

M/s JAYAVANT INDUSTRIES LIMITED.  
First Floor, Jayavant House, Azad Road, Near CBT, Hubli - 20  
sriaribant@hotmail.com

N O T I C E

To  
The Members  
Jayavant Industries Limited

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of the Company will be held at the registered office situated at First Floor, Jayavant House, Azad Road, Near CBT, Hubli 580 020 at 4.00 P.M. on Saturday, the 29th September, 2012 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Statements of Account of the Company as on 31st March, 2012 togetherwith Auditors' and Directors' Reports thereon.
2. To appoint a Director in place of Sri Vinod Babulal Mehta who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors and fix their remuneration. The retiring Auditors Sheshgiri B Kulkarni, Chartered Accountants, Hubli Being eligible, offer themselves for reappointment.

BY ORDER OF THE BOARD OF DIRECTORS  
For JAYAVANT INDUSTRIES LIMITED

Date: 01.09.2012  
Place: Hubli

  
Sameer Singh  
Director

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote in his stead and such Proxy need not be a Member of the Company. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. The Register of Members and the Share Transfer Registers of the Company will remain closed from 24.09.2012 to the close of the working hours on 29.09.2012. (Both days Inclusive).
3. Members are requested to notify any change in their addresses to the Registered Office of the Company so that Notices and other communications are correctly dispatched.
4. Members who are holding shares in identical order of names in more than one folio are requested to write to the Registered Office of the Company to enable the Company to consolidate their holdings in one folio.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company atleast seven days before the date of the Meeting, to enable the management to keep the full information ready.

## DIRECTORS' REPORT

To  
The Members  
Jayavant Industries Limited

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the audited accounts of the Company for the year ended 31st March 2012.

FINANCIAL RESULTS	Rs. in Lacs	
	2011-12	2010-11
Turnover / Income	0.43	0.19
Profit / Loss before taxes	-8.94	-9.95
Loss for the year	-8.94	-9.95

During the year the Company could not carry out any substantial business due to the shortage of the working capital funds.

**DIVIDEND** Looking to the absence of activity and the losses incurred by the Company in the past your directors express their inability to recommend any dividend to the members for the year.

**OPERATIONS** In the light of no fixed assets owned and business having been stopped, the directors are planning to focus on other activities of the company and on the other lines of business where the investments as compared to other businesses is less and margins are higher. Your directors however, are under active consideration of various alternative plans of businesses for the future once the working capital funds are available.

You are requested to consider the enclosed statement of accounts as drawn upto 31.03.2012 and approve the same.

**R & D :** The Inhouse R&D will be continued in its efforts in the fields of labour welfare, improved morale, optimum use and other cost reduction measures which had shown good results when the unit of the company was operational. However the future activity in this respect will depend on the restarting of the activities of the company.

**DIRECTORS:** Pursuant to the Provisions of the Companies Act, 1956, Sri Vinod Babulal Mehta will retire by rotation and being eligible, offers himself for reappointment. You are requested to reappoint Sri Vinod Babulal Mehta.

**AUDITORS** You are requested to appoint Auditors for the Current year and fix their remuneration. Mr. Sheshagiri Kulkarni, Chartered Accountants, Hubli who retire at the ensuing Annual General Meeting being eligible offer themselves for reappointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT** Pursuant to the requirements under section 217(2AA) of the companies Act, 1956 with respect to Director's Responsibility statement it is hereby confirmed :

1. that in the preparing of annual accounts for the financial year ended 31st March 2012 the applicable accounting standards had been followed alongside proper explanation relating to material departures.

2. 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 of the profit or loss of the company for the year under review.

3. 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 fraud and other irregularities.

4. that the directors have not prepared the accounts for the financial year ended 31.03.2012 on a going concern basis as the activities of the company have been completely stopped for the want of working capital funds and these factors raise substantial doubt that the company will be able to continue as a going concern.

**DEPOSITS** During the year under report your company has not accepted or renewed any deposits from the public.

**PARTICULARS OF EMPLOYEES** There is no employee in the Company who drew Rs 60,00,000 per annum or more, where employed for the whole year or Rs 5,00,000 per Month or more where employed for part of the year whose particulars are required to be furnished Under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees), Rules, 1975.

**ADDITIONAL INFORMATION** There are no particulars required to be furnished in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, 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 as the Company has not employed any foreign technology, there are no foreign exchange earnings and outgo during the period under review, the unit being involved administrative functioning the power consumption is minimal and is mainly for lighting etc.

**AUDIT COMMITTEE** Pursuant to provisions of Section 292(A) of the Companies Act, 1956 and clause 49 of the listing agreement with the Stock Exchanges, an audit committee is constituted under the Chairmanship of Sameer T Singh, an independent director of the company. The Audit Committee had two sittings on 01.09.2011 and 30.03.2012 wherein it reviewed the draft final accounts of the company for the year ended 31st March, 2011. The Committee also discussed the scope of work and other related activities of the Audit Committee.

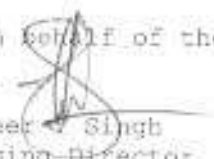
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT** The Management Discussion and Analysis Report as per requirements under CL V(A) of the Corporate Governance Provisions prescribed under Clause 49 of the Listing Agreement is furnished in the enclosure forming part of this Report.

**CORPORATE GOVERNANCE PROVISIONS** Pursuant to the provisions of Listing Agreement, the Company has adopted Corporate Governance provisions. Accordingly your Company has complied with the mandatory requirements of the said Corporate Governance provisions. Corporate Governance Report is furnished separately forming part of this Annual Report.

**INDUSTRIAL RELATIONS** Industrial Relations between the workmen and management had continued to be cordial when operational. Your Directors express their deep appreciation of the dedicated services rendered by the workmen, staff and officers of the Company.

ACKNOWLEDGEMENTS Your Directors place on record their appreciation of the whole-hearted support and co-operation received from the Financial Institutions, State and Central Government Departments, Banks and Members of the Company.

For and on behalf of the Board

  
Sameer T Singh  
Managing Director

Dated : 01.09.2012

## MANAGEMENT DISCUSSION & ANALYSIS REPORT FORMING PART OF DIRECTORS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

The company had been engaged in the manufacture and sale of hill grass brooms, suparis etc which are a household consumable product and are basically sold on the quality of grass and other ingredients used with added support of brand image. Even technological innovations from time to time in the manufacture and mix of the grass with innovative handles developed in the inhouse research and development centers had contributed to the building up of market share when the company's commercial activities were operational.

Later, On account of high competition and low margin in the manufacture of brooms the main focus of the Company during the past had been shifted on the trading activity of the hill grass brooms. However due to the non availability of the working capital funds, the company has completely stopped its business activity. The company also tried to focus into the other areas of operations however they were also not found promising and hence those ideas were also dropped.

### DISCUSSION ON FINANCIAL / OPERATIONAL PERFORMANCE

For the year under report the Company has not carried out any business and has incurred losses in terms of administrative expenses etc.

### INTERNAL CONTROL SYSTEMS AND ADEQUACY

The day to day administration of the Company is being looked after by Sri Sameer T Singh, the Director. The Company has three sub-committees of the Board namely:

- 1 Audit Committee
- 2 Shareholders Grievance Committee
- 3 Share Transfer Committee

All significant matters in the day to day administration are subject to the scrutiny and control of the Committee of Directors functioning under the Chairmanship of Sri Sameer T Singh. The Company has a sound and experienced Internal Audit System under the supervision of its Chairman who directly reports to the Board.

### OPPORTUNITIES AND THE OUTLOOK

Basically the grass business is dependent on various factors like the daily fluctuation of the prices, dealing with the illiterate class of the cultivators, competition from the unorganised sectors, weather conditions, the

government policies etc which are unpredictable and non dependable. With the gradual elimination of the illiteracy and awareness about the hygiene and the people becoming health conscious brooms market was expected to expand. However with the entry of the new and improvised methods and cleaning tools the brooms business has been losing the market. Your company hopes to commence its business once the working capital funds are available.

#### THREATS

As on the date of this report, in India, there are a variety of the products available for cleaning and upkeeping of the premises. The housekeeping has been automated with the innovative electrical and electronic gadgets. However the brooms are still popular in the middle class families and in rural place.

#### RISKS AND CONCERNS

The Company has sold its brooms business and has diversified into trading business. The experience in the industry had been in manufacture and sale however in trading the same experience was applied and the further required expertise was hired. Due to non availability of the working capital funds the company has completely stopped its brooms business.

#### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company had introduced control techniques in all its divisions to ensure proper and adequate control, facility, transparency and accuracy. There was an established personnel department liaising between the management and the staff/workers. The understanding between the Management and the staff and workers had continued to be cordial. However due to non availability of the working capital funds the company has completely stopped its business.

#### CORPORATE GOVERNANCE REPORT

##### 1. PHILOSOPHY AND CORPORATE GOVERNANCE

The philosophy of the Company has been to ensure clarity and efficiency in the administration by means of strict compliance with the quality standards, customer satisfaction and compliance with requirements of all applicable laws and regulations. Complaints and grievances from customers and investors are treated as scales for judgment of efficiency of the concerned segments of administration. Customer care and customer proximity are given due weightage to maintain market potential.

2. BOARD OF DIRECTORS: As on date of this report the composition, category and break-up of the Board of Directors is as follows :

##### 2.1 Non-Executive Directors

- |                                     |                        |
|-------------------------------------|------------------------|
| 1. Sri Sameer T Singh               | : Independent Director |
| 2. Sri Shrenikraj Ghevarchand Mehta | : Independent Director |
| 3. Sri Vinod Babulal Mehata         | : Independent Director |

The Board has 3 independent directors i.e. more than 33% against the prescribed minimum of One Third. Sri Sameer T SINGH is the Chairman. The Board has no nominee director from any financial institution in it's capacity as either Lender or Shareholder.



None of the above said non-executive directors have any pecuniary relationship or transaction with the Company excepting receipt of Sitting Fees and reimbursement of expenses incurred for the Board Meetings attended.

#### 2.4 Brief Particulars of Directors appointed / reappointed

Pursuant to provisions of Clause VI A of the Corporate Governance Provisions, brief particulars of directors proposed to be appointed /reappointed as per the Notice of the Annual General Meeting forming part of this Annual Report are furnished hereunder:

Sri Sameer T Singh, is an experienced person with marketing background. He was actively associated with the company while planning and executing the various diversification plans of the company under the division of the export license business. He has hands on experience of over 18 years in the line. He is not on the Board of any other company.

Sri Shrenikraj G Kothari, is an experienced person with commercial background. He was actively involved in successful functioning of commercial activity in the line of exports and services related to exports. He was actively associated with the company while planning and executing the various diversification plans of the company under the division of the export license business. He has hands on experience of over 20 years in the line. He is not on the Board of any other company. He was a Director of this Company earlier.

Sri Vinod Babulal Mehata, is an experienced person with commercial background. He was actively involved in commercial activities in the line of exports and services related to exports. He was associated with the company while planning and executing the various diversification plans of the company under the division of the export license business. He has hands on experience of over 5 years in the line. He is not on the Board of any other company.

#### 2.5 Meetings, Attendance and Membership of Committees

During the year under report 7 Board Meeting were held on 30.04.11, 30.07.11, 31.09.11, 30.10.11, 02.01.12, 30.01.12 and 12.02.12. The gap between any two consecutive Board Meetings has not exceeded four months. The following are particulars of meeting held and the attendance thereat.

Name of the Member	No. of Meeting	
	Held	Attended
Sri Sameerkumar Talukdar Singh	7	7
Sri Shrenikraj Ghevarchand Kothari	7	7
Sri Vinod Babulal Mehata	7	7

#### 3. AUDIT COMMITTEE

The composition of the Audit Committee has three Non-executive directors namely Sri Sameer T Singh and Sri Sameer T Kokane and Sri Shrenikraj G Kothari and Sri Vinod B Mehata who are independent directors.

The three members of the Audit Committee are non-executive Directors with majority being of non executive directors. The Chairman, Sri Sameerkumar T Singh is an independent non-executive director and is having knowledge of financial and accounting matters.

Brief terms of reference include monitoring, analysing and reporting to Board on (a) Accounting policies, practices and procedures (b) Compliance with Accounting Standards (c) related party transactions (d) Compliance with all applications of law (e) internal control procedures (f) review of periodical accounts (g) internal audit (h) director's appointments, remuneration and related matters of law (i) complaints and short-falls in the financial management etc.

During the year under report two meetings of the Committee were held on 01.09.11 and 30.03.12. The Meeting held on 01.09.11 was for the purpose of considering the audited accounts for the year ended on 31.03.2011. The following are particulars of meeting held and the attendance thereat.

Name of the Member	No. of Meeting	
	Held	Attended
Sri Sameerkumar Talukdar Singh	2	2
Sri Shrenikraj Ghevarchand Kothari	2	2
Sri Vinod Babulal Mehata	2	2

#### 4. SHAREHOLDERS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

4.1 Composition: The following are the members:

1. Sri Sameerkumar Talukdar Singh	Independent Director
2. Sri Shrenikraj G Kothari	Independent Director
3. Sri Vinod Babulal Mehata	Independent Director

Sri Sameer T Singh, the non-executive Director is the Chairman of the Committee.

4.2 Status of Complaints: The status of Complaints received as on the date of this report are as under:

a) Number of complaints received	:	0
b) Number of valid complaints	:	0
c) Number of complaints pending	:	Nil
d) Number of pending share transfers	:	Nil

Share transfer are being attended on fortnightly basis when received. During the year under report four meetings of the Committee were held on 30.04.11, 01.09.11, 30.01.12, and 12.02.12. The following are particulars of meeting held and attendance thereat.

Name of the Member	No. of Meeting	
	Held	Attended
Sri Sameerkumar T Singh	4	4
Sri Shrenikraj Ghevarchand Kothari	4	4
Sri Vinod Babulal Mehata	4	4

Since no remuneration is paid to any directors the remuneration committee has not been constituted.

#### 5. GENERAL BODY MEETINGS

The three previous Annual General Meetings of the Company were held at the registered office of the company situated at First Floor, Jayavant House, Near CBT, Azad Road, Hubli - 20 on the following dates:

5.1	Year Ended	Date of the meeting	Time
	2005-2006	30.09.2006	4.00 PM
	2006-2007	29.09.2007	4.00 PM
	2007-2008	30.09.2008	4.00 PM
	2008-2009	30.09.2009	4.00 PM
	2009-2010	30.09.2010	5.00 PM
	2010-2011	30.09.2011	5.00 PM

All the directors attended the Annual General Meeting held on 30.09.11

5.2 Postal Ballot regulations were not applicable for the aforesaid meetings.

#### 6. DISCLOSURES

6.1 There were no materially significant related party transactions during the year.

6.2 The Company has regularly complied with applicable laws in respect of disclosures to Stock Exchanges, SEBI and other statutory authorities. As such the Company was not subjected to any penalty on any matters related to capital markets during the last three years.

#### 7. MEANS OF COMMUNICATION

7.1 The Company does not send Half-Yearly report to each shareholders address. Specific requests, if any, are and will be attended on merits.

7.2 The quarterly results were submitted to stock exchanges regularly.

7.3 So far, the Company has not displayed the financial results on the Company's website.

#### 8. SHAREHOLDERS' INFORMATION (GENERAL)

8.1 Listing of Shares of the Company : The Equity Shares of the company have been listed on the following stock exchanges namely :

1. The Bangalore Stock Exchange Limited, Bangalore (Regional)
2. The Stock Exchange, Ahmedabad.
3. Madras Stock Exchange, Chennai.

8.2 Annual General Meeting : The Sixteenth Annual General Meeting of the company will be held on 29th September 2012 at the Registered office of the company at 4.00 PM.

8.3 Date of Book Closure : The Register of Members and the Share Transfer Registers of the Company will remain closed from 24.09.2012 to the close of the working hours on 29.09.2012. (Both days Inclusive).

8.4 Transfer of Shares : The Company is having an inhouse facility to effect the transfer and render the similar allied services to the Shareholders. The Transfer deeds may be lodged at the Company's Registered office situated at



First Floor, Jayavant House, Azad Road, Near CBT, Hubli - 580 020. During the year the company has appointed M/s Satellite Corporate Services Pvt Ltd, B-302, Sony Apartment, Opp. St Jude High School, Off Andheri Kurla Road, Jorimari, Sakinaka, Mumbai-400072 having their phone Numbers as 022 28520461/62. Fax: 022 28511809 and their mail ID as service@satellitecorporate.com.

#### 8.5 Distribution of Shareholding as on 31.03.2012

Nominal Value of Share Rs.		No. of Shareholders		Share Amount in Rs. % to Paid-up capital	
FROM	TO	FOLIOS	%	AMOUNT	%
1	5000	3050	98.90	19275000	35.77
5001	10000	7	0.23	514000	0.95
10001	20000	8	0.26	1066000	1.98
20001	30000	3	0.10	745000	1.38
30001	40000	1	0.03	301000	0.56
40001	50000	0	0.00	0	0.00
50001	100000	2	0.06	1472000	2.73
100001	AND ABOVE	13	0.42	30508000	56.62
TOTAL		3084	100.00	53881000	100.00

#### 8.6 Compliance of Non-mandatory requirements under Corporate Governance Provisions

The Company has taken action to comply with the Non-mandatory requirements mentioned at Annexure III of the Corporate Governance Provisions to the following extent:

(a) The Chairman is Non-Executive director and is entitled to reimbursement of expenses incurred for the business purposes of the Company.

(b) The Company has constituted Committees with 3 non-executive directors to examine and recommend to the Board on all aspects of the tasks assigned to them.

(c) The Company will comply with Postal Ballot procedure wherever applicable.

#### 8.7 General

(a) Member/s of the Company may nominate a person to whom share/s held by such Member/s shall vest in the event of the death of such Member/s. Such Nomination should be in Form No. 2B.

(b) Members may please furnish their Bank Account Numbers and the name and address of the concerned Bank to enable the Company to draw the instruments, in case of any payments, on Payee's account, to avoid fraudulent encashments etc.

#### 8.8 Compliance Officer :

Sri Sameer T Singh, Chairman at the Registered Office of the Company at Hubli is the Compliance Officer for purposes of CL 47 of the Listing Agreement.

#### 8.9 Address for Communication


Members may contact the Chairman at the Registered Office of the Company at First Floor, Jayavant House, Azad Road, Near CBT, Hubli - 580 020 (Phone 0836-2261983, Fax - 0836 - 2261964 for any clarification or grievances, if any, regarding the shares, dividends, share transfers etc the members may contact M/s Satellite Corporate Services Pvt Ltd, B-302, Sony Apartment, Opp. St Jude High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai-400072 having their phone Numbers as 022 28520461/62. Fax: 022 28511809 and their mail ID as service@satellitecorporate.com.


#### 9. AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE PROVISIONS

In compliance with Sub clause VIII of the Corporate Governance Provisions prescribed under CL 49 of the Listing Agreement, the required Certificate from Auditors certifying compliance with Corporate Governance provisions is annexed to this Report.

for and on behalf of the Board of Directors

Place : Hubli  
Date : 01.09.2012

  
Sameer T. Singh  
Chairman

  
Shrenikraj G Kothari  
Director

**AUDITORS' REPORT :-**

The Members,

**JAYAVANT INDUSTRIES LIMITED**

1. We have audited the attached Balance Sheet of **JAYAVANT INDUSTRIES LIMITED** as at 31<sup>st</sup> March 2012 and also Statement of Profit & Loss 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act 1956, we annex here to a statement on the matter matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, We report that
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by Company so far as appears from our examination of the books.
  - c) The Company has incurred a net loss of Rs. 8,94,148.23 during the year ended 31<sup>st</sup> March 2012 and, as of that date, the Company's current liabilities exceeded its current good assets by Rs.3,22,99,089/- and its total liabilities exceeded its total assets by Rs.1,68,18,735.01. The ability of the company to continue as a going concern is dependent on the future business plans of the Company for which no indications do exist as referred to in Note 1.5 of Note 1, however the financial statements have been prepared on a going concern basis based on matters as set forth in Note No. 1.1 of "Notes on Accounts"
  - d) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - e) In our opinion the Balance Sheet and Statement of Profit and Loss dealt with by this report Comply with the accounting standards referred to the sub-section (3C) of Section 211 of the companies Act, 1956. Except Accounting Standard 22, the company considering accumulated losses and management's perception of virtual uncertainty of making profit in the past results have not created or assumed any deferred tax asset or deferred tax liability for the current year as required to be done according to the Accounting Standard 22 issued by Institute of Chartered Accountants of India.
  - f) On the basis of the written representations from the Directors, taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a Director in terms section 274 (1) (g) of the Companies Act 1956.
  - g) In our opinion, and to the best of our information and according to the explanation given to us, the accounts read together with the accounting policies and notes given in Note 1 & 2 give the information required by the Companies Act 1956 in the manner so required and give true and fair view.
    - I. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012.
    - II. In the case of Statement of Profit and Loss of the **Loss** for the twelve months period ended on that date.
    - III. In case of cash flow statement, of the cash flows for the year ended on that date

Place: Hubli

Date: 1/9/2012

  
Sheshgiri B. Kulkarni,  
Chartered Accountant,  
M. No; 204612

**ANNEXURE TO  
THE AUDITORS' REPORT OF JAYAVANT INDUSTRIES LIMITED**

Referred to in Paragraph 3 of our Report of even date

1. Maintenance of proper records showing full particulars regarding the quantitative details and situation of fixed assets of the Company, and physical verification of Assets by the management is not applicable for the year, as company does not hold any Fixed Assets.
2.
  - a. According to information and explanation given to us, physical verification of inventory has not been conducted by the management as there was no trading or manufacturing activity during the year and the Company did not deal with any kind of inventory
  - b. In our opinion and according to the information and explanation given to us procedures of physical verification of Inventory followed by the management reasonable and adequate in relation to the size of the company and nature of its business but there was no trading of inventory in the financial year 2011-12.
  - c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification; however there was no trading during the year.
3. The Company has not taken/granted any loans, secured or unsecured from/to companies, firms or other parties listed in Register maintained under Section 301 of the Companies Act 1956
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and sale of goods. However company did not purchase or sell inventories during the year. There are no continuing failures to correct major weaknesses in internal control.
5. To the best of our knowledge and belief and as explained to us, the Company has not entered into any transactions during the year under preview, which required to be entered in the Register maintained under section 301 of the Companies Act 1956
6. Company has not accepted any deposits from the public as explained under section 58A of the Companies Act 1956 and the companies (Acceptance of deposits) rules 1975.
7. In our opinion, the Company has no internal audit system commensurate with the size and nature of its business.
8. Provisions of Section 209 (1) (d) of the Companies Act 1956 relating to maintenance of cost records are not applicable to this Company.
9. According to the information and explanations, given to us, there are no undisputed amounts remaining to be deposited in respect of Provident fund, Investor Education and protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Customs duty, Excise duty, cess Which has remained arrears, as at 31<sup>st</sup> March 2012 for a period of more than six months from the date they become payable .
10. In our opinion accumulated losses of the Company are more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and it has also incurred cash losses during the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to financial Institution, Bank or debenture holders during the year covered for audit.
12. According to the information and explanation given to us the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.



13. The Company is not chit fund or Nidhi, mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor Report) Order 2003 are not applicable to the Company.
14. In our opinion, the proper records have been maintained of transactions and contracts and timely entries have been made therein in respect of shares and securities held by the Company. Shares, Securities and other securities have been held by the Company, in its own name.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Bank or financial institution.
16. As per the information and explanations given to us, the Company has not availed any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital or losses.
18. According to the information and explanations given to us no preferential allotment of shares has been made by the company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act.
19. The Company has not issued any secured debentures.
20. The company has not raised any money through a public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during year.

Place: Hubli  
Date: 1/9/2012



  
Sheshgiri B. Kulkarni,  
Chartered Accountants,  
M. No. 204612



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE PROVISIONS**

Auditors' Certificate on compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements.

To,  
**The Members**  
**Jayavant Industries Ltd.,**

We have reviewed the compliance of conditions of Corporate Governance by Jayavant Industries Ltd., for the year ended 31<sup>st</sup> December, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/ Investors Grievance Committee.

On the basis of our review and according to the information and explanations given to us, the conditions of corporate Governance as stipulated in Clause 49 of the listing agreements with Stock Exchanges have been complied with in all material respect by the Company.



  
**Sheshgiri B Kulkarni**  
Chartered Accountant  
M. No. 204612

Place: Hubli  
Date: 1/9/2012



*Auditor's Certificate*

We have examined the above cash flow statement of Jayavant Industries Limited for the year ended 31<sup>st</sup> March 2012, which is based on and in agreement with the audited accounts for the relevant financial Year. According to the information and explanations given to us, the aforesaid Cash Flow Statement prepared by the Company is in accordance with the requirements of clause 32 of the Listing Agreement with the Stock Exchanges.

Place: Hubli  
Date: 01/09/2012



  
Sheshgiri B. Kulkarni  
Chartered Accountant

# JAYAVANT INDUSTRIES LIMITED

Regd. Office: First Floor, Jayavant House, Azad Road, Near CBT, Hubli

## BALANCE SHEET AS AT 31ST MARCH 2012

	Note	As at 31.03.2012	As at 31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	2.1	45,356,629.00	45,356,629.00
(b) Reserves and surplus	2.2	(16,818,735.01)	(15,924,586.78)
<b>(4) Current liabilities</b>			
(b) Trade payables	2.3	5,000.00	59,135.00
(c) Other current liabilities	2.4	4,471,773.00	3,720,840.00
<b>TOTAL</b>		<b>33,014,666.99</b>	<b>33,212,017.22</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(d) Long-term loans and advances	2.5	650,000.00	819,000.00
<b>(2) Current assets</b>			
(c) Trade Receivables	2.6	32,299,089	32,299,089
(d) Cash and cash equivalents	2.7	65,577.99	93,928.22
		<b>33,014,666.99</b>	<b>33,212,017.22</b>
Significant Accounting Policies and Notes To Accounts	Note 1 & 2	-	-

As per my report of even date

  
Sheshgiri B. Kulkarni,  
Chartered Accountants,  
Place: Hubli  
Date: 01.09.2012



For & on behalf of the Board

  
Director

  
Director

# JAYAVANT INDUSTRIES LIMITED

Regd. Office: First Floor, Jayavant House, Azad Road, Near CBT, Hubli

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

(In Rs.)

	Note	As at 31.03.2012	As at 31.03.2011
II. Other Income	2.8	43,450.00	19,000.00
III. Total Revenue		43,450.00	19,000.00
IV. Expenses:			
Finance costs	2.9	11,235.23	1,630.38
Other expenses	2.10	926,363.00	1,012,200.00
Total expenses		937,598.23	1,013,830.38
V. Profit before exceptional and extraordinary items and tax		(894,148.23)	(994,830.38)
IX. Profit Before Tax		(894,148.23)	(994,830.38)
X. Tax Expense:		-	-
XV Profit (Loss) for the period		(894,148.23)	(994,830.38)
		-	-
Earnings Per Equity Share			
a) Basic	2.11	(0.20)	(0.22)
b) Diluted	2.11	(0.20)	(0.22)

Significant Accounting Policies and Notes To Accounts Note 1 & 2

As per my report of even date

For & on behalf of the Board

  
Sheshgiri B. Kulkarni  
Chartered Accountants  
Place: Hubli  
Date: 01.09.2012



  
Director

  
Director

Note No.	NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2012	
<b>2.1</b>	<b>SHARE CAPITAL</b>	
	<b>As at 31.03.2012</b>	<b>As at 31.03.2011</b>
<b>AUTHORISED</b>		
60,00,000 Equity shares of Rs.10 each	60,000,000.00	60,000,000.00
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL:</b>		
Share capital at the beginning	53,881,000.00	53,881,000.00
53,88,100 Equity shares of Rs.10 each		
Less: Allotment money in arrears	(8,524,371.00)	(8,524,371.00)
<b>Share capital at the end of the year</b>	<b>45,356,629.00</b>	<b>45,356,629.00</b>
53,88,100 Equity shares of Rs.10 each		
<i>Of the above share capital, none of the shareholders hold 5% or more of shareholding.</i>		
<b>2.2</b>	<b>RESERVES AND SURPLUS</b>	
	<b>As at 31.03.2012</b>	<b>As at 31.03.2011</b>
Deficit in Statement of Profit and Loss		
Opening balance of deficit	(15,924,586.78)	(14,929,756.40)
deficit for the year	(894,148.23)	(994,830.38)
<b>Closing balance of Deficit</b>	<b>(16,818,735.01)</b>	<b>(15,924,586.78)</b>
<b>2.3</b>	<b>TRADE PAYABLES</b>	
	<b>As at 31.03.2012</b>	<b>As at 31.03.2011</b>
Sundry Creditors for expenses	-	54,135.00
Audit Fees Payable	5,000.00	5,000.00
	<b>5,000.00</b>	<b>59,135.00</b>
<b>2.4</b>	<b>OTHER CURRENT LIABILITIES</b>	
	<b>As at 31.03.2012</b>	<b>As at 31.03.2011</b>
<i>Other Payables</i>		
Navkar Corporation Ltd	2,556,513.00	1,105,580.00
Preeti Logistics Ltd	-	700,000.00
Siddhartha Corporation Ltd	1,895,260.00	1,895,260.00
<i>Dues to Directors</i>		
Mr. Sumer Singh	20,000.00	20,000.00
<b>Total</b>	<b>4,471,773.00</b>	<b>3,720,840.00</b>



**2.5 LONG-TERM LOANS AND ADVANCES**

	As at 31.03.2012	As at 31.03.2011
<i>Security Deposits - unsecured and considered good</i>		
Rent Deposits	50,000.00	219,000.00
<i>Other Loans and advances- unsecured and considered good</i>		
BheemSen Khurana	600,000.00	600,000.00
<b>Total</b>	<b>650,000.00</b>	<b>819,000.00</b>

**2.6 TRADE RECEIVABLES**

	As at 31.03.2012	As at 31.03.2011
<b>Trade Receivables (unsecured)</b>		
<i>Outstanding for a period exceeding six months</i>		
Unsecured and considered good	-	-
Considered Doubtful	-	-
DEPB Income Receivable	32,299,089.00	32,299,089.00
Others	-	-
<b>Total</b>	<b>32,299,089.00</b>	<b>32,299,089.00</b>

**2.7 CASH AND CASH EQUIVALENTS**

	As at 31.03.2012	As at 31.03.2011
<b>Balance with Banks:</b>		
Karnatak Vikas Bank	4,427.65	-
Laxmivilas Bank	9,548.39	43,869.62
Ratnakar Bank	46,668.00	46,668.00
Cash on Hand	4,933.95	3,390.60
	<b>65,577.99</b>	<b>93,928.22</b>

**2.8 OTHER INCOME**

	As at 31.03.2012	As at 31.03.2011
<i>Other Non-Operating Income</i>		
Commission Received	43,450.00	19,000.00
	<b>43,450.00</b>	<b>19,000.00</b>

**2.9 FINANCE COSTS**

	As at 31.03.2012	As at 31.03.2011
<i>Other Borrowing Costs</i>		
Bank Charges and Financial charges	11,235.23	1,630.38
	<b>11,235.23</b>	<b>1,630.38</b>



2.10 OTHER EXPENSES

	As at 31.03.2012	As at 31.03.2011
<i>Administrative Expenses:</i>		
Payment To Auditors		
As Auditor	5,000.00	5,000.00
Postage & courier	7,760.00	7,350.00
Printing & Stationery	10,250.00	9,510.00
Rent	312,500.00	305,500.00
Rates and Taxes	581,853.00	10,000.00
Miscellaneous expenses	9,000.00	-
<i>Prior Period and Extraordinary Expenses:</i>		
Income tax payment of earlier years not provided for	-	674,840.00
	<b>926,363.00</b>	<b>1,012,200.00</b>

As per my report of even date

  
 Sheshgiri B. Kulkarni,  
 Chartered Accountants  
 Place: Hubli  
 Date: 01.09.2012



For & on behalf of the Board

  
 Director

  
 Director



**2.11 EARNINGS PER EQUITY SHARE**

Basic earning per share is computed by dividing the net profits after tax by the weighted number of equity shares outstanding during the period. Diluted earning per share is computed by dividing the net profits after tax by the weighted number of equity shares considered for deriving basic earning per share and also the weighted number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

	As at 31.03.2012	As at 31.03.2011
<b>EPS – Basic</b>		
Net Profit (Loss)	(894,148.23)	(994,830.38)
Appropriations	-	-
Net Profit (Loss) Attributable to Share Holders as at 31st March (Numerator)	(894,148.23)	(994,830.38)
No of Shares outstanding at the beginning of the year	5,388,100	5,388,100
No of Shares outstanding at the end of the year	4,535,663	4,535,663
Adjusted Weighted average number of equity shares of Face Value Rs.100 each (Denominator)	4,535,663	4,535,663
Nominal Value of Ordinary Shares	Rs. 10	Rs. 10
<b>Computation of EPS - Basic (in Rs)</b>	<b>(0.20)</b>	<b>(0.22)</b>
<b>EPS – Diluted</b>		
Net Profit (Loss) Attributable to Share Holders as at 31st March of Face Value Rs.100each (Numerator)	(894,148.23)	(994,830.38)
Adjusted Weighted average number of equity shares	4,535,663	4,535,663
Total Weighted average number of equity shares for Diluted EPS (Denominator)	4,535,663	4,535,663
Nominal Value of Ordinary Shares	Rs. 10	Rs. 10
<b>Computation of EPS - Diluted (in Rs)</b>	<b>(0.20)</b>	<b>(0.22)</b>

As per my report of even date

For & on behalf of the Board

  
 Sheshgiri B. Kulkarni,  
 Chartered Accountants  
 Place: Hubli  
 Date: 01.09.2012



  
 Director

  
 Director

## JAYAVANT INDUSTRIES LIMITED

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2012

### *NOTE 1: NOTES ON ACCOUNTS*

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1. Basis of preparation of financial statements**

The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles Indian (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 and the accounting standards issued by the Institute of Chartered Accountants of India, as adopted consistently by the company.

##### **1.2. Use of Estimates**

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

##### **1.3. Revenue Recognition**

All revenues are generally recognized on accrual basis.

##### **1.4. Fixed Assets:**

Fixed assets were stated at the historical cost which is inclusive of freight, duties installation costs and other incidental expenses incurred upto the installation. However Company does not hold any Fixed Assets as on 31.03.2012, as all the fixed assets have been sold during the year 2001-02.

##### **1.5. Going Concern:**

All the fixed assets are sold during the year 2001-02. During this financial year Company has made the Loss of Rs.8,94,148.23/- and Company's brought forward losses of earlier years Rs. 1,59,24,587 (total loss as on 31<sup>st</sup> March 2012 is Rs. 1,68,18,735.01) needs to be absorbed. Company's current liabilities exceeded its current good assets by Rs.3, 22, 99, 089/- and its total liabilities exceeded its total assets by Rs.1, 68, 18, 735.01. The ability of the company to continue as a going concern is dependent on the future business plans of the Company for which no indications do exist. This factor along with doubtfulness of debt as per Note No 1.15 : **Target plus Scheme DEPB Receivable**, raises substantial doubt that the Company will be able to continue as a "Going Concern".

##### **1.6. Accounting for Taxes on Income (AS 22):**

The Company, considering accumulated losses and managements perception of virtual uncertainty of making profit in the light of past results have not created or assumed any Deferred Tax Asset or Deferred Tax Liability for the current year as required to be done according to the Accounting Standard 22 issued by Institute of Chartered Accountants of India.

The Advance Tax and Provision for Income Tax are adjusted and only net result is disclosed in the balance sheet.



**1.7. Dues to small scale Industrial undertaking**

There are no Undertakings, which are SSI, from whom amounts, outstanding for more than 30days where such due or dues exceeds Rs. 1lacs. The above information has been compiled in respect of parties to the extent to which they could be identified as small scale and ancillary undertakings on the basis of information available with the Company and furnished.

1.8. Expenditure in foreign Currency	Nil
1.9. Remittance in Foreign currency	Nil
1.10. Earnings in Foreign Exchange	Nil

**1.11. Contingent Liabilities**

Claims for taxes and miscellaneous items not acknowledged by the company NIL.

**1.12. Loans and Advances:** In the Opinion of Board of Director, current assets, Loans & Advances have the value at which these are stated in the Balance Sheet if realized in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of or less than the amount reasonable necessary

**1.13. Debtors and Creditors:** Balance of trade debtors and creditors are subject to confirmations from the parties

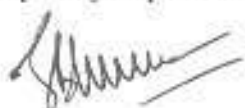
**1.14. Bank and cash Balances:** Ratnakar Bank statement of which is subject to reconciliation and confirmation

**1.15. Target plus Scheme DEPB Receivable:** The Company had dealt with some of the licenses/ Export Incentives under Target plus Scheme in the earlier financial years. Rs.322.99 Lac DEPB income receivable pertaining to this scheme is outstanding for the last several years and the balance of receivable is subject to confirmation and reconciliation from the respective Departments/ parties the details of which are not available. Considering the time elapsed and also considering the documents pertaining to the transactions the debt is classified as doubtful.

**1.16. Previous Year's Figures:** Previous year's figures have been regrouped or rearranged or reclassified wherever necessary.

**1.17. Figures in the parenthesis relate to the previous year.** Previous years figures have been regrouped and rearranged wherever necessary to conform to current year classification.

As per my Report of even date



**Sheshgiri B. Kulkarni.**  
Chartered Accountants,  
M. No; 204612



For and on behalf of the Board



Director



Director

Place: Hubli  
Date: 01/09/2012

**JAYAVANT INDUSTRIES LIMITED.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012**

	<i>AS AT 31.03.2012</i>	<i>AS AT 31.03.2011</i>
<b>A. Cash flow from Operating Activities :</b>		
Net Profit (Loss) for The Year	(894,148.23)	(994,830)
<b>Add: Adjustment for : Non Cash Operative Expenses</b>		
Depreciation	-	-
Amortisation of Expenses	-	-
<b>Operating Profit Before working capital Changes</b>	<b>(894,148)</b>	<b>(994,830)</b>
<b>Working Capital Changes:</b>		
Other Receivables	169,000.00	(769,000.00)
Trade & Other Payables	696,798.00	865,798
		1,804,840.00
1,035,840		
Cash Generated from Operations	(28,350)	41,010
Interest Charges Paid		
<b>Net Cash Flow From Operating Activities (A)</b>	<b>(28,350)</b>	<b>41,010</b>
<b>B. Cash Flow from Investing Activities (B)</b>	-	-
<b>C. Cash Flow from Financing Activities (C)</b>	-	-
<b>Net Increase/(Decrease)in cash &amp; cash equivalents (A+B+C)</b>	<b>(28,350)</b>	<b>41,010</b>
<b>Cash &amp; Cash Equivalents:</b>		
Opening Balance	93,928.22	52,919
Closing Balance	65,577.99	93,928
<b>Diffrence in Cash Balance.</b>	<b>(28,350)</b>	<b>41,010</b>

