the Company, We report that no funds raised on short term basis have been used for long term investment by the company.
16. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
17. The Company has not made any preferential allotment of shares during the Year.
18. During the year covered by our audit report the Company has not issued any debentures.
19. The Company has not raised any money by public issues during the year
20. Based upon the Audit Procedures preformed for the purpose of reporting the true and fair view of financial statement and as per the information & explanation given by the Management, we report that no fraud on or by the company has been noticed or reported during the year.

**For A. F. KHASGIWALA & CO
CHARTERED ACCOUNTANT**

**Sd/-
A. F. KHASGIWALA
PARTNER
M. No. 006491
Firm Regn no.105114W**

**Place : Mumbai
Date 29.05.2013**

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BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes No.	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	7,656.75	7,656.75
(b) Reserves and Surplus	2.2	(6,207.18)	863.34
(c) Money received against share warrants		—	—
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	2.3	33,134.85	21,140.79
(b) Deferred Tax Liabilities (Net)	2.4	1,562.15	1,700.60
(c) Other Long Term Liabilities		—	—
(d) Long Term Provisions		—	—
(3) Current Liabilities			
(a) Short-Term Borrowings	2.5	21,186.72	20,802.98
(b) Trade Payables	2.6	252.96	260.81
(c) Other Current Liabilities	2.7	40.77	15,346.56
(d) Short-Term Provisions	2.8	602.08	1,112.62
Total Equity & Liabilities		58,229.10	68,884.45
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.9		
Tangible Assets			
(i) Gross Block		47,312.15	47,312.15
(ii) Depreciation		19,500.04	15,573.98
(iii) Net Block		27,812.12	31,738.17
Capital work in Progress		87.03	87.03
Intangible Assets		—	—
Others	2.10	24.00	28.00
(b) Non-current investments	2.11	840.53	840.53
(c) Deferred tax assets (net)		—	—
(d) Long term loans and advances		—	—
(e) Other non-current assets		—	—
(2) Current Assets			
(a) Current investments			
(b) Inventories	2.12	19,723.28	19,782.82
(c) Trade receivables	2.13	9,040.42	15,431.84
(d) Cash and cash equivalents	2.14	189.61	134.22
(e) Short-term loans and advances	2.15	512.12	841.86
(f) Other current assets		—	—
Total Assets		58,229.10	68,884.46

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No.: 006491
Firm Reg. No.: 105114w

Place : Mumbai
Dated : 29.05.2013

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

Particulars	Notes No.	₹ in Lacs	
		Year Ending 31.03.2013	Year Ending 31.03.2012
I Revenue from operations	2.16	52,749.72	71,857.73
Total Revenue (I)		52,749.72	71,857.73
II Expenses:			
Cost of Sales	2.17	49,497.60	65,968.40
Finance Cost	2.18	4,288.77	3,716.43
Depreciation and Amortization Expense	2.19	3,930.06	3,930.06
Other Administrative Expenses	2.20	2,242.26	2,061.28
Total Expenses (II)		59,958.69	75,676.18
III Profit before exceptional and extraordinary items and tax	(I - II)	(7,208.97)	(3,818.45)
IV Exceptional Items		—	—
V Profit before extraordinary items and tax		(7,208.97)	(3,818.45)
VI Extraordinary Items		—	—
VII Profit before tax		(7,208.97)	(3,818.45)
VIII Tax expense:			
(1) Current tax		—	—
(2) Tax for earlier year		—	—
(3) Deferred tax		(138.45)	46.48
IX Profit(Loss) from continuing operations		(7,070.52)	(3,864.93)
X Profit(Loss) from discontinuing operations		—	—
XI Tax expense of discounting operations		—	—
XII Profit(Loss) from Discontinuing operations		—	—
XIII Profit(Loss) for the year		(7,070.52)	(3,864.93)
XIV Earning per equity share:			
Equity shares of per value Rs.2/-each			
(1) Basic		(1.88)	(1.00)
(1) Diluted		(1.88)	(1.00)
No. of share used in computing earning per share		382,837,500	382,837,500

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are intergal part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No.: 006491
Firm Reg. No.: 105114w

Place : Mumbai
Dated : 29.05.2013

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

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NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2013

NOTE : 2.1 SHARE CAPITAL

Particulars	(₹ in Lacs)	
	As at 31.03.2013	As at 31.03.2012
1 AUTHORIZED CAPITAL		
750000000 Equity Shares of ₹ 2/- each. (Previous Year 750000000 Equity Shares of ₹ 2/-each)	15,000.00	15,000.00
2 ISSUED & SUBSCRIBED		
38,28,37,500 Equity Shares of ₹ 2/- each (Previous Year 38,28,37,500 Equity Shares of ₹ 2/- each)	7,656.75	7,656.75
3 PAID UP CAPITAL	7,656.75	7,656.75
38,28,37,500 Equity Shares of ₹ 2/- each (Previous Year 38,28,37,500 Equity Shares of ₹ 2/- each) (Of the above Equity Shares, 127612500 Shares were allotted as bonus shares by capitalisation of reserves)		
Total	7,656.75	7,656.75

2.1 (a) Details of share holders holding morethan 5 % shares

Name of Shareholders	As at 31st March,2013		As at 31st March,2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Saurabh Kumar Tayal	84885655	22.17	84885655	22.17
Nina Anuj Agarwal Tayal	47201250	12.33	47201250	12.33
Vandana Tayal	44003250	11.49	44003250	11.49
Bhavana Tayal	35670000	9.32	35670000	9.32
Jyotika Tayal	32210625	8.41	32210625	8.41

2.1 (b) Reconciliation of Number of Shares Outstanding as at 1st April 2012 and 31st March,2013 :

EQUITY SHARES :

Particulars	Number	(₹ in Lacs)
Shares outstanding as at the 1st April,2012	382837500	7656.75
Add : Shares issued during the period	NIL	NIL
Shares outstanding as at 31 st March,2013	382837500	7656.75

NOTE : 2.2 RESERVE & SURPLUS

Particulars	(₹ in Lacs)	
	As at 31.03.2013	As at 31.03.2012
(a) Reserves		
General Reserve	2,261.07	2,261.07
Securities Premium Account		
Capital Reserve		
Total (a)	2,261.07	2,261.07
(b) Surplus		
Profit & Loss Account		
Balance brought forward from previous year	(1,397.73)	2,467.20
Add: Net Profit/(Net Loss) for the period	(7,070.52)	(3,864.93)
Total (b)	(8,468.25)	(1,397.73)
Total	(6,207.18)	863.34

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTE 2.3 : LONG TERM BORROWINGS

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
Secured		
1 Term Loan		
From Bank	6,231.91	7,140.79
(Secured by 1st charge over the fixed asset both movable & immovable & 1st charges over the entire Current Assets & personal Guarantee of director)		
2 FITL Working Capital Loan		
From Banks	1,950.32	—
(Accumulated interest facility under CDR mechanism on Working Capital Loan)		
Unsecured		
1 From Corporates	24,952.62	14,000.00
Total	33,134.85	21,140.79

NOTE : 2.4 DIFFERED TAX LIABILITIES

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Depreciation on Fixed Assets	1,562.15	1,700.60
Total	1,562.15	1,700.60

NOTE : 2.5 SHORT TERM BORROWINGS

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
Secured		
Working Capital Loan		
Banks	20,511.40	20,802.98
(Secured by 1st charges on all current assets & 1st charge on pari passu basis with other banks and personal guarantee of Director)		
FITL Term Loan	675.32	—
From Banks		
(Accumulated interest facility under CDR mechanism on Term Loan)		
Total	21,186.72	20,802.98

NOTE : 2.6 TRADES PAYABLE

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Sundry Creditors for Material/Supplies	252.96	260.81
Total	252.96	260.81

NOTE : 2.7 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Interest Accrued & due	40.77	283.11
2 Others Liabilities	—	5,063.45
3 Share Application money received for allotment of securities and due for refund	—	10,000.00
Total	40.77	15,346.56

NOTE : 2.8 SHORT TERM PROVISIONS

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Provision for Taxation	—	—
2 outstanding Expenses payable	602.08	1,112.62
Total	602.08	1,112.62

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NOTE 2.9: FIXED ASSETS (AS ON 31.03.2013)

(₹ in Lacs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		Cost on 01-04-2012	Addition	Deduction	As on 31.03.2013	As on 01-04-2012	During the year	Written back	Upto 31.03.213	As on 31.03.2013	As on 31-03-2012
1	LAND & BUILDING	660.67	0.00	0.00	660.67	0.00	0.00	0.00	0.00	660.67	660.67
2	LAND	23.00	0.00	0.00	23.00	0.00	0.00	0.00	0.00	23.00	23.00
3	LAND AND SITE DEVELOPMENT	858.00	0.00	0.00	858.00	0.00	0.00	0.00	0.00	858.00	858.00
4	PLANT & MACHINERIES	34180.27	0.00	0.00	34180.27	13908.03	3534.24	0.00	17442.27	16737.99	20272.24
5	BUILDING	11454.91	0.00	0.00	11454.91	1617.94	382.59	0.00	2000.53	9454.37	9836.97
6	FURNITURE & FIXTURE	114.55	0.00	0.00	114.55	33.85	7.25	0.00	41.10	73.45	80.70
7	MOTOR VEHICLE	20.76	0.00	0.00	20.76	14.16	1.97	0.00	16.13	4.63	6.60
	TOTAL	47312.15	0.00	0.00	47312.15	15573.98	3926.06	0.00	19500.04	27812.11	31738.17
	Capital Work In Progress	87.03	0.00	0.00	87.03	0.00	0.00	0.00	0.00	87.03	87.03
	TOTAL	47399.18	0.00	0.00	47399.18	15573.98	3926.06	0.00	19500.04	27899.15	31825.20
	Previous Year	47312.15	87.03	0.00	47399.18	11647.92	3926.06	0.00	15573.98	31825.20	35664.23

NOTE : 2.10 FIXED ASSETS (OTHER)

(₹ in Lacs)

Particulars

As at 31.03.2013

As at 31.03.2012

Miscellaneous Expenditure

(To the extent not adjusted or written off)

Balance as per last Balance sheet

28.00

32.00

Less : Written off during the year

4.00

4.00

Total

24.00

28.00

NOTE :2.11 NON CURRENT INVESTMENT

(₹ in Lacs)

Particulars

No.of share

As at 31.03.2013

As at 31.03.2012

(a) Investment in Equity Instruments ;

(i) Quoted Shares

Asahi Fibres Ltd. Of ₹1/- each Fully paid up

32225870

312.00

312.00

(ii) Unquoted Shares

In Subsidiary Companies :

Pulgaon Cotton Mills Ltd. Equity Shares of ₹10/-each fully paid up

22749993

523.53

523.53

In others :

Real Time Properties Ltd. Equity Shares of ₹ 10/- each fully paid up

49994

5.00

5.00

Total

55,025,857

840.53

840.53

Aggregate Book Value of Quoted Investments

312.00

312.00

Aggregate Market Value of Quoted Investments

2474.16

10747.33

Aggregate Book Value of Unquoted Investments

528.53

528.53

NOTE : 2.12 INVENTORIES

(₹ in Lacs)

Particulars

As at 31.03.2013

As at 31.03.2012

1 Raw Material

15,942.69

16,298.02

2 Work-in-Progress

2,621.84

3,281.30

3 Finished Goods

1,110.89

148.42

4 Consumables

47.85

55.07

Total

19,723.28

19,782.82

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTE : 2.13 TRADE RECEIVABLES

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Outstanding for more than six months		
a) Secured, Considered Good :	—	—
b) Unsecured, Considered Good :	72.98	65.04
c) Doubtful	—	—
2 Others		
a) Secured, Considered Good :	—	—
b) Unsecured, Considered Good :	8,967.44	15,366.80
c) Doubtful	—	—
Total	9,040.42	15,431.84

NOTE : 2.14 CASH & CASH EQUIVALENT

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
(a) Cash-in-Hand		
Cash Balance	6.45	8.11
Sub Total (a)	6.45	8.11
(b) Bank Balance		
In Current Account	96.16	39.36
Sub Total (b)	96.16	39.36
(c) Fixed Deposit	87.00	86.75
Sub Total (c)	87.00	86.75
Total [a+b+c]	189.61	134.22

NOTE : 2.15 SHORT TERMS LOANS AND ADVANCES

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
1 Others	311.04	494.73
Advance Recoverable in cash or in kind or for value to be considered good		
2 Subsidiary receivable	201.08	347.12
Total	512.12	841.86

NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE : 2.16 REVENUE FROM OPERATIONS

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
(a) Sale of Product :	52,749.72	73,463.35
Less : Discount / Rebate	—	1,605.62
	52,749.72	71,857.73
(b) Sale of Services :	—	—
(c) Other Income :	—	—
Total	52,749.72	71,857.73

NOTE : 2.17 COST OF SALES

Particulars	As at 31.03.2013	(₹ in Lacs) As at 31.03.2012
a) MATERIALS AND GOODS CONSUMED		
Opening Stock	16,298.02	7,847.20
Add : Purchases	38,225.49	60,956.23
	54,523.51	68,803.43
Less : Closing Stock	15,942.69	16,298.02
Raw Material Consumed	38,580.82	52,505.41
Sub total (a)		
b) Change in inventories		
Opening Stock :		
Finished goods	148.42	2,310.22
Work in progress	3,281.30	1,843.12
Total (i)	3,429.72	4,153.34

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		(₹ in Lacs)	
		As at 31.03.2013	As at 31.03.2012
Particulars			
Closing Stock :			
Finished goods	1,110.89	148.42	
Work in progress	2,621.84	3,281.30	
Total (ii)	3,732.73	3,429.72	
Sub total (b)(i-ii)	(303.01)	723.62	
c) DIRECT/PRODUCTIONS EXPENSES			
Power & Fuel	4,905.57	5,395.09	
Stores & chemical	1,069.74	1,366.12	
Packing Material Consumed	715.06	819.70	
Machinery Spare Parts	566.23	472.55	
Water Charges	41.02	78.62	
Labour Charges	3,276.95	4,152.16	
Repair & Maintenance Machinery	325.59	226.52	
Processing Charges	319.63	228.62	
Sub total (c)	11,219.79	12,739.38	
Total (a+b+c)	49,497.60	65,968.40	
NOTE : 2.18 FINANCE COST		(₹ in Lacs)	
Particulars		As at 31.03.2013	As at 31.03.2012
Interest Cost	4,250.48	3,670.00	
Other borrowing cost	38.29	46.43	
Total	4,288.77	3,716.43	
NOTE : 2.19 DEPRECIATION & AMORTIZATION EXPENSES		(₹ in Lacs)	
Particulars		As at 31.03.2013	As at 31.03.2012
Depreciation	3,926.06	3,926.06	
Miscellaneous Expenses W/off	4.00	4.00	
Total	3,930.06	3,930.06	
NOTE : 2.20 OTHER ADMINISTRATIVE EXPENSES		(₹ in Lacs)	
Particulars		As at 31.03.2013	As at 31.03.2012
Commission & Brokerage	—	15.24	
Sales Promotion Expenses	196.02	248.16	
Transportation Charges	78.22	172.65	
Insurance Charges	18.47	23.01	
Rent,Rates and Taxes	23.02	69.07	
Directors Remuneration	6.00	6.00	
Directors Sitting Fees	2.40	3.24	
Legal & Professional & Consultancy Charges	26.76	30.45	
Travelling & Conveyance	346.01	222.03	
Auditors Remuneration	1.10	1.10	
Telephone Charges	138.45	118.64	
Salary & Bonus	372.05	301.28	
Staff Welfare Expenses	14.09	33.12	
Postage & Telegram	14.79	31.06	
Printing & Stationery	111.33	152.89	
General Expenses	8.79	62.03	
Motor Car Expenses	126.78	88.11	
Electricity Charges	128.06	88.62	
Repairs and Maintenance others	395.78	226.03	
Repairs and Maintenance Building	177.00	101.01	
Advertisement Expenses	36.55	48.01	
Security Charges	18.45	16.44	
Registration & filling Fees	1.28	1.16	
Listing Fees	0.87	1.93	
Total	2,242.26	2,061.28	

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(1) SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP"), and in compliance with the Accounting Standards referred to in section 211 (3C) and other requirements of the Companies Act, 1956

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets etc. Actual results could differ from these estimates.

1.2 REVENUE RECOGNITION:

Sales are recognized on dispatch of goods to customers.

1.3 VALUATION OF INVENTORIES:

Inventory are valued at cost or net realizable value, whichever is lower.

1.4 INVESTMENTS:

Long Term Investments are carried at cost less provision for diminution other than Temporary, if any, in value of such investments.

1.5 FIXED ASSETS :

Fixed assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.

1.6 DEPRECIATION :

Depreciation on fixed assets is provided on straight line method on a pro rata basis at the rates specified in the schedule XIV to the companies Act 1956.

1.7 FOREIGN CURRENCY TRANSACTION:

Foreign currency transactions are converted exchange at the rates prevailing on the dates of the transactions.

1.8 EMPLOYEE BENEFITS:

Gratuity and Leave encashment is accounted for on cash basis as and when paid

1.9. TAXES ON INCOME:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessment / appeals.

Deferred tax has been provided in a accordance with the Accounting Standard-22 – Accounting for taxes on income issued by the ICAI applicable with effect from 1st April 2001

The Deferred tax liability/(assets) as on 31st March, 2013 amounting to Rs (138.45) Lacs is the difference between depreciation as per Income Tax Act and Companies Act.

2.21 OTHERS

a. There are no contracts remaining to be executed on Capital account therefore no advance is to be paid against such contracts.

b. **Contingent Liabilities and Commitments (to the extent not provided for) :**

Particular	(₹ in crores)	
	As at 31st March 2013	As at 31st March 2012
(i) Contingent Liabilities :		
(a) Claims against the company not acknowledge as debt		
(b) Guarantees given by the Company	176.72	116.75
(c) Corporate Guarantee Given :		
[In favour of Bank of India to secure Loan granted to RealTime Properties Limited]		

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- c. AS-18 Related Party Disclosure: Related party disclosures as required by AS-18 "Related Party Disclosures" are given below. [Related parties are as identified by the Company and relied upon by the Auditors]:

A. List of Related Parties.

1. Parties where control exists:

Name of the Party	Relationship
PULGAON COTTON MILLS LTD.	100% Subsidiary company
ASAHI INDUSTRIES LIMITED	Associate Company

- d. Other parties with whom the company has entered into transaction during the year. i) Associates where key management personnel and their relatives have significant influence ; - Nil ii) Key Management Personnel:- Rajiv Chhavan – Managing Director iii) Relative of Key Management Personnel: - Nil

- e. Auditor's remuneration is including Service Tax and Other expenses . The break up is as follows.

	CURRENT YEAR	PREVIOUS YEAR
(a) As Auditors	1.10 Lacs	1.10 Lacs
(b) In other Capacity	_____	_____

- f. The company has paid 6.00 Lacs remuneration to Managing Director. (Previous year 6.00)
- g. The balances of advances, debtors and creditors are confirmed by majority of the parties and efforts are being made for obtaining confirmations from remaining parties.
- h. The company has only one business segment that is "Textiles" and hence segment reporting as required under AS-17 is not applicable issued by ICAI.
- i. There are no parties which can be classified as small scale industries to whom the company owes a sum exceeding Rs.1 lacs, which is outstanding for more than 30 days.
- j. During the year, the company had approached the Corporate Debt Restructuring (CDR) Cell for restructuring of the debts under the CDR mechanism. The company's CDR proposal has been approved by the CDR Empowered Group and the company has given effect thereof in the books during the current financial year. As per the CDR scheme, 01st January, 2012 was fixed as cut-off date. Interest Payable from cut-off date up to 31.03.13 is converted into FITL at the rate approved by CDR.
- k. **Technology up gradation and Modernisation of plant and machinery:-**
Old machines including Ring Frames, requiring huge capital expenditure towards repairs and maintenance consuming high power with low output have been identified and shifted to workshop/godowns for appropriate action under the Technology up gradation and Modernisation Programme of plants and machineries, especially Spinning Machines. This was done to improve the efficiency of the units as per the recommendations of in house Expert Group.
- l. Previous year figures have been rearranged and regrouped wherever necessary to conform to this year's classification.

FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No.: 006491
Firm Reg. No.: 105114w

Place : Mumbai
Dated : 29.05.2013

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

Particulars	2012-2013	(₹ in Lacs) 2011-2012
I. CASH INFLOWS		
(1) From Operating activities		
(a) Profit from operating activities		
Adjustments :		
Depreciation and amortization	3930.06	3930.06
(b) Working capital changes :		
Decrease in Inventories	59.54	599.38
Decrease in Trade Receivable	6391.42	—
Decrease in other current assets	640.78	—
Increase in trade payables	—	—
Increase in other current liabilities	—	4617.81
Increase in provisions	—	198.18
Total of (1)	11021.80	9345.43
(2) From Investing activities		
(a) Proceeds from sale of fixed assets	—	—
(b) Proceeds from sale of investments	—	—
(c) Realisation of long-term loans and advances from subsidiaries / associates / business ventures	—	—
(d) Decrease in other long-term loans and advances	—	—
(e) Decrease in other non-current assets	—	—
(f) Dividend received	—	—
(g) Interest received	—	—
(h) Other income	—	—
Total of (2)	—	—
(3) From Financing activities		
(a) Proceeds from issue of share capital		
(b) Share application money pending allotment		
(c) Proceeds from long-term borrowings	11683.03	—
(d) Proceeds from short-term borrowings	383.74	8354.24
Total of (3)	12066.77	8354.24
Total cash inflows (1+2+3)	23088.57	17699.67
II. CASH OUTFLOWS		
(1) From Operating activities		
(a) Loss from operating activities		
Adjustments :		
Depreciation and amortization	7208.97	3818.45
(b) Working capital changes :		
Increase in inventories	—	7735.39
Increase in trade receivables	—	2596.72
Increase in short-term loans and advances	—	—
Increase in other current assets	—	—
Decrease in trade payables	7.85	279.48
Decrease in other current liabilities	15305.79	—
Decrease in provisions	510.54	—
(c) Direct taxes paid (Net of refunds)	—	—
Total of (1)	23033.15	14430.04

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Particulars	2012-2013	(₹ in Lacs) 2011-2012
(2) From Investing activities		
(a) Purchase of tangible assets / capital work -in-progress	—	87.03
(b) Purchase of intangible assets /assets under development	—	—
(c) Purchase of investments	—	—
(d) Investment in subsidiaries / associates / business ventures	—	—
(e) Payment of long-term loans and advances to subsidiaries / associates / business ventures	—	—
(f) Increase in other long-term loans and advances	—	—
(g) Increase in other non-current assets	—	—
Total of (2)	0.00	87.03
(3) From Financing activities		
(a) Repayment of long-term borrowings	—	3231.66
(b) Repayment of short-term borrowings	—	—
(c) Dividends paid (including distribution tax)	—	—
(d) Interest and other finance costs	—	—
(e) Share issue expenses	—	—
Total of (3)	0.00	3231.66
Total cash inflows (1+2+3)	23033.15	17748.73
III. Net (decrease) / increase in cash and cash equivalents (I - II)	55.39	(49.04)
Add : Cash and cash equivalents at the beginning of the period	134.22	183.26
IV. Cash and cash equivalents at the end of the period	189.61	134.22
	(55.39)	49.04

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Place : Mumbai
Dated : 29.05.2013

Sd/-
Hanuman P Kharwal
Company Secretary

AUDITOR'S CERTIFICATE

We have examined the attached cash flow statement of **JAYBHARAT TEXTILES AND REALESTATE LIMITED** for the year ended 31st March 2013. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Bombay Stock Exchange and is based on and is in agreement with the corresponding Statement of Profit and Loss and Balance Sheet of the company by our report to the members of the company.

For **A. F. KHASGIWALA & CO.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No. 006491
Firm Regn No.105114W

Place : Mumbai
Date : 29.05.2013

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT.1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR FINANCIAL YEAR 2012-13

- | | |
|---|------------------------------|
| Name of the Subsidiary Company | Pulgaon Cotton Mills Ltd. |
| 1. Financial Year of the Subsidiary Company | 31 st March, 2013 |
| 2. Date from which they became the Subsidiary Company: | 14 th March, 2005 |
| 3. a) Number of shares held by "Jaybharat Textiles and Real Estate Ltd. 22750000 Equity Share of ₹ 10/- each" with its nominees in the subsidiary at the end of the financial year of the Company | |
| b) Extent of Interest of holding company at the end of the financial year of subsidiary company | 100% |

DETAILS OF SUBSIDIARY COMPANY	(₹ in Lacs)
1. Capital	2275.00
2. Reserve	0
3. Total Assets	304.79
4. Total Liabilities	304.79
5. Details of Investment	0.00
6. Total Income	0.00
7. Profit (Loss) Before Taxation	0.00
8. Provision for taxation	0.13
9. Profit (Loss) after Taxation	0.54

NOTES: Annual Accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary companies concerned.

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AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of
JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

We have examined the attached consolidated balance sheet of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED and its subsidiaries which together constitute "the group" as at 31st March 2013, the consolidated Profit & Loss a/c and the consolidated Cash Flow Statement of the group for the year ended on that date both annexed thereto. These financial statements are the responsibility of company management. Our responsibility is to express an opinion on these financial statements based on our

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003(CARO) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. We did not audit the financial statements of the subsidiaries namely Pulgaon Cotton Mills Ltd. These financial statements and other financial information have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of these subsidiaries, is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the company, in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Jaybharat Textiles and Real Estate Limited and the separate audited accounts of subsidiaries which have been included in the consolidated financial statements
5. On the basis of the information and explanation given to us and on the consideration of the separate audit reports on the individual audited financial statements of the Jaybharat Textiles and Real estate Limited and its subsidiaries, In our opinion the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the consolidated balance sheet, of the state of affairs of Jaybharat Textiles and Real Estate Limited and its subsidiaries as at 31st March, 2013;
 - b) In the case of the consolidated profit and loss account, of the consolidated Profit & Loss a/c for the year ended on that date.
 - c) In the case of the consolidated cash flow statement of the cash flow for the year ended on that date.

**For A.F.Khasgiwala & Co
Chartered Accountants.**

**Sd/-
A.F. Khasgiwala
Partner**

**Membership No.006491
Firm Regn no.105114W**

**Place : Mumbai
Dated : 29.05.2013**

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes No.	As at 31.03.2013 ₹	(₹ in Lacs) As at 31.03.2012 ₹
I. EQUITY AND LIABILITIES			
1) Shareholder's Funds			
a) Share Capital	2.1	7,656.75	7,656.75
b) Reserves and Surplus	2.2	(6,222.30)	847.68
2) Non-Current Liabilities			
a) Long-Term Borrowings	2.3	33,144.65	21,150.59
b) Deferred Tax Liabilities (Net)	2.4	1,562.15	1,700.60
c) Other Long Term Liabilities		—	—
d) Long Term Provisions		—	—
3) Current Liabilities			
a) Short-Term Borrowings	2.5	21,186.72	20,802.98
b) Trade Payables	2.6	258.21	266.30
c) Other Current Liabilities	2.7	306.10	15,576.92
d) Short-Term Provisions	2.8	602.75	1,113.38
Total Equity & Liabilities		58,495.06	69,115.21
		₹	₹
II. ASSETS			
1) Non-Current Assets			
a) Fixed Assets	2.9		
i) Tangible Assets			
i) Gross Block		47,312.26	47,312.26
ii) Depreciation		19,500.02	15,573.97
iii) Net Block		27,812.24	31,738.29
ii) Capital work in Progress		87.03	87.03
iii) Intangible Assets		484.67	484.67
Others	2.10	24.00	28.00
b) Non-current investments	2.11	317.00	317.00
c) Deferred tax assets (net)		—	—
d) Long term loans and advances		—	—
e) Other non-current assets		—	—
2) Current Assets			
a) Current investments			
b) Inventories	2.12	19,723.28	19,782.82
c) Trade receivables	2.13	9,044.47	15,435.89
d) Cash and cash equivalents	2.14	194.23	135.56
e) Short-term loans and advances	2.15	808.14	1,105.96
f) Other current assets		—	—
Total Assets		58,495.06	69,115.21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

The accompanying notes are integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**

Chartered Accountants

Sd/-

A. F. Khasgiwala

Partner

Membership No.: 006491

Firm Reg. No.: 105114w

Place : Mumbai

Dated : 29.05.2013

For and on behalf of the Board of Directors

Sd/-

Rajiv Chauhan

Managing Director

Sd/-

Deepak Mathur

Director

Sd/-

Hanuman P Kharwal

Company Secretary

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

Sr. No.	Particulars	Notes No.	(₹ in Lacs)	
			Year ending 31.03.2013 ₹	Year ending 31.03.2012 ₹
I	Revenue from operations	2.16	54,560.47	74,040.43
	Total Revenue (I)		54,560.47	74,040.43
II	Expenses:			
	Cost of Sales	2.17	51,301.63	68,049.90
	Finance cost	2.18	4,288.89	4,626.02
	Depreciation and Amortization Expense	2.19	3,930.06	4,137.52
	Other Administrative Expenses	2.20	2,248.19	2,171.35
	Total Expenses (II)		61,768.77	78,984.80
III	Profit before exceptional and extraordinary items and tax	(I - II)	(7,208.30)	(4,944.37)
IV	Exceptional Items		—	—
V	Profit before extraordinary items and tax		(7,208.30)	(4,944.37)
VI	Extraordinary Items		—	—
VII	Profit & Loss on Disposal of subsidy of consolidation		—	(1,425.02)
VIII	Profit before tax		(7,208.30)	(3,519.35)
IX	Tax expense:			
	1) Current tax		0.13	0.22
	2) Deferred tax		(138.45)	46.48
X	Profit(Loss) from continuing operations		(7,069.98)	(3,566.05)
XI	Profit/(Loss) from discontinuing operations		—	—
XII	Tax expense of discounting operations		—	—
XIII	Profit/(Loss) from Discontinuing operations		—	—
XIV	Profit/(Loss) for the period		(7,069.98)	(3,566.05)
XV	Earning per equity share:			
	1) Basic		(1.88)	(0.92)
	2) Diluted		(1.88)	(0.92)
	No.of share used in computing earning per share		382,837,500	382,837,500

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:
The accompanying notes are intergal part of the financial statements

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No.: 006491
Firm Reg. No.: 105114w

Place : Mumbai
Dated : 29.05.2013

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2013

NOTE : 2.1 SHARE CAPITAL

		(₹ in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	AUTHORIZED CAPITAL		
	750000000 Equity Shares of ₹ 2/- each.	15,000.00	15,000.00
	(Previous Year 750000000 Equity Shares of ₹2/-each)		
	1400000 0.01% Redeemable non cumulative Preference Shares of ₹100/-each (of Subsidiary Company)	—	—
2.	ISSUED & SUBSCRIBED		
	38,28,37,500 Equity Shares of ₹ 2/- each	7,656.75	7,656.75
	(Previous Year 38,28,37,500 Equity Shares of ₹ 2/- each)		
	1400000 0.01% Redeemable non cumulative Preference Shares of ₹100/-each (of Subsidiary Company)	—	—
3.	PAID UP CAPITAL	7,656.75	7,656.75
	38,28,37,500 Equity Shares of ₹ 2/- each		
	(Previous Year 38,28,37,500 Equity Shares of ₹ 2/- each)		
	(Of the above Equity Shares, 127612500 Shares were allotted as bonus shares by capitalisation of reserves)		
	1400000 0.01% Redeemable non cumulative Preference Shares of ₹100/-each (of Subsidiary Company)	—	—
Total		7,656.75	7,656.75

2.1(a) Details of share holders holding more than 5 % shares

Name of Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Saurabh Kumar Tayal	84885655	22.17	84885655	22.17
Nina Anuj Agarwal Tayal	47201250	12.33	47201250	12.33
Vandana Tayal	44003250	11.49	44003250	11.49
Bhavana Tayal	35670000	9.32	35670000	9.32
Jyotika Tayal	32210625	8.41	32210625	8.41

2.1(b) Reconciliation of Number of Shares Outstanding as at 1st April 2012 and 31st March, 2013 :

EQUITY SHARES :		(₹ in Lacs)	
Particulars	Number		
Shares outstanding as at the 1st April, 2012	382837500		7656.75
Add : Shares issued during the period	NIL		NIL
Shares outstanding as at 31 st March, 2013	382837500		7656.75

NOTE : 2.2 RESERVE & SURPLUS

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
a)	Reserves		
	General Reserve	2,243.62	2,243.62
	Securities Premium Account	—	—
	Capital Reserve	—	—
	Total (a)	2,243.62	2,243.62
b)	Surplus		
	Profit & Loss Account		
	Balance brought forward from previous year	(1,395.94)	2,170.11
	Add: Net Profit/(Net Loss) for the period	(7,069.98)	(3,566.05)
	Total (b)	(8,465.92)	(1,395.94)
Total		(6,222.30)	847.68

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NOTE : 2.3 LONG TERM BORROWINGS

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Secured		
	Term Loan		
	From Bank		
1.	Term Loan (Secured by 1st charge over the fixed asset both movable & immovable & 1st charges over the entire Current Assets & personal Guarantee of director)	6,231.91	7,140.79
2.	FITL WORKING CAPITAL LOAN from Banks (Accumulated interest facility under CDR mechanism on working Capital loan)	1,950	—
3.	Unsecured		
	From Corporates	24,952.62	14,000.00
	From Others - Vinar & co.	0.80	0.80
	90,7.75% Debenture of 10000/- each	9.00	9.00
	Total	<u>33,144.65</u>	<u>21,150.59</u>

NOTE : 2.4 DIFFERED TAX LIABILITIES

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Depreciation on Fixed Assets	1,562.15	1,700.60
	Total	<u>1,562.15</u>	<u>1,700.60</u>

NOTE : 2.5 SHORT TERM BORROWINGS

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Secured		
	Working Capital Loan		
	From Banks (Secured by 1st charge on all current assets & 1st charges on pari passu basis with other banks and personal Guarantee of director)	20,511.40	20,802.98
	FITL WORKING CAPITAL LOAN from Banks (Accumulated interest facility under CDR mechanism on working Capital loan)	675.32	—
	Total	<u>21,186.72</u>	<u>20,802.98</u>

NOTE : 2.6 TRADES PAYABLE

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Sundry Creditors for Material/Supplies	258.21	266.30
	Total	<u>258.21</u>	<u>266.30</u>

NOTE : 2.7 OTHER CURRENT LIABILITIES

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Interest Accrued & due	40.77	283.11
2.	Others Liabilities	265.12	5,293.60
3.	Advance received from customers	—	—
4.	Share Application money received for allotment of securities and due for refund	—	10,000.00
5.	MSTC	0.21	0.21
	Total	<u>306.10</u>	<u>15,576.92</u>

NOTE : 2.8 SHORT TERM PROVISIONS

		(₹in Lacs)	
Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Provision for Taxation	0.13	0.22
2.	outstanding Expenses payable	602.62	1,113.16
	Total	<u>602.75</u>	<u>1,113.38</u>

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTE 2.9 : FIXED ASSETS AS AT 31.03.2013

(₹ in Lacs)

SR. NO.	PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		COST ON 1/4/2012	ADDITION	DEDUCTION	DISPOSAL	AS ON 31.03.2013	AS ON 01.04.2012	DURING THE YEAR	WRITTEN BACK	DISPOSAL	UPTO 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
(i)	TANGIBLE ASSETS												
1	LAND & BUILDING	660.67	0.00	0.00	0.00	660.67	0.00	0.00	0.00	0.00	0.00	660.67	660.67
2	LAND	23.10	0.00	0.00	0.00	23.10	0.00	0.00	0.00	0.00	0.00	23.10	23.10
3	LAND AND SITE DEVELOPMENT	858.00	0.00	0.00	0.00	858.00	0.00	0.00	0.00	0.00	0.00	858.00	858.00
4	PLANT & MACHINERIES	34180.27	0.00	0.00	0.00	34180.27	13908.03	3534.24	0.00	0.00	17442.27	16737.99	20272.23
5	BUILDING	11454.91	0.00	0.00	0.00	11454.91	1617.93	382.59	0.00	0.00	2000.52	9454.39	9836.98
6	FURNITURE & FIXTURE	114.55	0.00	0.00	0.00	114.55	33.85	7.25	0.00	0.00	41.10	73.45	80.70
7	MOTOR VEHICLE	20.76	0.00	0.00	0.00	20.76	14.16	1.97	0.00	0.00	16.13	4.63	6.60
	TOTAL	47312.26	0.00	0.00	0.00	47312.26	15573.97	3926.05	0.00	0.00	19500.02	27812.24	31738.29
(ii)	Capital Work In Progress	87.03	0.00	0.00	0.00	87.03	0.00	0.00	0.00	0.00	0.00	87.03	87.03
	TOTAL	47399.29	0.00	0.00	0.00	47399.29	15573.97	3926.05	0.00	0.00	19500.02	27899.27	31825.32
	Previous Year	74856.49	87.03	0.00	27544.23	47399.29	11753.99	4131.82	0.00	311.84	15573.97	31825.32	63102.50
(iii)	INTANGIBLE ASSETS	AS ON 31.03.2013	AS ON 31.03.2012										
	GOODWILL	484.67	484.67										

NOTE : 2.10 FIXED ASSETS OTHERS

(₹ in Lacs)

Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
	Miscellaneous Expenditure (To the extent not adjusted or written off)		
	Deferred Revenue Expenditure	28.00	35.52
	Less : w/o During the year	4.00	5.70
	Less : disposal of subsidy of consolidation	—	1.82
	Total	24.00	28.00

NOTE : 2.11 NON CURRENT INVESTMENT

(₹ in Lacs)

Sr. No.	Particulars	No. of share	As at 31.03.2013	As at 31.03.2012
a)	Investment in Equity Instruments ;			
i)	Quoted Shares			
	Asahi Fibres Ltd. of ₹1/- each Fully paid up	32225870	312.00	312.00
ii)	Unquoted Shares			
	In Others Companies			
	Madhu Crimpers Pvt.Ltd.of ₹10/-each fully paid up	10010	—	—
	Real Time Properties Limited Equity shares of ₹10/- each fully paid up	49994	5.00	5.00
	Total	32,285,874	317.00	317.00
	Aggregate Book Value of Quoted Investments		312.00	312.00
	Aggregate Market Value of Quoted Investments		10747.33	10747.33
	Aggregate Book Value of Unquoted Investments		5.00	5.00

NOTE : 2.12 INVENTORIES

(₹ in Lacs)

Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Raw Material	15,942.69	16,298.02
2.	Work-in-Progress	2,621.84	3,281.30
3.	Finished Goods	1,110.89	148.42
4.	Consumables	47.85	55.07
	Total	19,723.27	19,782.82

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NOTE : 2.13 TRADE RECIEVABLES

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Outstanding for more than six months		
a)	Secured, Considered Good :	—	—
b)	Unsecured, Considered Good :	72.98	65.04
c)	Doubtful	—	—
2.	Others		
a)	Secured, Considered Good :	—	—
b)	Unsecured, Considered Good :	8,971.49	15,370.85
c)	Doubtful	—	—
	Total	9,044.47	15,435.89

NOTE : 2.14 CASH & CASH EQUIVALENT

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
a)	Cash-in-Hand		
	Cash Balance	6.73	8.52
	Sub Total (a)	6.73	8.52
b)	Bank Balance		
	In Current Account	100.50	40.29
	Sub Total (b)	100.50	40.29
c)	Fixed Deposit	87.00	86.75
	Sub Total (c)	87.00	86.75
	Total [A + B + C]	194.23	135.56

NOTE : 2.15 SHORT TERMS LOANS AND ADVANCES

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31.03.2013	As at 31.03.2012
1.	Others	589.26	741.05
	Advance Recoverable in cash or in kind or for value to be considered good		
2.	Sundry Deposit	17.58	17.58
3.	Subsidiary receivable	201.08	347.12
4.	Tax deducted at source	0.21	0.21
	Total	808.13	1,105.96

NOTE : 2.16 REVENUE FROM OPERATIONS

		₹	(₹ in Lacs)
Sr. No.	Particulars	Year ending 31.03.2013	Year ending 31.03.2012
a)	sale of Product :	54,559.27	75,550.29
	Less : Discount / Rebate	—	1,605.62
		54,559.27	73,944.67
b)	Sale of Services :	1.20	95.76
c)	other Income :		
	Total	54,560.47	74,040.43

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTE : 2.17 COST OF SALES

Sr. No	Particulars	₹ Year ending 31.03.2013	(₹ in Lacs) Year ending 31.03.2012
a)	MATERIALS AND GOODS CONSUMED		
	Opening Stock	16,298.02	7,847.20
	Add : Purchases	40,027.53	63,036.81
		56,325.55	70,884.01
	Less : Closing Stock	15,942.69	16,298.02
	Raw Material Consumed Sub total (a)	40,382.86	54,585.99
b)	Change in inventories		
	Opening Stock :		
	Finished goods	148.42	2,310.22
	Work in progress	3,281.30	1,843.12
	Total (i)	3,429.72	4,153.34
	Closing Stock :		
	Finished goods	1,110.89	148.42
	Work in progress	2,621.84	3,281.30
	Total (ii)	3,732.73	3,429.72
	Sub total (b)(i-ii)	(303.01)	723.62
c)	DIRECT/PRODUCTIONS EXPENSES		
	Power & Fuel	4,906.23	5,395.49
	Stores & chemical	1,069.74	1,366.12
	Packing Material Consumed	715.06	819.70
	Machinery Spare Parts	566.23	472.55
	Water Charges	41.20	78.73
	Labour Charges	3,276.95	4,152.16
	Repair & Maintenance Machinery	323.76	226.93
	Processing Charges	322.61	228.62
	Sub total (c)	11,221.78	12,740.30
	Total (a+b+c)	51,301.63	68,049.90

NOTE : 2.18 FINANCE COST

Sr. No.	Particulars	₹ Year ending 31.03.2013	(₹ in Lacs) Year ending 31.03.2012
	Interest Cost	4,250.48	4,577.70
	Other borrowing cost	38.41	48.32
	Total	4,288.89	4,626.02

NOTE : 2.19 DEPRECIATION & AMORTIZATION EXPENSES

Sr. No.	Particulars	₹ Year ending 31.03.2013	(₹ in Lacs) Year ending 31.03.2012
	Depreciation	3,926.06	4,131.82
	Miscellaneous Expenses W/off	4.00	5.70
	Total	3,930.06	4,137.52

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NOTE : 2.20 OTHER ADMINISTRATIVE EXPENSES

Sr. No	Particulars	Year ending 31.03.2013	(₹ in Lacs) Year ending 31.03.2012
	Commission & Brokerage,Discount	—	16.70
	Sales Promotion Expenses	196.02	248.16
	Transportation Charges	78.22	172.65
	Insurance Charges	18.47	25.88
	Rent, Rates and Taxes	23.31	70.74
	Directors Remuneration	6.00	6.00
	Directors Sitting Fees	2.80	3.94
	Legal & Professional & Consultancy Charges	27.04	58.58
	Consultancy Charges	—	—
	Travelling & Conveyance	346.95	230.81
	Auditors Remuneration	1.24	1.57
	Telephone Charges	139.41	119.17
	Salary & Bonus	373.37	328.49
	Staff Welfare Expenses	14.51	33.47
	Postage & Telegram	14.79	32.16
	Printing & Stationery	111.75	156.05
	General Expenses	9.03	64.60
	Motor Car Expenses	126.78	88.11
	Electricity Charges	128.06	106.88
	Repairs and Maintenance others	395.78	226.29
	Repairs and Maintenance Building	177.42	103.26
	Advertisement Expenses	36.55	49.86
	Security Charges	18.45	24.70
	Registration & filling Fees	1.38	1.37
	Listing Fees	0.87	1.93
	Total	2,248.19	2,171.35

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(1) SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING CONVENTION & CONCEPTS:

The financial statements have been prepared under the historical cost convention on an accrual basis and accordance with applicable mandatory Accounting Standard.

1.2. PRINCIPLE OF CONSOLIDATION:

- i) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India. The consolidated financial statements have been prepared on the following basis:
- ii) The financial statement of Jaybharat Textiles and Real Estate Limited And its subsidiary companies have been 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 and intra-group transaction and are presented to the extent possible in the same manner as the company's separate financial statement
- iii) Notes on Accounts of the financial statement of the company and all the subsidiaries are set out in their respective financial statement

1.3. FIXED ASSETS

Fixed Assets are stated at cost less depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition

1.4. DEPRECIATION

Depreciation on fixed assets is provided on straight line method on a pro rata basis at the rates specified in the schedule XIV to the companies Act 1956.

1.5. INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower and Stock in progress (WIP) valued at cost.

2.21 OTHERS

- a. The subsidiary companies considered in the consolidated financial statements is:

Name of Subsidiary	Country of Incorporation	%Shareholding & Voting Power
Pulgaon Cotton Mills Ltd.	India	100%

The company has invested ₹523.53 Lacs to acquire 100% equity of Pulgaon Cotton Mills Limited located at Pulgaon as at 31st March, 2013 the Company has Total Reserve of ₹NIL and total Accumulated Losses were 2251.27 Lacs.

- b. The necessary adjustments in consolidated accounts are made in accordance with the Accounting Standard-21 "Consolidated Financial Statement" and Goodwill of ₹ 484.67 Lacs recognized on such consolidation.
- c. Earnings per Share: In accordance with the Accounting Standard -22 Earning per share issued by ICAI
- i. Net Profit available to Equity Shareholder(in Lacs) ₹ (7069.98)
 - ii. Weighted Average No. of Equity shares outstanding at the end of the year 382837500
 - iii. Basic and Diluted Earning per share of ₹ 2- each ₹ (1.88)
- d. Figures of previous year have been re-grouped/re-arranged wherever necessary.

This is the Balance Sheet referred to in our Report of even date.

For **A. F. Khasgiwala & Co.**
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership No.: 006491
Firm Reg. No.: 105114w

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

Place : Mumbai
Dated : 29.05.2013

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

PARTICULARS	2012-2013 (₹ In lacs)	2011-2012 (₹ In lacs)
I CASH INFLOWS		
(1) From Operating activities		
a) Profit from operating activities		
Adjustments :		
Depreciation and amortization	3930.06	4137.52
b) Working capital changes :		
Decrease in inventories	59.55	
Decrease in trade receivables	6391.42	
Decrease in short-term loans and advances	297.82	1053.04
Decrease in other current assets		
Increase in trade payables		
Increase in other current liabilities		
Increase in provisions		183.82
Total of (1)	10678.85	5374.38
(2) From Investing activities		
a) Proceeds from fixed assets disposal of subsidiary cos		27234.21
b) Proceeds from sale of investments		
c) Realisation of long-term loans and advances from subsidiaries / associates / business ventures		
d) Decrease in other long-term loans and advances		
e) Decrease in other non-current assets		
f) Dividend received		
g) Interest received		
h) Other income		
Total of (2)	0.00	27234.21
(3) From Financing activities		
a) Proceeds from issue of share capital		
b) Share application money pending allotment		
c) Proceeds from long-term borrowings	11994.06	
d) Proceeds from short-term borrowings	383.74	8354.24
Total of (3)	12377.80	8354.24
Total cash inflows (1+2+3)	23056.65	40962.83
II CASH OUTFLOWS		
(1) From Operating activities		
a) Loss from operating activities		
Adjustments :	7208.43	3871.12
Depreciation and amortization		
b) Working capital changes :		
Increase in inventories		6770.16
Increase in trade receivables		2597.65
Increase in short-term loans and advances		
Increase in other current assets		

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

PARTICULARS	2012-2013 (₹ In lacs)	2011-2012 (₹ In lacs)
Decrease in trade payables	8.09	599.14
Decrease in other current liabilities	15270.82	3215.94
Decrease in provisions	510.63	
c) Direct taxes paid (Net of refunds)		
Total of (1)	22997.97	17054.01
(2) From Investing activities		
a) Purchase of tangible assets / capital work -in-progress		87.03
b) Purchase of intangible assets /assets under development		
c) Purchase of investments		4.00
d) Investment in subsidiaries / associates / business ventures		
e) Payment of long-term loans and advances to subsidiaries / associates / business ventures		
f) Increase in other long-term loans and advances		
g) Increase in other non-current assets		
Total of (2)	0.00	91.03
(3) From Financing activities		
a) Repayment of long-term borrowings		23915.73
b) Repayment of short-term borrowings		
c) Dividends paid (including distribution tax)		
d) Interest and other finance costs		
e) Share issue expenses		
Total of (3)	0.00	23915.73
Total cash inflows (1+2+3)	22997.97	41060.77
III Net (decrease) / increase in cash and cash equivalents (I - II)	58.67	(97.90)
Add : Cash and cash equivalents at the beginning of the period	135.56	233.46
IV Cash and cash equivalents at the end of the period	194.23	135.56

For and on behalf of the Board of Directors

Sd/-
Rajiv Chauhan
Managing Director

Sd/-
Deepak Mathur
Director

Sd/-
Hanuman P Kharwal
Company Secretary

Place : Mumbai
Dated : 29.05.2013

We have examined the attached cash flow statement of **JAYBHARAT TEXTILES & REAL ESTATE LTD.** for the year ended 31st March 2013. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Bombay Stock Exchanges and is based on and is in Agreement with the corresponding Statement of Profit and Loss account for the year and Balance Sheet as at 31.03.2013 of the company as per report to the members of the company.

For A. F. KHASGIWALA & CO.
Chartered Accountants

Sd/-
A. F. Khasgiwala
Partner
Membership no.6491
Firm Regn No.105114W

Place : Mumbai
Date :29.05.2013

ATTENDANCE SLIP

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

(Please complete this slip and hand it over at the entrance of the Meeting Hall)

28TH ANNUAL GENERAL MEETING

Member's Name (in capital letters)

Folio No. No. of Shares held

DP. ID*	
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Client ID*	
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I hereby record my presence at the 28th Annual General Meeting of the Members of the Company being held on Saturday, 17th August, 2013 at 3:00 p.m. at Village Savlav N.H.No.8, Taluka Pardi Near Vapi, Valsad, Gujarat - 396191.

Signature of the Shareholder or Proxy

* Applicable for investors holding shares in electronic form.

----- CUT HERE -----

PROXY FORM

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Registered Office: Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat- 396191

DP. ID*	
---------	--

Regd. Folio No.	
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Client ID*	
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I/We

of. in the district of

being a Member/Members of the Company, hereby appoint.....

of in the District of

or failing him of in the District of

as my/our Proxy to vote for me/us on my/our behalf at the 28th Annual General Meeting of the Members of the Company to be held on Saturday, 17th August, 2013 at 3:00 p.m. or at any adjournment thereof.

Signed this Day of 2013

* Applicable for investors holding shares in electronic form.

Affix Re. 1/- Revenue Stamp

Note : The Proxy form duly completed and signed must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.





A Tayal Enterprise

JAYBHARAT
TEXTILES AND REAL ESTATE LIMITED

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