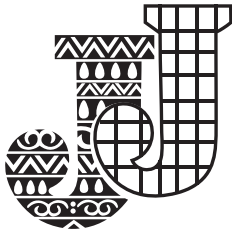




JJ exporters Limited



Annual Report | 2014-15



BOARD OF DIRECTORS

Mr. S. N. Jhunjhunwala

Executive Chairman

Mr. Rajiv Jhunjhunwala

Vice-Chairman

Mr. P. K. Sarkar

Independent Director

Mr. H. S. Senapati

Independent Director

Mr. A. B. Chaturvedi

Director

Mr. Rahul Singhi □

Independent Director

Ms. Puja Jhunjhunwala □

Independent Director

Ms. Dipali Sharma □

Independent Director

Mr. S. L. Agrawal

Company Secretary

BANKERS

Indian Overseas Bank
IDBI Bank Ltd.

AUDITORS

1. □ Statutory □

Salarpuria Jajodia & Co. □

Chartered Accountants □

7, Chittaranjan Avenue □

Kolkata - 700 072

2. □ Internal □

A. Singhi & Co. □

Chartered Accountants □

27/9, Waterloo Street, □

2nd Floor,

Kolkata-700 069

REGISTERED OFFICE

Mukhtar Tower, 2nd Floor

59, Elliot Road

Kolkata - 700 016, West Bengal

Phone : (033) 2265 4776/4071 3125

Fax No. 033 2265 4780

BHAGALPUR OFFICE / WORKS

Bounsi Road, Bhagalpur - 812 002, Bihar

Phone : (0641) 242 0829 & 242 3431

BANGALORE OFFICE / WORKS

No.1040, West of Chord Road, Rajajinagar,

5th Block, Bangalore - 560 010, Karnataka.

Phone : (080) 4151 6045/46

J. J. SPECTRUM SILK

Mouza-Gangarampur, Post: Bishnupur

Dist. 24 Parganas (S), West Bengal

Phone : (033) 2470 9861

RETAIL SHOWROOM

Onset

51/2, Hindustan Park,

Kolkata - 700 029

Phone : (033) 2419 6860/61

**ANNUAL REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR
ENDED 31ST MARCH, 2015**

Contents	
Directors' Report	3
Report on Corporate Governance	21
Auditors' Report	29
Balance Sheet	34
Statement of Profit & Loss	35
Notes	36
Cash Flow Statement	54
Auditors' Report on Consolidated Accounts	56
Consolidated Balance Sheet	60
Consolidated Statement of Profit & Loss	61
Notes to Consolidated Accounts	62
Consolidated Cash Flow Statement	79

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Forty Second Annual Report, together with the Audited Accounts of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

	<u>2014-15</u>	<u>2013-14</u>
Profit before Tax, Depreciation and Extra Ordinary Items	(123.38)	(1543.45)
Less : Depreciation	441.16	367.56
Profit/(Loss) before Tax and extra ordinary items	(564.54)	(1911.01)
Less : I.T. for earlier year	-	-
Less : Prior Period Items	0.56	0.79
Profit/(Loss) before Extra Ordinary Items	(565.10)	(1911.80)
Extra Ordinary Items	299.75	(400.00)
Profit/(Loss) after Tax	(265.35)	(2311.80)
Add : Balance brought forward from Previous year	(4653.55)	(2341.75)
Balance in Profit & Loss Account	(4918.90)	(4653.55)

BUSINESS AND PERFORMANCE

The performance of the Company during the year under review was a little better than the previous year. It was able to arrest the loss to some extent. As reported earlier the units at Bangalore were closed during the previous year. The unit at Kolkata viz. J. J. Spectrum Silk which was temporarily closed during the previous year w.e.f. 01.12.2013 continued to be under temporary closure during the current year. However the unit at Bhagalpur remained operational. The sale revenue for the year was down at Rs.1665.99 lacs as compared to Rs.3288.35 lacs in the previous year. The loss before tax and extra ordinary item was down at Rs.565.10 lacs as compared to Rs.1911.80 lacs during the previous year.

CURRENT YEAR'S OUTLOOK

At this instance the outlook of the silk market globally for the current year does not look any different that the one during the year under review. Taking this into account, your directors have decided after due market research to add additional streams of revenue apart from the core business of the Company, which includes export of linen and polyester fabrics, which would not require additional infrastructure but shall add to the top line of the company.

In order to improve the working of the Company and generate more business your directors have decided to strengthen the design department, which shall be for the existing core business of silk along with linen and polyester fabrics. It has also been decided to actively participate in more trade fairs and revive contacts with our old customers. Your directors have also decided to control expenditure wherever possible. With all these measures your directors are hopeful of improvement in the current year.

SETTLEMENT OF DUES OF THE BANKS

In view of the poor performance of the Company, your Directors had approached its bankers for settlement of their dues. The Federal Bank Ltd. had approved the settlement during the year. The amount settled with The Federal Bank Ltd has since been paid. The settlement with IDBI Bank Ltd has also been reached and the initial payment of Rs.500 lacs required to be paid in terms of their sanction letter has also been made by the Company. However, the Company has approached IDBI Bank for extension of the dates for payment of balance amount of settlement. Final negotiation with Indian Overseas Bank has also been had at Branch level and accordingly the Company has revised its offer for the OTS. Your Directors are confident of getting the same approved by the final authorities of the Bank.

Your Directors are trying to sell Company's building at Bangalore and also the unit at Gangarampur to pay off the banks.

SHARE CAPITAL

The Company has not issued any shares with differential voting rights, sweat equity shares or employee stock option during the year under review. The Company has also not made any provision for purchase of its own shares by employees or trustees for the benefit of employees.

DIRECTORS

Mr. M. L. Gulrajani resigned from the Board of the Company during the year w.e.f. 22.05.2014. Ms. Puja Jhunjhunwala & Ms. Dipali Sharma were appointed as Additional Directors during the year by the Board on 27.03.2015. Ms. Puja Jhunjhunwala

and Ms. Dipali Sharma will hold office till the conclusion of the forthcoming Annual General Meeting. Notices from members of the Company have been received proposing them as regular Directors of the Company. Ms. Puja Jhunjhunwala & Ms. Dipali Sharma are accordingly proposed to be appointed as Independent Directors at the ensuing Annual General Meeting.

Mr. P. K. Sarkar, an Independent Director on the Board of the Company died on 16.07.2015. The Board places its appreciation on record for the valuable services it received from Mr. Sarkar during his association with the Company.

Necessary declaration as required under section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of Independence and are eligible to continue as Independent Director has been received from Mr. Rahul Singhi and Mr. H. S. Senapati, the Independent Directors on the Board and from Ms. Puja Jhunjhunwala and Ms. Dipali Sharma proposed to be appointed as Independent Directors at the ensuing Annual General Meeting.

Mr. S. N. Jhunjhunwala, Director, retires by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Mr. A. B. Chaturvedi, Director was additionally appointed as CFO of the Company during the year.

A meeting of Independent Directors was held during the year where performance of non-independent Directors was evaluated. The performance of Independent Directors was evaluated by the Board. The performance of an individual director is evaluated based on the performance of the department/unit of which he is the functional head. The performance of the Board as a whole or its committee is evaluated based on the performance of the Company.

Details about the nos. of Board meeting held during the year, the composition of Audit Committee and the number of times it met during the year are disclosed in the Corporate Governance Report which forms a part of this report.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has framed vigil mechanism and whistle blower policy for Directors and employees to report genuine concern. The details are available on Company's website, www.jjexporters.com.

PARTICULARS OF CONTRACTOR OR ARRANGEMENTS WITH RELATED PARTIES

All the contracts and arrangements entered into with related parties during the year were at arm's length basis. Details of the same are given in Form OAC-2 and is annexed to the report.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report given by M/s. MR & Associates, Company Secretaries in practice, is annexed to the report.

RISK MANAGEMENT POLICY

Details of Risk Management Policy are given in Corporate Governance Report and forms a part of this report.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No.MGT-9 is annexed to the report and forms a part of the Board's report

NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of Board of Directors was renamed as Nomination and Remuneration Committee during the year. The Committee identifies and recommends suitable candidates as Members of Board, Key managerial personnel and other Senior Management. The remuneration policy of the Company aims to ensure fair remuneration for the employees based on their performance. It also ensures to eliminate discrimination while fixing the remuneration of various employees.

OVERSEAS SUBSIDIARIES AND JOINT VENTURE

Your Directors have disposed off its investment in the subsidiary viz. J. J. Creations at Belgium during the year. As such, the said J. J. Creations has ceased to be a subsidiary of the Company.

The performance of the other subsidiary viz. Spin International Inc. was, by and large, satisfactory during the year.

RETAIL SHOWROOM

The performance of Company's retail showroom 'ONSET' at Kolkata was by and large satisfactory during the year.

DIVIDEND

Owing to loss, your Directors do not recommend any dividend for the year.

DIRECTORS RESPONSIBILITY STATEMENT

As required under section 134(3)(c) of the Companies Act, 2013, your Directors confirm that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company has consistently been complying with the Corporate Governance Code prescribed by SEBI and a detailed report on Corporate Governance together with a Certificate of Compliance from the Statutory Auditors, as required by Clause 49 of the Listing Agreement, forms a part of this Annual Report.

AUDITORS

M/s. Salarpuria Jajodia & Co., Chartered Accountants, Kolkata, bearing Registration No.302111E, were appointed as auditors of the Company for three years at the 41st Annual General Meeting held on 29.09.2014, to hold office till the conclusion of the 44th Annual General Meeting to be held in the year 2017. However, a certificate has been obtained from them that their appointment is within the limits prescribed by the Act and they continue to meet the criteria specified u/s.141 of the Companies Act, 2013.

The remark in Auditors Report read with notes to Accounts are self-explanatory and need no further clarification.

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

A) Conservation of energy and technology absorption :

The Company had closed its unit at Bangalore w.e.f. 01.04.2013. The unit at Gangarampur continued to be under temporary closure during the year.

The particulars in respect of conservation of energy and technology absorption in respect of Bhagalpur Unit are given in Annexure 'A' forming part of this report pursuant to Section 134(3)(m) of Companies Act, 2013 and rules made thereunder,

B) Foreign Exchange earnings and outgo :

The information is contained in Item No.16 of Note No. '23' in notes to the accounts.

INVESTMENTS

The details of investments are given in Note No. '8' annexed to the annual accounts of the Company.

SUBSIDIARY COMPANIES

The particulars, as required under Section 134 of the Companies Act, 2013 and Rules made thereunder, in respect of Company's subsidiaries viz. Spin International INC. and J. J. Creations S.A. are as follows :

I. <input type="checkbox"/> Financial Performance <input type="checkbox"/>	A. Spin International <input type="checkbox"/> (Amount in USD) <input type="checkbox"/> (For the year <input type="checkbox"/> ended 31.03.15) <input type="checkbox"/>	B. J J Creations <input type="checkbox"/> (Amount in Euro) <input type="checkbox"/> (For the period <input type="checkbox"/> ended 30.09.14) <input type="checkbox"/>
Sales <input type="checkbox"/>	1,297,095 <input type="checkbox"/>	295 <input type="checkbox"/>
Cost of goods <input type="checkbox"/>	1,042,935 <input type="checkbox"/>	1,639 <input type="checkbox"/>
Gross Profit <input type="checkbox"/>	254,160 <input type="checkbox"/>	(1,344) <input type="checkbox"/>
Overheads <input type="checkbox"/>	304,539 <input type="checkbox"/>	82 <input type="checkbox"/>
Income from operation <input type="checkbox"/>	(50,379) <input type="checkbox"/>	(1426) <input type="checkbox"/>
Other Income <input type="checkbox"/>	17,769 <input type="checkbox"/>	- <input type="checkbox"/>
Income before tax <input type="checkbox"/>	(32,610) <input type="checkbox"/>	(1426) <input type="checkbox"/>
Income Tax <input type="checkbox"/>	3,255 <input type="checkbox"/>	- <input type="checkbox"/>
Net Income	(35,865)	(1426)

II. Financial position as on 31.03.2015

Current liabilities	40,950
Capital	1,000
Reserve & Surplus	785,188
Total Liability	827,138
Current Assets	764,728
Fixed Assets	3,685
Investments	58,725
Total Assets	827,138

In respect of J J Creations, details of Balance Sheet are not given as it ceased to be a subsidiary of the Company during the year.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year. No deposits were outstanding at the beginning of the year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

- A) **Industry Structure & Developments** : The Company manufactures and exports silk fabrics, garments and made-ups. Silk Fabrics comprise the bulk of Company's product basket which are used for home-furnishings and apparel in developed countries like USA and countries in Europe like France, Germany, UK, Italy, Finland, Russia and also in Japan, Australia, etc. mainly by high-end customers. The Company has closed most of its units during the year. However, it is trying various options to re-open its main unit at Gangarampur in West Bengal.
- B) **Opportunities & Threats** : Sale of the Company's product is largely dependent on consumer spending. The Company has a loyal customer base and is able to pass through the recession on the basis of continued support from these customers and timely supply of high quality products. The Company is taking all round measures to minimise cost through infusion of latest technology and cost reduction exercise.
- C) **Segmentwise Performance** : The Company has only single product namely Textiles.
- D) **Outlook** : The outlook of global economy does not appear to be very positive at the moment. More and more countries are coming under the impact of global slow down and economic crisis. The export of textile goods is on decline. Silk is losing consumers preference and is moving out of fashion.
- E) **Risk & Concern** : Silk fabrics being a luxury item carry significant risk linked to consumer confidence and spending pattern and availability of other cheaper alternatives.
- Any increase in the price of raw material and the uncertainties in the world economy may have negative impact. However, the Company is making all-round efforts to contain the negative impact through infusion of state of the art technology and cost reduction measures.
- The Company's foreign exchange exposure is mainly in US\$ in which it imports raw materials and exports most of the finished goods. The Company continuously reviews its exposure and takes steps to hedge it. The Company is taking adequate insurance coverage of its assets at various locations.
- F) **Internal Control System & Adequacy** : The Company has adequate internal control systems to ensure safeguarding of assets against unauthorised use and to provide that all transactions are authorised, recorded and reported correctly. The Company has a system of periodical Internal Audit.
- G) **Discussion on financial performance with respect to operational performance** : The details of the financial performance of the Company are available in the Balance Sheet, Profit & Loss Account and other financial statements appearing separately.
- H) **Human Resources** : The industrial relations were by and large cordial during the year. However, due to lack of demand and uneconomic operations, the units at Bangalore had to be closed down w.e.f. 01.04.2013. The unit at Kolkata was also temporarily closed w.e.f. 1st December, 2013. In view of above, the Company had to down size its employee strength at its Head Office. However, the Directors place on record the good contribution made and the co-operation extended by the employees at all levels of the organisation.
- There was no employee employed during the financial year or a part of the financial year who was in receipt of remuneration for that year or any part of that year at a rate as prescribed the Companies Act, 2013, read with the rules made thereunder.
- I) **Cautionary Statement** : Certain statements in the Management Discussion and Analysis describing the Company's view about the industry, expectations/ predictions, objectives etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those implied therein. Important factors that could make a difference include raw material availability and prices, demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, industrial relations and economic developments within India and in the countries with which the Company conducts its business as well as other incidental factors.

MANAGERIAL REMUNERATION

i) The ratio of remuneration paid to each Director during the year to the median remuneration of the employees of the Company

A. Executive Directors

Name of the Director	Remuneration	Ratio
Mr. S. N. Jhunjhunwala	Rs. 739200	6.08
Mr. Rajiv Jhunjhunwala	Rs. 672000	5.53
Mr. A. B. Chaturvedi	Rs. 836420	6.90

B. The Non-Executive Directors receive remuneration by way of sitting fees for attending Board and Committee Meetings. Such remuneration to each of the Non-Executive Directors for the financial year was lower than the median remuneration of employees for the year.

ii) Percentage increased in the remuneration of each Directors & Key Managerial Personnel

Percentage increased

Mr. S. N. Jhunjhunwala, Executive Chairman & CEO	(40.00%)
Mr. Rajiv Jhunjhunwala, Vice Chairman	(40.00%)
Mr. A. B. Chaturvedi, Whole Time Director & CFO	4.50%
Mr. S. L. Agrawal, Company Secretary	4.70%

i) Percentage increased in the median remuneration of employees during the year : NIL

ii) No. of permanent employees on the Roll as on 31.03.2015 292 (Two hundred ninety two)

iii) Market capitalization as on 31.03.2014 Rs. 957.72 lacs
31.03.2015 Rs. 635.39 lacs
Variation (Rs. 322.33 lacs)

iv) Price at which the last Public offer was made Rs. 70/- per share

v) Percentage increase/decrease in market quotation of the shares of the Company in comparison to the price at which the last public offer was made -90.20%

vi) Variation in the net worth of the Company as at close of current financial year and previous financial year. Rs. (265.30) lacs

vii) Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but received remuneration in excess of its highest paid Director
Remuneration of highest paid Director (Mr. A. B. Chaturvedi) Rs. 8.36 lacs
Remuneration to employees who are not Directors but received remuneration In excess of its highest paid Director :
i) Mr. S. L. Agrawal, Co. Secretary Rs.13.32 lacs
ii) Mr. N. K. Sharma, General Manager (BLR) Rs.10.92 lacs
Total Rs. 24.24 lacs
Ratio : 8.36 : 24.24 i.e. 0.34

It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

Other particulars as required under clause (v) to (ix) of Rule 5(1) of Companies (Appt & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation for the continued assistance and co-operation extended to the Company by its customers, investors, bankers, government agencies and its dedicated band of employees.

By Order of the Board

Registered Office :
59, Elliot Road
Kolkata - 700 016
Dated : 31st July, 2015

S. N. Jhunjhunwala
Executive Chairman
(DIN : 0006345)

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Additional information as required under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY

A. Power and Fuel Consumption

1. Electricity

	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
a) Unit Purchased (KWH)	86,480	1,597,860
Total Amount (Rs.)	676,660	14,673,615
Rate/Unit (Rs.)	7.80	9.18
b) Own Generation through Diesel Generator		
Units (KWH)	7,904	30,997
Units (Litre)	3,952	12,192
Unit per litre of Diesel Oil	2.00	2.54
Total Amount (Rs.)	239,990	627,353
Cost/Unit (Rs.)	30.36	20.24

2. Furnace Oil

Quantity (KL)	21.460	209
Total Amount (Rs.)	1,272,356	10,050,766
Average Rate (Rs.)	59,290	48,089

3. Steam Coal

Quantity (Kg)	-	-
Total Amount (Rs.)	-	-
Average Rate (Rs.)	-	-

B. Consumption per Mtr of production

Product : Natural Fabrics		
Electricity (KWH)	1.10	5.93
Furnace Oil (Ltr.)	0.27	0.76
Steam Coal (Kg.)	-	-

- C. 1. Energy Conservation Measures taken : (a) Steam leakages in the steam distribution network are monitored on continuous basis for early detection and rectification.
- (b) Fuel consumption of boiler is monitored and optimised by way of daily and schedule maintenance.
- (c) Non-essential consumers in the utility/service section are normally kept out of operation during high tariff period, to cut down energy cost.
2. Additional Investments for reduction of power consumption : (a) There has not been any specific investment, other than in-house effort towards energy conservation.
3. Impact of the measures taken for reduction of energy consumption and consequent impact on production cost : Positive influence on average production cost.

BENEFITS DERIVED AS A RESULT OF RESEARCH & DEVELOPMENT

- A) Specific areas in which R & D carried by the Company : NIL
- B) Benefits derived as a result of the above R & D : NIL
- C) Future plan of action : NIL
- D) Expenditure on R & D : NIL

TECHNOLOGY ABSORPTION

- A) Efforts in brief made towards Technology Absorption, Adoption and Innovations : Steam processing testing for fabrics.
- B) Benefits derived as a result of the above efforts :
 - i) Improvement in quality of finished fabric.
 - ii) Encouraging response from buyers.
- C) In case of Imported Technology :
 - Technology Imported – N.A.
 - Year of Import – N.A.
 - Status of Absorption – N.A.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

- | | |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. CIN | L17112WB1972PLC028631 |
| 2. Registration Date | 29.12.1972 |
| 3. Name of the Company | J. J. EXPORTERS LTD. |
| 4. Category/Sub-category of the Company | Public Company having share capital |
| 5. Address of the Registered office & contact details | 'MUKHTAR TOWER', 2ND FLOOR,
59, ELLIOT ROAD,
KOLKATA – 700 016.
PHONE : 033 40713125 / 22654776 / 22654778,
Fax : 91-33-2265 4780
Email: jjemail@vsnl.com |
| 6. Whether listed company | YES |
| 7. Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s. MCS Share Transfer Agent Ltd
12/1/5, Manoharpukur Road, Kolkata - 700 026
Phone : (033) 4072 4051-4053,
Fax : (033) 4072 4050
E-mail : mcssta@rediffmail.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Fabric	13122	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SPIN INTERNATIONAL INC. 240 West 37th Street, Suite- 503, New York, NY 10018.	N.A.	SUBSIDIARY	100%	2(87(ii))
2					
3					

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3,187,019	-	3,187,019	34.41	3,187,019	-	3,187,019	34.41	NIL
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	2,411,140	-	2,411,140	26.03	2,411,140	-	2,411,140	26.03	NIL
e) Banks / FI									
f) Any other	1,164,704	-	1,164,704	12.57	1,164,704	-	1,164,704	12.57	NIL
Sub-total									
(A)(1):-	6,762,863		6,762,863	73.01	6,762,863		6,762,863	73.01	NIL
(2) Foreign									
a) NRIs – Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Any other									
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter									
(A)= (A)(1)+(A)(2)	6,762,863	-	6,762,863	73.01	6,762,863	-	6,762,863	73.01	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	473,058	4,475	477,533	5.16	465,155	4,475	469,630	5.07	(0.08)
ii) Overseas		3,750	3,750	0.04		3,750	3,750	0.04	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,040,962	176,766	1,217,728	13.15	1,050,897	174,607	1,225,504	13.23	0.08
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	405,769		405,769	4.38	405,846		405,846	4.38	NIL
c) Others (specify)									
Non Resident Indians	379,957	14,650	394,607	4.26	380,007	14,650	394,657	4.27	NIL
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	2299746	199,641	2,499,387	26.99	2,301,905	197482	2,499,387	26.99	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2,299,746		2,499,387	26.99	2,301,905	197,482	2,499,387	26.99	NIL
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--					
Grand Total (A+B+C)	9,062,609	199,641	9,262,250	100	9,064,768	197,482	9,262,250	100	NIL

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	NUPUR CARPETS PRIVATE LTD	2,411,140	26.0319	-	2,411,140	26.0319	-	-
2	J. J. EXPORTERS BENEFICIARY TRUST THRU S.N. JHUNJHUNWALA -TRUSTEE	1,303,675	14.0751	-	1,303,675	14.0751	-	-
3	AKHILESH JHUNJHUNWALA BENEFICIARY TRUST	762,604	8.2335	-	762,604	8.2335	-	-
4	POOJA JHUNJHUNWALA BENEFICIARY TRUST	259,600	2.8028	-	259,600	2.8028	-	-
5	S.N. JHUNJHUNWALA	731,240	7.8948	-	731,240	7.8948	-	-
6	RAJIV JHUNJHUNWALA	563,604	6.0850	-	563,604	6.0850	-	-
7	RAJIV JHUNJHUNWALA HUF	222,500	2.4022	-	222,500	2.4022	-	-
8	S. N. JHUNJHUNWALA HUF	221,000	2.3860	-	221,000	2.3860	-	-
9	KAVITA JHUNJHUNWALA	1,000	0.0108	-	1,000	0.0108	-	-
10	LAXMI JHUNJHUNWALA	1,000	0.0108	-	1,000	0.0108	-	-
11	MEGHA JHUNJHUNWALA TRUST	142,500	1.5385	-	142,500	1.5385	-	-
12	MEGHA JHUNJHUNWALA	66,000	0.7126	-	66,000	0.7126	-	-
13	AKHILESH JHUNJHUNWALA	65,000	0.7018	-	65,000	0.7018	-	-
14	NEHA JALAN	12,000	0.1296	-	12,000	0.1296	-	-
	TOTAL	6,762,863	73.0154	-	6,762,863	73.0154	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change) :
No change in shareholding of the Promoters during the year.

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	MENTOR CAITAL LIMITED	310,000	3.3469	310,000	3.3469
2	DEVINA SARAFF	267,671	2.8899	267,671	2.8899
3	GIRDHARLAL AGRAWAL	223,029	2.4079	223,029	2.4079
4	PRERNA SARAFF	106,250	1.1471	106,250	1.1471
5	MEETKUMAR SANJAYBHAI MAKWANA	56,693	0.6121	56,693	0.6121
	Q.E. 30.06.2014	+1,920	0.0207	58,613	0.6328
	Q.E. 31.03.2015	-100	0.0011	58,513	0.6317
6	SEETHA KUMARI	41,580	0.4489	41,580	0.4489
7	SANJAYKUMAR CHIMANBHAI MACWAN	30,000	0.3239	30,000	0.3239
	Q.E. 30.06.2014	-3,080	0.0333	26,920	0.2906
8	LAXMINARAYAN VYAPAAR P LTD	25,124	0.2713	25,124	0.2713
9	RAMANBHAI C SONI	17,993	0.1943	17,993	0.1943
10	NEET NEEL (INDIA) PVT LTD	16,500	0.1781	16,500	0.1781

E) Shareholding of Directors and Key Managerial Personnel:

a) Mr. S. N. Jhunjhunwala

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	731,240	7.89	731,240	7.89
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	731,240	7.89	731,240	7.89

b) Mr. Rajiv Jhunjhunwala

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	563,604	6.085	563,604	6.085
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	563,604	6.085	563,604	6.085

None of the other Directors or Key Managerial Personnel hold any share of the Company.

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5480.87	240.00	-	5720.87
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	46.35	-	-	46.35
Total (i+ii+iii)	5527.22	240.00	-	5767.22
Change in Indebtedness during the financial year				
ADDITION	344.42	250.00	-	594.42
REDUCTION	790.79	240.00	-	1030.79
Written Back on OTS	299.75	-	-	299.75
Net Change	746.12	10.00	-	736.12
Indebtedness at the end of the financial year				
i) Principal amount as on 31.03.2015	4734.75	250.00	-	4984.75
ii) Interest due but not paid	337.02	-	-	337.02
iii) Interest accrued but not due as on 31.03.2015				
Total (i+ii+iii)	5071.77	250.00	-	5321.77

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. S. N. Jhunjhunwala, Executive Chairman & CEO	Mr. Rajiv Jhunjhunwala, Vice Chairman	Mr. A. B. Chaturvedi, Whole Time Director & CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	660,000	600,000	756,500	2,016,500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	32,400	NIL	64,800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	692,400	632,400	756,500	2,081,300
	Ceiling as per the Act	4,200,000	4,200,000	4,200,000	12,600,000

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. P. K. Sarkar	Mr. H. S. Senapati	Mr. Rahul Singhi	Ms. Dipali Sharma	Ms. Puja Jhunjhunwala	
1	Independent Directors						
	Fee for attending board committee meetings	27,500	27,500	17,500	2,500	2,500	77,500
	Commission						
	Others, please specify						
	Total (1)	27,500	27,500	17,500	2,500	2,500	77,500
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	27,500	27,500	17,500	2,500	2,500	77,500

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Mr. S. L. Agrawal	CEO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	12,33,060	–	12,33,060
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission - as % of profit - others, specify...	– – –	– – –	– – –	– – –
5	Others, please specify	–	–	–	–
	Total	–	12,33,060	–	12,33,060

VII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NONE		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NONE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NONE		
Compounding					

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL

- (a) Name(s) of the related party and nature of relationship
 (b) Nature of contracts/arrangements/transactions
 (c) Duration of the contracts / arrangements/transactions
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 (e) Justification for entering into such contracts or arrangements or transactions
 (f) date(s) of approval by the Board
 (g) Amount paid as advances, if any:
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of contracts or arrangements or transactions at arm's length basis

	Name of Related Party	Relationship	Nature of Contract	Duration of contract	Salient Terms/Value Rs. in lacs	Date of Approval from Board, if, any	Amount paid as advance
i)	Spin International Inc.	Wholly Owned Subsidiary Company	Sale of goods	N.A.	106.72	N.A.	NIL
			Sample development & design charges recd.	N.A.	0.42		
ii)	Nupur Carpets Pvt. Ltd	Associate	Loan taken/Refund	N.A.	25.00	N.A.	N.A.
			Interest paid	N.A.	0.16	N.A.	N.A.
iii)	Sri S. N. Jhunjhunwala	Executive Chairman	Payment of remuneration	5 years	7.39	1/28/2011	N.A.
iv)	Sri Rajiv Jhunjhunwala	Executive Vice Chairman	Payment of remuneration	5 years	6.72	1/28/2011	N.A.
v)	Sri A. B. Chaturvedi	Whole Time Director	Payment of remuneration	5 years	8.36	8/14/2012	N.A.
vi)	Mrs. Kavita Jhunjhunwala	Wife of Mr. Rajiv Jhunjhunwala, Vice Chairman	Payment of remuneration	N.A.	0.19	N.A.	N.A.

Registered Office :
 59, Elliot Road,
 Kolkata - 700 016.
 Dated : 31st July, 2015

For and on behalf of the Board

S. N. Jhunjhunwala
 Executive Chairman

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. J J EXPORTERS LTD.
Mukhtar Tower,
59 Elliot Road, 2nd Floor
Kolkata - 700016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. J J EXPORTERS LTD. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- a. The Companies Act, 2013 (the Act) and the rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I further report that, there were no actions/ events in pursuance of ;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, We further report that the Company has complied with the following laws applicable specifically to the Company :

- a. Textile Committee Act, 1963,
- b. Textile Committee (Cess) Rules, 1975

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (Not notified during the period under Audit)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i. With respect to section 212 of the Companies Act, 1956 a matter is sub judice before the Chief Judicial Magistrate of Alipore Court.
- ii. The Company had intimated that the necessary approval u/s 180(1)(a), 180(1)(c) and 186 of the Companies Act 2013 will be obtained.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

We further report that during the audit period the Company has divested its foreign subsidiary M/s JJ Creation SA.

This Report is to be read with our letter of even date which is annexed "**Annexure A**" and forms an Integral Part of this Report.

Place : Kolkata
Date : 29.05.2015

For MR & Associates
Company Secretaries

[M. R. Goenka]
Partner
FCS No.:4515
C P No.:2551

"ANNEXURE – A"**(TO THE SECRETARIAL AUDIT REPORT OF J J EXPORTERS LTD.
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015)**

To,
The Members,
M/s. J J EXPORTERS LTD.
Mukhtar Tower,
59 Elliot Road, 2nd Floor
Kolkata - 700016

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 29.05.2015

For MR & Associates
Company Secretaries

[M. R. Goenka]
Partner
FCS No.:4515
C P No.:2551

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance shareholders value, keeping in mind the needs and interests of other stakeholders such as customers, employees and the community at large. The Company aims at achieving optimum performance at all levels by adhering to Corporate Governance practices such as effective management control, accountability for performance, compliance of law and transparent and timely disclosure of financial and management information.

Over the years, your Company has complied with the principles of Corporate Governance emphasizing on transparency, accountability and integrity. These have helped the Company to enhance stakeholder values.

II. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors and complies with the requirements of Clause 49 of the Listing Agreement with Stock Exchanges in India. The Board of Directors of the Company as at 31st March, 2015 consisted of two Promoter Executive Directors, five Non Promoter Non-Executive Directors and one Non Promoter - Executive Director.

During the year under review, 5(five) Board Meetings were held on 22.05.2014, 12.08.2014, 14.11.2014, 11.02.2015 & 27.03.2015.

Composition of the Board of Directors and other details as on 31st March, 2015 are as under :

Name	Executive/Non-Executive/ Independent	No. of other Directorships held (other than Private Companies)	Committee positions held (other than JJEL)		No. of Board Meetings attended during the year	Whether attended last AGM on 29.09.2014
			As Chairman	As Member		
Mr. S. N. Jhunjhunwala	Promoter, Executive	1	None	None	5	Yes
Mr. Rajiv Jhunjhunwala	Promoter, Executive	None	None	None	4	No
Mr. P. K. Sarkar	Non-Executive Independent	None	None	None	5	Yes
Mr. M. L. Gulrajani*	Non-Executive Independent	2	None	None	-	N.A.
Mr. A. B. Chaturvedi	Non Promoter-Executive Director	None	None	None	5	Yes
Mr. H. S. Senapati	Non-Executive Independent	None	None	None	5	Yes.
Mr. Rahul Singhi	Non-Executive Independent	None	None	None	3	Yes
Ms. Dipali Sharma**	Non-Executive Independent	None	None	None	1	N.A.
Ms. Puja Jhunjhunwala**	Non-Executive Independent	None	None	None	1	N.A.

* Ceased to be a Director w.e.f. 22.05.2014

** Were appointed during the year w.e.f. 27.03.2015

Note : Information with regard to no. of Directorship and Committee position held in respect of Mr. M. L. Gulrajani who has ceased to be a Director of the Company is as at 31st March, 2014.

Directors

Mr. M. L. Gulrajani (Non-Executive Independent Director) resigned from the Board of the Company during the year w.e.f. 22.05.2014. Ms. Dipali Sharma and Ms. Puja Jhunjhunwala were appointed as Additional Directors during the year by the Board at its meeting held on 27.03.2015. Ms. Sharma and Ms. Jhunjhunwala will hold office up to the date of the forthcoming Annual General Meeting. They are proposed to be appointed as Independent Directors at the ensuing Annual General Meeting of the Company as notices have been received from members of the Company proposing them as Independent Directors of the Company.

Mr. S. N. Jhunjhunwala, Director, retires by rotation and being eligible has offered himself for re-appointment. Brief resume of Directors, proposed to be appointed/reappointed at the ensuing Annual General Meeting including nature of their expertise in specific functional areas and name of Companies in which they hold directorships, memberships/chairmanships of Board committee and shareholding in the Company is provided below :

A brief resume of these Directors is as under :

Name	Age	Qualifications	Experience	Directorships held in other Companies	Committee memberships held in other companies	Nos. of shares held as on 31.03.2015
Mr. S. N. Jhunjhunwala	79	B.A.(Hons.) In Economics	Mr. S.N. Jhunjhunwala has been associated with export of silk fabrics since 1966	1) Rajanigandha Apartments Ltd. 2) Nupur Carpets Pvt. Ltd. 3) Cedarwoods Infrastructure Pvt. Ltd.	-	731,240
Ms. Dipali Sharma	40	CA.	She is a practicing Chartered Accountant and has rich experience in Finance and auditing		-	-
Ms. Puja Jhunjhunwala	29	CA	She is a practicing Chartered Accountant and has rich experience in Finance and auditing		-	-

The shareholding of the Non-Executive Directors in the Company as on 31.03.2015 is as follows :□

Name of the Non-Executive Director□	No. of shares held in the Company□ as on 31.03.2015□	No. of stock options held□ in the Company□ as on 31.03.2015□
Mr. P. K. Sarkar□	NIL□	NIL□
Mr. H. S. Senapati□	NIL□	NIL□
Mr. Rahul Singhi□	NIL□	NIL□
Ms. Dipali Sharma□	NIL	NIL□
Ms. Puja Jhunjunwala□	NIL□	NIL

III. BOARD COMMITTEES

AUDIT COMMITTEE

The Audit Committee of the Board comprised of three Independent Non-Executive Directors i.e. Mr. P. K. Sarkar, Mr. H. S. Senapati and Mr. M. L. Gulrajani. Consequent upon resignation, Mr. Gulrajani ceased to be a member of the Committee. Mr. Rahul Singhi was appointed as an Independent Director during the year w.e.f. 29.09.2014. He was inducted in the Audit Committee. Ms. Dipali Sharma and Ms. Puja Jhunjunwala were appointed as Additional Director w.e.f. 27.03.2015. They were also inducted in the Audit Committee as members. Now, the Committee consists of Mr. P. K. Sarkar, Mr. H. S. Senapati, Mr. Rahul Singhi, Ms. Dipali Sharma and Ms. Puja Jhunjunwala. Mr. P. K. Sarkar is the Chairman of the Committee. The committee met four times during the year under review on 22.05.2014, 12.08.2014, 14.11.2014 & 11.02.2015. The attendance of the members at these meetings was as follows :□

SI. No.□	Name of the Members□	Status□	No. of Meetings attended□
1.□	Mr. P. K. Sarkar□	Chairman, Independent Non-Executive□	4□
2.□	Mr. H. S. Senapati□	Member, Independent Non-Executive□	4□
3.□	Mr. Rahul Singhi □	Member Independent Non-Executive (from 29.09.2014)□	2□
4.□	Ms. Dipali Sharma □	Member Independent Non-Executive (from 27.03.2015)□	—□
5.□	Ms. Puja Jhunjunwala□	Member Independent Non-Executive (from 27.03.2015)□	—

Mr. S. L. Agrawal, Company Secretary, Mr. A. B. Chaturvedi – Whole Time Director & CFO, the Statutory Auditors and the Internal Auditors of the Company are invitees to the Audit Committee Meetings. Mr. S. L. Agrawal, Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the listing agreement with the Stock Exchanges that inter-alia includes overseeing financial reporting process, reviewing periodic financial results, reviewing with the management the financial statements and adequacy of internal control systems, discussions with the Auditors about the scope of audit including the observations of the auditors and discussion with the Internal Auditors on any significant findings. The Audit Committee also recommends to the Board the appointment, re-appointment and if required, the replacement or removal of Statutory Auditors, fixes their fees and remuneration as auditors and approves the remuneration paid for other services. It also reviews major defaults, if any, in payment of depositors, debenture holders, creditors and shareholders. The Audit Committee also decides the appointment, removal and the terms of remuneration of Internal Auditors. It also reviews and monitors the independence, the performance and effectiveness of audit process. It also approves related party transactions wherever applicable, scrutinises inter corporate loans and investments etc.

IV. REMUNERATION COMMITTEE

The Committee was renamed as Nomination and Remuneration Committee during the year. The Committee consisted of two non-promoter non-executive Directors viz. Mr. P. K. Sarkar and Mr. M. L. Gulrajani. Consequent upon resignation, Mr. M. L. Gulrajani ceased to be a member of the Committee. Mr. H. S. Senapati and Mr. Rahul Singhi were inducted in the Committee as members during the year w.e.f. 14.11.2014. Now the Committee consists of three non-promoter, non-executive directors, Mr. P. K. Sarkar, Mr. H. S. Senapati and Mr. Rahul Singhi. Mr. P. K. Sarkar is the Chairman of the Committee. One meeting of the Committee was held during the year on 27.03.2015.

The detail of remuneration paid to the Executive Directors during the year under review is given below: □

Particulars □	Mr. S. N. Jhunjhunwala □ Executive Chairman □ ₹ □	Mr. Rajiv Jhunjhunwala □ Vice Chairman □ ₹ □	Mr. A. B. Chaturvedi □ Whole time Director □ ₹ □
Salary □	6,60,000 □	6,00,000 □	6,66,000
Allowances and other perquisites □	— □	— □	90,500
Contribution to Provident and Gratuity Funds □	79,200 □	72,000 □	79,920 □
Total □	739,200 □	6,72,000 □	8,36,420 □
Service Contract □	5 years □ (1st Feb, 2011 □ to 31st Jan, 2016) □	5 years □ (1st Feb, 2011 □ to 31st Jan, 2016) □	5 years □ (16th Aug, 2012 to 15th Aug, 2017)
Notice Period □	NIL □	NIL □	3 month
Severance fee □	NIL □	NIL □	Nil, if notice period is served

Non-Executive Directors are not entitled to any remuneration other than the sitting fees. The details of remuneration paid to Non-Executive Directors during the year under review are given below : □

Name of the Non-Executive Directors □	Sitting Fees paid (₹) □
Mr. P. K. Sarkar □	27,500/- □
Mr. H. S. Senapati □	27,500/- □
Mr. Rahul Singhi □	17,500/- □
Ms. Dipali Sharma □	2,500/- □
Ms. Puja Jhunjhunwala □	2,500/- □
Total □	77,500/- □

Terms of reference:

The terms of reference of the Remuneration Committee are as per sec 178 of the Companies Act, 2013 and guidelines set out in the Listing Agreement with Stock Exchange that inter alia includes indentifying and recommending suitable candidates as members of Board, Key Managerial Personnel (KMP) and other Senior Management. The Committee also reviews and recommends their remuneration.

Policy for Remuneration to Directors / Key Managerial Personnels

The Remuneration paid to Managing Director/ Whole time Directors, etc. is governed as per provisions of the Companies Act and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Remuneration and Nomination Committee makes such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Director, KMP and other senior management.

Remuneration to Non-Executive/Independent Directors:

- The Non-Executive/Independent Directors receive sitting fees and such other remunerations permissible under the provisions of Companies Act, 2013.
- An individual Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.

Remuneration to Key Managerial Personnel:

- The remuneration to Key Managerial Personnel shall consist of fixed pay in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, Contribution to pension fund, □ pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

Familiarization programme for Independent Directors:

The Company has formulated a module to familiarize the independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes in compliance of Securities and Exchange Board of India Circular dated 15th September, 2014 on amendments to Clause 49(II)(B)(7) of the Listing Agreement.

Corporate Social Responsibility Committee:

In view of continuing loss, it is not applicable to the Company.

Independent Directors Meeting:

During the year under review, the Independent Directors of the Company met on 27th March, 2015 inter alia, to:

- a. Evaluate and review the performance of non-independent directors and the Board as a whole:
- b. Evaluate and assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent directors of the Company were present at the meeting.

V. SHAREHOLDERS' COMMITTEES

- a) **Shareholders'/Investors' Grievance Committee: The Committee was re-named during the year as Stakeholders' Relationship Committee. The Committee consists of Mr. S. N. Jhunjunwala & Mr. P. K. Sarkar. Mr. P. K. Sarkar is the Chairman of the Committee.**

Details of Shareholders' complaints received:

- No complaints were received from the shareholders during the year. No shares were pending for transfer as on 31st March, 2015, from the shareholder of the Company. No meeting of the shareholders/Investors Grievances Committee was held during the year.**
- b) **Share Transfer Committee: The Share Transfer Committee comprises of Mr. S.N. Jhunjunwala and Mr. Rajiv Jhunjunwala. The Committee met 6(six) times during the year on 27.05.2014, 26.06.2014, 20.11.2014, 29.11.2014, 31.12.2014 and 31.01.2015.**

Compliance Officer: Mr. S. L. Agrawal, Company Secretary is the Compliance Officer w.e.f. 1st September, 2009.

VI. GENERAL BODY MEETING

Location and Time, where last three Annual General Meetings were held are given below :

<input type="checkbox"/> Accounting Year <input type="checkbox"/>	<input type="checkbox"/> Date <input type="checkbox"/>	<input type="checkbox"/> Location of the Meeting <input type="checkbox"/>	<input type="checkbox"/> Time <input type="checkbox"/>	<input type="checkbox"/> Special Resolution passed <input type="checkbox"/>
2013-2014 <input type="checkbox"/>	29th September, 2014 <input type="checkbox"/>	Management Development Centre, Tata Hall, Indian Institute of Management Calcutta, Diamond Harbour Road, Joka, Kolkata 700104 <input type="checkbox"/>	2.30 p.m. <input type="checkbox"/>	i) <input type="checkbox"/> Amendment in Article 104 of the AOA of the Company <input type="checkbox"/> ii) <input type="checkbox"/> Addition of new clause i.e. clause 104A in AOA of the Company <input type="checkbox"/> iii) <input type="checkbox"/> Consent to sell, lease or otherwise dispose off all or any of the undertaking of the Company <input type="checkbox"/>
2012-2013 <input type="checkbox"/>	14th August, 2013 <input type="checkbox"/>	Kala Kunj Hall, 48, Shakespeare Sarani Kolkata - 700 017 <input type="checkbox"/>	4.00 p.m. <input type="checkbox"/>	None <input type="checkbox"/>
2011-2012 <input type="checkbox"/>	14th August, 2012 <input type="checkbox"/>	- do - <input type="checkbox"/>	4.00 p.m. <input type="checkbox"/>	None <input type="checkbox"/>

No special resolution was passed through Postal Ballot during the F. Y. 2014-2015. However, in terms of sec.108 of the Companies Act, 2013 all resolutions at the 41st AGM held on 29th September, 2014, were passed through Ballot. Similarly, all the resolutions proposed to be passed at the ensuing Annual General Meeting shall be passed through Ballot. Further the following resolutions are proposed to be passed through Postal Ballot.

1. Permission u/s. 180(1)(a) of the Companies Act, 2013 to sell, lease, mortgage or otherwise dispose off the properties of the Company.
2. Permission u/s. 186 of the Companies Act, 2013 to give loan or invest the funds of the Company.
3. Permission u/s. 180(1)(c) of the Companies Act, 2013 to borrow money.

VII. DISCLOSURES

- a) The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives or other related parties as defined under the Companies Act and listing agreement that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in Point No.6 of Note '23' to the Accounts in the Annual Report. A statement in summary form of transactions with related parties in ordinary course of business is placed periodically before the Audit Committee.
- b) In compliance of the requirements of Companies Act, 2013 and clause 49 of the listing agreement, the Company had constituted a Risk Management Committee during the year. The Committee comprises of two Promoter Executive Directors, Mr. S. N. Jhunjhunwala and Mr. Rajiv Jhunjhunwala and one Non-promoter Executive Director Mr. A. B. Chaturvedi. Mr. S. N. Jhunjhunwala is the Chairman of the Committee. The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. The procedure is periodically reviewed to ensure that executive management controls risk through means of properly defined frame work. The Company has also adopted a Risk Management Policy in the meeting of the Board of Directors held on 31st January 2006, the brief gist of which is as follows :
- The risk associated with company's product can be broadly categorised under following heads :
- Change in fashion** : Company's products largely depend on the change in global fashion. In order to minimise the risk on account of finished goods held in stock, the Company has a policy of manufacturing goods only against confirmed orders from customers and maintain inventory only of those items which are not subject to fast change in fashion.
 - Global Competition** : The Company is making all-round efforts to economize the cost of production to meet possible threat from China, a low cost producing center.
 - Currency Risk** : Open exposure in foreign currency is reviewed regularly and adequate steps are taken to cover the same in consultation with company's bankers.
- c) The Company has not made any public issues, rights issues or preference issues during the year under review.
- d) The Company has established a Vigil Mechanism and Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethic policy. The policy is available on the website of the Company www.jjexporters.com. It is also confirmed that no personnel was denied access to the Audit Committee. There were no non-compliance of any legal provision by the Company and no penalty or fine or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

VIII. MEANS OF COMMUNICATION

- a) In compliance with Clause 41 of the Listing Agreement, the Company regularly intimates Un-audited as well as Audited Financial results to the Stock Exchanges immediately after the Board takes them on record.
- b) The quarterly results of the Company are published in leading National Newspapers. Financial Results are also displayed on the corporate website i.e. www.jjexporters.com.
- c) Management Discussion and Analysis is covered in Directors' Report to the Shareholders and forms part of this Annual Report, which is posted to the shareholders of the Company.

IX. GENERAL SHAREHOLDERS' INFORMATION

- a) Date and venue of Forty Second Annual General Meeting : The Forty Second Annual General Meeting of the Company will be held on Tuesday, 29th September, 2015 at 2.30 p.m. at Management Development Centre, Tata Hall, Indian Institute of Management Calcutta, Diamond Harbour Road, Joka, Kolkata – 700104.
- b) Book Closure Dates : The Share Transfer Books and Register of Members will remain closed from 23rd September, 2015 to 29th September, 2015 (both days inclusive).
- c) Exchanges listed at with code numbers : The Calcutta Stock Exchange Limited – 020029
7, Lyons Range, Kolkata - 700 001.
The Stock Exchange, Mumbai – 530049
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

The Listing Fees to the above Stock Exchanges have been paid for the year 2015-16.

d) Share Price Data* (BSE) (in Rs.)

Months	High	Low
April, 2014	10.60	6.76
May, 2014	9.70	7.51
June, 2014	9.78	8.04
July, 2014	9.01	7.52
August, 2014	8.85	7.60
September, 2014	9.59	7.90
October, 2014	10.40	8.00
November, 2014	9.95	8.16
December, 2014	10.79	8.60
January, 2015	10.40	8.89
February, 2015	10.28	7.73
March, 2015	9.56	6.86

* Source www.bseindia.com

e) Registrar & Transfer Agents (both for Demat & Physical)

M/s. MCS Share Transfer Agent Ltd
 12/1/5, Manoharpukur Road, Kolkata - 700 026
 Phone : (033) 4072 4051-4053,
 Fax : (033) 4072 4050
 E-mail : mcssta@rediffmail.com

f) Share Transfer System

As the Company's shares are compulsorily traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/CDSL with whom the Company has entered into separate agreements. The Share Transfer in physical form are processed and registered within a period of 15 days from the date of receipt on an average provided the documents are in order.

g) Shareholding Pattern as on 31st March, 2015

Category	No. of Shares	Percentage
Promoters *	67,62,863	73.02%
Domestic Institutional Investors	—	—
NRI's/OCB's	3,98,407	4.30%
Other Body Corporates	4,69,630	5.07%
Indian Public	16,31,350	17.61%
Total	92,62,250	100.00%

* Includes shares held by J. J. Exporters Beneficiary Trust as treasury stock on behalf of the Company.

h) Dematerialization of Shares

As at 31 March, 2015, approximately 98.87% of the total Equity Shares are held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The Company's Equity Shares are traded compulsorily in dematerialised form. The ISIN of the Company is INE408B01015.

i) Branch Locations (including major works)

- 1) No.1040, West of Chord Road, Rajajinagar, 5th Block, Banalore - 560010, Karnataka.
- 2) Bounsi Road, Bhagalpur – 812 002.
- 3) Mauza Gangarampur, Post Bishnupur, Dist. 24 Parganas (S), West Bengal.
- 4) Onset - 51/2, Hindusthan Park, Gariahat, Kolkata - 700 029.

j) Address for correspondence

J. J. Exporters Limited
 "Mukhtar Tower", 2nd Floor, 59, Elliot Road, Kolkata - 700 016.
 Phone : (033) 40713125 /22654776 /22654778, Fax : (033)2265 4780
 Email : jjemail@vsnl.com

X. CODE OF PROFESSIONAL CONDUCT

The Company has formulated a Code of Conduct for all Board Members and Senior Management Personnel and the same has been adopted by the Board in its meeting held on 31st January, 2006. The code was revised during the year to include the duties of independent Directors. The Code is also available on the website of the Company. A declaration from the CEO that all Board Members and senior management personnel have duly complied with the Code of Conduct for the financial year ended 31st March, 2015 is appended herein below :

This is to state that the Company, had duly adopted a Code of Conduct in the meeting of the Board of Directors held on 31st January, 2006. After adoption of the Code of Conduct the same was circulated to all the Board Members and senior management personnel for compliance. The Code of Conduct has also been posted on the website of the company. The Company has since received declarations from all the Board Members and senior management personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year ended 31st March, 2015.

S. N. Jhunjhunwala

Executive Chairman

XI. CEO/CFO CERTIFICATE

The Company with effect from the financial year ending 31st March, 2006, is duly placing a certificate to the Board from the CEO and CFO in accordance with the provisions of Clause 49(v) of the Listing Agreement. The aforesaid certificate duly signed by the CEO and CFO in respect of the financial year ended 31st March, 2015 has been placed before the Board in the meeting held on 29.05.2015.

XII. SUBSIDIARY COMPANIES

The Company has one wholly owned subsidiaries namely, Spin International Inc. - USA. The provisions of Clause 49 of the Listing Agreement are not applicable to the subsidiary.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
J J EXPORTERS LIMITED

We have examined the compliance of the conditions of Corporate Governance by J J Exporters Limited ("the Company"), for the year ended March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No.302111E

Anand Prakash
Partner

Membership No. 056485

Place : Kolkata
Date: 31st day of July, 2015

FORM AOC-1
Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in ₹)

Sl. No.	Particulars	Details
1	Name of the Subsidiary	SPIN INTERNATIONAL INC.
2	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiary	Reporting Currency: \$ (U.S. DOLLAR) Exchange Rate on 31.03.2015: 1\$ = ₹ 62.61
4	Share Capital	62,610
5	Reserves and Surplus	49,160,621
6	Total Assets	51,787,110
7	Total Liabilities	2,563,879
8	Investments	NIL
9	Turnover	79,051,455
10	Profit before Taxation	(1,987,416)
11	Provision for Taxation	198,376
12	Profit after Taxation	(2,185,792)
13	Proposed Dividend	NIL
14	% of Shareholding	100

Note:

Translated figures (above) of the Financial Statements of the Subsidiary have been arrived at in accordance with the basis as specified in Note 23 (H) of the Consolidated Financial Statements, before giving effect to intra-group transactions and unrealised profit thereon.

Additional Information:

- 1 Name of Subsidiaries which are yet to commence operations
- 2 Name of Subsidiaries which have been sold during the year

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

NONE

J. J. CREATIONS SA

For and on Behalf of the Board

S. N. Jhunjunwala — Executive Chairman

Rajiv Jhunjunwala — Vice Chairman

Rahul Singhi — Director

H. S. Senapati — Director

Puja Jhunjunwala — Director

P. K. Sarkar — Director

A. B. Chaturvedi — Director

Dipali Sharma — Director

S. L. Agrawal
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the members of
J J EXPORTERS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of J J EXPORTERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter in the Notes to the financial statements:

- a) **Note 2 to the financial statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a Net loss during the current year and incurred cash loss during the previous year and, the Company's current liabilities exceeded its current assets as at the Balance Sheet date. These conditions, along with other matters set forth in Clause 8 of Note 23, indicate the existence of an uncertainty that may cast doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company has been prepared on a going concern basis since the financial and business restructuring has been initiated by the company.**

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The going concern matter described in sub-paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Clause 1 of Note 23 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg:No. 302111E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 29th day of May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. (a) As explained to us, inventories have been physically verified during the year at reasonable intervals by the management.
 - (b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies, which were noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of accounts. However, they are not material in nature.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, comment on Clause No. iii (a) and iii (b) of the said order does not arise.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our previous assessment, no continuing failure to correct any major weakness in internal control system had come to our notice.
- v. According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, compliances are required.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the Company's product to which the said rules are made applicable, and are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the same.
- vii. (a) According to the records of the Company and as per the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- b) On the basis of information and explanations given to us, these are the disputed Statutory Dues, which have not been deposited with the appropriate authorities :

The details regarding the Income Tax disputed dues pending before Commissioner of Income Tax (Appeals) is shown below:

ASSESSMENT YEAR	INCOME TAX AMOUNT(₹)	ASSESSMENT YEAR	INCOME TAX AMOUNT(₹)
1998-1999	79,799	2008-2009	45,868,423
2003-2004	163,157	2009-2010	42,406,650
2004-2005	1,301,201	2010-2011	327,520
2005-2006	5,276,944	2011-2012	61,590

The details regarding the Sales tax disputed dues pending before Appellate and Revisional Board are as follows:

ASSESSMENT YEAR	SALES TAX AMOUNT (₹)
2008-09	1,15,154
2009-10	1,04,171
2010-11	25,76,331
2011-12	2,17,538 □

The details regarding the Excise Duty, Custom Duty and Service Tax disputed dues are as follows:□

PARTICULARS□	AMOUNT (₹)□	Forum where Dispute is Pending□
Custom Duty (including penalty of ₹ 48,40,347) (2009-10 to 2012-13)□	96,80,694 □	Commissioner of Central Excise□
Service Tax (2006-07)□	2,56,065 □	Central Excise and Service Tax Appellate Tribunal (CESTAT) □
Service Tax (2006-07)□	3,36,842 □	Commissioner of Appeal□
Service Tax (2007-08)□	90,842 □	CESTAT□
Service Tax on Commission (2005-06)□	3,48,536 □	Commissioner of Appeal□
Service Tax (2007-08) □	2,66,676 □	Commissioner of Appeal□
Service Tax (2007-08)□	3,87,217 □	CESTAT□
Service Tax (2008-09 & 2009-10)□	2,83,482 □	Commissioner of Appeal□
Service Tax (2009-10)□	51,920 □	Commissioner of Appeal□
Service Tax (2006-07 & 2007-08)□	6,95,479 □	Commissioner of Appeal□
Service Tax (2007-08)□	2,02,497 □	Honourable High Court of Calcutta

c) There is no amount required to be transferred to Investors Education and Protection Fund as on 31st March, 2015.

- viii. The accumulated losses of the company at the end of the financial year is more than fifty percent of its net worth and the company has not incurred cash losses in the current financial year but the company has incurred cash losses in the immediately preceding financial year.
- ix. The term loan from Industrial Development Bank of India (IDBI) to the extent of ₹15 Crores, which was to be paid during the year 2014-15, is not yet paid. However, the bank has approved one time settlement of the outstanding loans, for which necessary compliances are in process.

Loans from Indian Overseas Bank (IOB) of ₹ 23.18 Crores (including interest), subject to confirmation was called back for repayment during the year 2013-14 and is also not yet paid, for which the company has approached for one time settlement to the bank in view of the current financial position.

- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg:No. 302111E

Anand Prakash
Partner
Membership No. 056485

Place : Kolkata
Date: 29th day of May, 2015

Balance Sheet as at 31st March 2015

I. EQUITY AND LIABILITIES	Notes	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Shareholders' Fund			
Share Capital	1	92,622,500	92,622,500
Reserves and Surplus	2	(89,821,819)	(63,286,800)
		<u>2,800,681</u>	29,335,700
Non-Current Liabilities			
Long-term borrowings	3 (A)	100,268,480	200,509,164
		<u>100,268,480</u>	200,509,164
Current Liabilities			
Short-term borrowings	3 (B)	121,973,993	171,578,009
Trade payables	4	15,052,549	27,266,506
Other current liabilities	5	361,778,250	232,296,453
Short-term provisions	6	63,140,385	61,720,448
		<u>561,945,177</u>	492,861,416
Total	□	<u>665,014,338</u>	<u>722,706,280</u>
II. ASSETS	Notes	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Non-Current Assets			
Fixed assets			
- Tangible Assets	7	359,456,039	415,108,209
- Capital Work In Progress		2,590,374	2,590,374
Non-current investments	8 (A)	51,151,087	55,623,913
Long term loans and advances	9	37,713,426	1,887,344
		<u>450,910,926</u>	475,209,840
Current Assets			
Current Investments	8 (B)	12,000	12,000
Inventories	10	56,031,924	76,357,980
Trade Receivables	11	18,049,677	49,891,287
Cash and Bank Balances	12	34,593,012	12,195,747
Short-term Loans and Advances	13	92,492,031	98,048,485
Other Current Assets	14	12,924,768	10,990,941
		<u>214,103,412</u>	247,496,440
Total	□	<u>665,014,338</u>	<u>722,706,280</u>
Significant Accounting Policies and Notes to Accounts	23		

The notes referred to above form an integral part of the Financial Statements

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

Statement of Profit and Loss for the year ended 31st March 2015

PARTICULARS	Notes	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
I. Revenue from Operations	15	166,599,226	328,835,177
II. Other Income	16	89,718,528	31,479,690
III. Total Revenue (I + II)		256,317,754	360,314,867
IV. Expenses:			
Cost of Materials Consumed & Other Manufacturing Expenses	17	49,896,004	144,937,751
Purchase of Traded Goods	18	66,828,992	32,160,914
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18	12,745,961	61,276,193
Employee Benefits Expense	19	32,679,684	59,976,587
Finance Costs	20	71,970,739	82,106,250
Depreciation and Amortisation Expense	21	44,116,152	36,755,975
Other Expenses	22	34,534,131	134,201,599
IV. Total Expenses	□	312,771,663	551,415,269
V. Profit/ (Loss) before Prior Period Adjustments, Exceptional Items, Extra-Ordinary Items and Tax (III - IV)		(56,453,909)	(191,100,402)
VI. Prior Period Adjustments		(56,474)	(79,366)
VII. Profit/ (Loss) before Exceptional Items, Extra-Ordinary Items and Tax (V - VI)		(56,510,383)	(191,179,768)
VIII. Exceptional Items [Refer Note - 23(22a)]		-	(40,000,000)
IX. Profit/ (Loss) before Extra-Ordinary Items and Tax (VII - VIII)		(56,510,383)	(231,179,768)
X. Extra-Ordinary Items [Refer Note - 23(7)]		29,975,364	-
XI. Profit/ (Loss) Before Tax (IX - X)		(26,535,019)	(231,179,768)
XII. Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(3) Income Tax for Earlier Years		-	-
XIII. Profit/(Loss) after Tax (XI - XII)		(26,535,019)	(231,179,768)
XIV. Earnings per Equity Share before Extra Ordinary Items- Basic/Diluted (Refer Clause 9 of Note 23)		(6.10)	-
XIV. Earnings per Equity Share- Basic/ Diluted (Refer Clause 9 of Note 23)		(2.86)	(24.96)

Significant Accounting Policies and notes to accounts

23

The notes referred to above form an integral part of the financial statements

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

NOTE : 1 SHARE CAPITAL	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Authorised		
Equity share Capital		
10,000,000 (10,000,000) shares of ₹ 10/- each	100,000,000	100,000,000
Issued, Subscribed & Paid-Up		
Equity share Capital		
1,257,500 (1,257,500) shares of ₹ 10/- each fully Paid-Up in Cash	12,575,000	12,575,000
42,500 (42,500) shares of ₹ 10/- each allotted as fully Paid-Up, pursuant to contract without payment being received in cash	425,000	425,000
5,876,000 (5,876,000) shares of ₹ 10/- each allotted as fully Paid-Up, Bonus Shares by way of Capitalisation of Reserve	58,760,000	58,760,000
2,086,250 (2,086,250) shares of ₹ 10/- each allotted as fully Paid-Up, pursuant to Scheme of Amalgamation	20,862,500	20,862,500
Total	92,622,500	92,622,500

a. Reconciliation of the number of shares outstanding and the amount of share capital at the year end

Equity Shares	Nos.	As at 31st March 2015 ₹	Nos.	As at 31st March 2014 ₹
At the beginning of the year	9,262,250	92,622,500	9,262,250	92,622,500
Issued during the year	-	-	-	-
Outstanding at the end of the year	9,262,250	92,622,500	9,262,250	92,622,500

b. Aggregate number of Bonus shares issued & shares issued for consideration other than cash

Particulars	Nos.	As at 31st March 2015 ₹	Nos.	As at 31st March 2014 ₹
Equity share allotted as fully paid bonus share by capitalisation of reserve				
At the beginning of the year	5,876,000	58,760,000	5,876,000	58,760,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	5,876,000	58,760,000	5,876,000	58,760,000
Equity share allotted as fully paid up pursuant to contracts for consideration other than Cash				
At the beginning of the year	2,128,750	21,287,500	2,128,750	21,287,500
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,128,750	21,287,500	2,128,750	21,287,500

c. Details of Shareholders holding more than 5% Share in the Company

Particulars	Nos.	As at 31st March 2015 % Holding in the Class	Nos.	As at 31st March 2014 % Holding in the Class
Equity Shares of ₹ 10 Each				
Nupur Carpets Private Limited	2,411,140	26.03	2,411,140	26.03
J J Exporters Beneficiary trust	1,303,675	14.08	1,303,675	14.08
Akhilesh Jhunjunwala Beneficiary Trust	762,604	8.23	762,604	8.23
S.N. Jhunjunwala (including S. N. Jhunjunwala HUF)	952,240	10.28	952,240	10.28
Rajiv Jhunjunwala (including Rajiv Jhunjunwala HUF)	786,104	8.49	786,104	8.49

Note : 2 RESERVES & SURPLUS	As at 31st March 2015	As at 31st March 2014
	₹	₹
a) Capital Reserve		
Capital subsidy received from WBIDC	7,934,000	7,934,000
Pursuant to Scheme of Amalgamation	1,530,610	1,530,610
Addition	-	-
Deduction	-	-
Closing Balance	9,464,610	9,464,610
b) Securities Premium Reserve		
Opening Balance	48,203,900	48,203,900
Addition	-	-
Deduction	-	-
Closing Balance	48,203,900	48,203,900
c) General Reserve		
Opening Balance	344,400,000	344,400,000
Addition	-	-
Deduction	(344,400,000)	-
Closing Balance	-	344,400,000
d) Surplus/(Deficit) as per Statement of Profit and Loss		
Opening Balance	(465,355,310)	(234,175,542)
Addition: Transfer from General Reserve	344,400,000	-
Deduction	(26,535,019)	(231,179,768)
Closing Balance	(147,490,329)	(465,355,310)
Total	(89,821,819)	(63,286,800)

Note : 3 BORROWINGS	As at 31st March 2015				As at 31st March 2014				
	Long term		Current		Short term		Total		
	Borrowings	of long term	maturity	borrowings	Borrowings	of long term	maturity	borrowings	Borrowings
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)
A) Term Loans									
Secured :									
- From Bank	207,662,750	-	-	207,662,750	257,662,750	-	-	257,662,750	257,662,750
Funding Interest Term Loan From Banks	77,710,632	-	-	77,710,632	41,718,948	-	-	41,718,948	41,718,948
Unsecured :									
- From Body Corporate (ABG Ports Ltd)	-	-	-	-	10,000,000	-	-	10,000,000	10,000,000
Less: Current maturity of long term borrowings shown as other current liabilities (Refer note-5)	(185,104,902)	185,104,902	-	-	(200,000,000)	200,000,000	-	-	-
	100,268,480	-	-	100,268,480	109,381,698	-	-	109,381,698	109,381,698
B) Working Capital Loan From Bank									
Secured									
- Packing Credit Loan -INR	-	-	-	-	-	-	52,659,368	52,659,368	52,659,368
- Packing Credit Loan -Foreign Currency	-	-	-	-	-	-	65,584,602	65,584,602	65,584,602
- Bill Discounted With Banks-Foreign Currency	-	-	6,762,840	6,762,840	-	-	10,056,203	10,056,203	10,056,203
- Working Capital Term Loan	91,127,466	-	-	91,127,466	91,127,466	-	-	91,127,466	91,127,466
Less: Current maturity of long term borrowings shown as other current liabilities (Refer note-5)	(91,127,466)	91,127,466	-	-	-	-	-	-	-
- Cash Credit From Banks	-	-	90,211,153	90,211,153	-	-	19,277,836	19,277,836	19,277,836
Unsecured									
- From Bodies Corporates	-	-	25,000,000	25,000,000	-	-	24,000,000	24,000,000	24,000,000
Total	100,268,480	276,232,368	121,973,993	498,474,841	200,509,164	200,000,000	171,578,009	572,087,173	572,087,173

- a) Working capital facilities with Indian Overseas Bank is secured by first charge on Current Assets of the Company.
- b) As collateral security, Indian Overseas Bank has second pari passu charge on (i) Movable block assets of the company, (ii) Mortgage on Land and Building at Doddaballapur, Bangalore and (iii) Mortgage on Land and Building at Gangarampur, 24 Parganas (S), West Bengal.
- c) Further, the working capital limits of Indian Overseas Bank is also secured by personal guarantee of two Directors of the company.
- d) The said loan from Indian Overseas Bank are subject to confirmation and reconciliation, if any.
- e) Rupee Term Loan with Industrial Development Bank of India Ltd (IDBI) has been secured as follows:

Purpose <input type="checkbox"/>	Description of property <input type="checkbox"/>
Retail showroom <input type="checkbox"/>	(i) <input type="checkbox"/> Plant and machinery of Kolkata EOU on first Charge. <input type="checkbox"/> (ii) <input type="checkbox"/> Entire movable property (excluding current assets) of retail showroom on first charge basis. <input type="checkbox"/> (iii) <input type="checkbox"/> Stock of Raw Material, WIP and Finished goods of all units on second charge <input type="checkbox"/>
Doddaballapur <input type="checkbox"/>	(i) <input type="checkbox"/> First charge on Land and Building at Dodaballapur. <input type="checkbox"/> (ii) <input type="checkbox"/> First charge on movable and immovable assets (except Stock) of J.J.Spectrum (unit of J J Exporter Ltd.) <input type="checkbox"/> (iii) <input type="checkbox"/> First charge on movable and immovable assets (except Stock) of EOU at Kolkata. <input type="checkbox"/>
Kolkata EOU <input type="checkbox"/>	(i) <input type="checkbox"/> Whole of movable properties (other than stock) of the company's unit situated at Gangarampur, EOU-I and EOU-II <input type="checkbox"/> (ii) <input type="checkbox"/> Land measuring 40,000 sq. feet together with buliding thereon. Plant and machinery on first charge <input type="checkbox"/> (iii) <input type="checkbox"/> Personal guarantee of a Director.

f) Terms of Repayment of Term Loans/ FITL From IDBI

The IDBI Bank Limited has approved One Time Settlement (OTS) of its dues on account of Term Loan and Funding Interest Term Loan, the repayment of which is as follows:

₹15 crore was to be paid by selling Dodaballapur unit by March, 2015, the remaining Term Loan of ₹ 57,662,750/- is to be repaid w.e.f. 1st April 2015 in 59 monthly installments of ₹ 965,000/- and one installment of ₹ 727,750/-.

The Funding Interest Term Loan of ₹ 67,732,163/- is to be repaid in 60 monthly installments w.e.f 1st April 2015.

- g) The Working Capital Loans and Funding Interest Term Loan has been recalled by Indian Overseas Bank. Hence, the said loan is shown as Current Maturity of Long Term Borrowings and is included in Other Current Liabilities (Refer Note 5). However, the Company has approached the bank for One Time Settlement.

h) Terms of Repayment of Term Loans of Previous Year

Terms of Repayment of Funding Interest Term Loans From Banks:

A) IDBI Bank Limited

Funding Interest Term Loans ₹ 3,17,40,479/-. The interest on the Term loan is funded by the bank by way of FITL upto ₹ 7 Crores till 31st March, 2015. It was to be repaid in 60 monthly installment w.e.f 1st April 2015.

B) Indian Overseas Bank

Funding Interest Term Loans ₹ 99,78,469/-. The interest on the Working Capital Term loan is funded by the bank by way of FITL. It was to be repaid in 16 Quarterly installment w.e.f 1st April, 2016.

Terms of Repayment of Working Capital Term Loan from IOB:

The Bank had crystalised and converted part of the Packing Credit Facility to WCTL during the year. The said loan was repayable in 16 Quarterly Installments of ₹ 56.25 lacs each w.e.f 1st April, 2016.

Terms of Repayment of Term Loan from IDBI:

The Bank has restructured the terms of repayment of Term Loan as follows:

₹ 20 crore was to be paid by selling Dodaballapur unit by March, 2015, the remaining Term Loan of ₹ 57,662,750/- was to be repaid w.e.f. 1st April 2015 in 59 monthly installments of ₹ 965,000/- and one installment of ₹ 727,750/-

Note : 4 TRADE PAYABLES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Sundry Creditors for Goods and Services	15,052,549	27,266,506
Total	15,052,549	27,266,506

The company has not received information from vendors regarding the status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence no disclosures thereof for outstandings are made in this account.

Note : 5 OTHER CURRENT LIABILITIES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Interest Accrued & Due on Borrowings	33,702,299	-
Interest Accrued but not Due on Borrowings	-	4,634,654
Current Maturity of Long Term Borrowings (Refer Note-3)	276,232,368	200,000,000
Advance from Customers*	46,162,351	17,204,585
Payable for Employee Benefits	3,940,822	6,727,730
Statutory Dues Payable	1,489,956	3,137,311
Other Payables	250,454	200,354
Bank Book Overdraft	-	246,293
Unclaimed Dividend	-	145,526
Total	361,778,250	232,296,453

*Advance from Customers includes ₹ 15,206,293/- (Previous Year ₹ 4,346,065/-) from Related party (Spin International Inc.- Subsidiary Company)

Note : 6 SHORT TERM PROVISIONS	As at 31st March 2015	As at 31st March 2014
	₹	₹
Provision For Taxation	61,720,448	61,720,448
Provision For Gratuity	1,419,937	-
Total	63,140,385	61,720,448



Note : 7 FIXED ASSETS

PARTICULARS	COST			ACCUMULATED DEPRECIATION & AMORTISATION					NET BOOK VALUE		
	01.04.2014 ₹	Addition ₹	Deduction ₹	31.03.2015 ₹	01.04.2014 ₹	Charge for The Year ₹	Transitional Depreciation ₹	Deduction/ Adjustment ₹	31.03.2015 ₹	31.03.2014 ₹	
Tangible Assets											
FREEHOLD LAND**	23,359,863	-	-	23,359,863	-	-	-	-	-	23,359,863	23,359,863
Leasehold Land*	366,381			366,381	222,528	12,213	-	-	234,741	131,640	143,853
Buildings & Structures**	407,893,462	-	31,411,572	376,481,890	161,090,620	18,046,315	1,768,122	19,899,873	161,005,184	215,476,706	246,802,842
Plant & Equipments	672,773,011	143,836	351,043	672,565,804	562,023,474	10,416,090	307,439	294,347	572,452,656	100,113,148	110,749,537
Office Equipments	71,593,022	-	2,331,478	69,261,544	49,594,447	7,847,276	1,763,426	2,185,957	57,019,192	12,242,352	21,998,575
Furniture & Fixtures	32,120,801	139,920	6,660,505	25,600,216	22,884,704	2,707,641	298,147	6,283,562	19,606,930	5,993,286	9,236,097
Vehicles	7,834,182	589,655	2,141,825	6,282,012	5,016,740	925,727	23,756	1,823,255	4,142,968	2,139,044	2,817,442
T O T A L	1,215,940,722	873,411	42,896,423	1,173,917,710	800,832,513	39,955,262	4,160,890	30,486,994	814,461,671	359,456,039	415,108,209
Previous Year	1,350,561,790	2,182,951	136,804,019	1,215,940,722	863,237,706	36,755,975	-	99,161,168	600,832,513	415,108,209	

Leasehold land is being depreciated over the period of lease.

Pursuant to the enactment of the Companies Act, 2013 ("the Act"), the Company has, effective 01.04.2014, reviewed and revised the estimated useful lives of its Fixed Assets, generally, in accordance with the provisions of Schedule II of the Act as a result of which Previous Year's figures have been regrouped and rearranged, wherever necessary. The consequential impact on Depreciation is higher by ₹ 7,665,261/- and the Written Down Value of Fixed Assets whose lives have expired as at 01.04.2014 have been charged in the Statement of Profit and Loss ₹ 4,160,890 as Depreciation.

** Includes Assets held for Sale as at 31st March, 2015:

□

	Gross Value (₹)	Net Book Value (₹)
Free Hold Land	9,512,673	9,512,673
Buildings & Structures	183,866,772	108,538,873

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Note : 8 INVESTMENT (At cost) □

PARTICULARS □	As at 01.04.14 □		Additions (cost) □		Deductions (cost) □		As at 31.03.15 □	
	Face Value ₹□	No. of Shares/ Units □	Value ₹□	No. of Shares/ Units □	Value ₹□	No. of Shares/ Units □	Value ₹□	No. of Shares/ Units □
A) NON-CURRENT INVESTMENT □								
I) □ Investment in Equity Instruments □								
a) □ In fully paid up share of subsidiary (trade)(Unquoted) □								
- □ Spin International Inc.(100%) □			40,809 □		- □		40,809 □	
- □ OOO J J Home (FC) (100%) □			6,095,172 □		- □		6,095,172 □	
- □ J J Creations SA (FC) (85%) □		850 □	463,628 □		- □	850 □	- □	
b) □ Others (Quoted) □								
- □ J. J. Exporters Ltd. □								
- □ J. J. Exporters Beneficiary Trust □ as Treasury Share) □	10 □	1,303,675 □	81,100,278 □		- □		81,100,278 □	
- □ ABG Infralogistics Limited □	10 □	7,500 □	3,442,627 □		- □	7,500 □	- □	
- □ ABG Shipyard Limited □	10 □	1,000 □	566,571 □		- □	1,000 □	- □	
c) □ Others (Unquoted) □								
- □ Ballygunge Services Pvt. Ltd. □	10 □	1,000 □	10,000 □		- □		10,000 □	
Less: Provision for diminution in value of Investment □			(36,095,172) □				(36,095,172) □	
Total (A) □			55,623,913 □		- □		51,151,087 □	
B) CURRENT INVESTMENT □								
I) □ Investment in Govt. Securities (Non - trade) (Unquoted) □								
- National Savings Certificates □			12,000 □		- □		12,000 □	
II) □ Investment in Mutual Fund □								
- Reliance Growth Fund □				23,322.942 □		23,322.942 □		
Total (B) □								
Grand Total (A + B) □								
			55,635,913 □		42,700,000 □		51,163,087 □	
					42,700,000 □			
					47,172,826 □			

	As at 31st March 2015 □	As at 31st March 2014 □
	Cost □ ₹□	Cost □ ₹□
Aggregate value of Quoted Investments □	81,100,278 □	85,109,476 □
Aggregate value of Un-quoted Investments □	6,157,981 □	6,621,609 □
	8,943,211 □	16,073,700 □
	NA □	NA □

Note : 9 LONG TERM LOANS AND ADVANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
a) Loans :		
Unsecured, considered good :		
- To Body corporate	-	-
b) Advances to Staff (Unsecured, considered good)	-	-
c) Advance against Capital Goods	36,000,000	-
d) Security Deposits :		
Unsecured, considered good	1,713,426	1,887,344
Total	37,713,426	1,887,344

Note : 10 INVENTORIES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Raw Material	11,809,946	19,381,516
Work in Progress	10,263,250	13,904,458
Finished Goods	25,150,551	34,255,304
Stores	8,692,565	8,698,982
Packing Materials	115,612	117,720
Total	56,031,924	76,357,980

Note : 11 TRADE RECEIVABLES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Outstanding for a period exceeding six months		
a) Secured, considered good	-	-
b) Unsecured, considered good	1,040,865	1,385,200
c) Unsecured, considered doubtful :		
From Related Party(Subsidiary- OOO J J Homes)	20,101,432	20,101,432
(Refer Note - 23(13))	(20,101,432)	(20,101,432)
Less: Provision for doubtful debts	1,040,865	1,385,200
Others :		
a) Secured, considered good	-	-
b) Unsecured, considered good	17,008,812	48,506,087
c) Doubtful	-	-
Total	18,049,677	49,891,287

Due from Subsidiary companies ₹ 20,101,432 (Previous Year ₹ 20,101,432/-)

Note : 12 CASH & BANK BALANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
CASH & CASH EQUIVALENT		
Balances with Banks		
a) In Current Account	18,703,465	6,228,172
b) In Foreign Currency Account	3,312	-
c) In Fixed Deposit Account	11,420,984	-
d) In Unpaid Dividend Account	-	145,526
	<u>30,127,761</u>	<u>6,373,698</u>
Cash on Hand		
a) Cash on Hand	104,348	325,970
b) Foreign Exchange on Hand	-	2,222
	<u>104,348</u>	<u>328,192</u>
(A)	<u>30,232,109</u>	<u>6,701,890</u>
OTHER BANK BALANCES		
a) In Margin Deposit Account	4,360,903	5,493,857
(B)	<u>4,360,903</u>	<u>5,493,857</u>
Total (A + B)	<u>34,593,012</u>	<u>12,195,747</u>

Note : 13 SHORT TERM LOANS & ADVANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Advance taxes	77,616,910	75,863,562
Advances recoverable in cash or in kind		
Considered good*	14,875,121	22,184,923
Considered doubtful	470,983	470,983
Less:		
Provision for doubtful advance	(470,983)	(470,983)
	<u>14,875,121</u>	<u>22,184,923</u>
Total	<u>92,492,031</u>	<u>98,048,485</u>

* Short Term Loans and Advances includes ₹ NIL (Previous Year ₹ 29,86,454/-) receivable from Related Party - J J Creation SA which ceased to be a Subsidiary Company during the year.

Note : 14 OTHER CURRENT ASSETS	As at 31st March 2015	As at 31st March 2014
	₹	₹
Interest Accrued	1,230,874	1,088,404
Duty Drawback Receivable	3,343,827	4,253,176
Focus Product License in Hand	-	1,817,930
TUFS Subsidy Receivable	8,350,067	3,831,431
Total	<u>12,924,768</u>	<u>10,990,941</u>

Note : 15 REVENUE FROM OPERATIONS	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
EXPORT SALES		
Fabrics	137,554,960	277,826,058
Garments & Made-Ups	3,162,508	1,115,298
	(A) <u>140,717,468</u>	<u>278,941,356</u>
Deemed Export		
Fabrics	-	1,355,634
	(B) <u>-</u>	<u>1,355,634</u>
Local Sales/Realisation	(C) <u>11,242,050</u>	29,613,779
Design & Job Charges	(D) <u>557,296</u>	1,278,101
	(A + B + C + D) <u>152,516,814</u>	<u>311,188,870</u>
Export Incentives		
Duty Drawback	7,082,997	3,685,290
Focus Product Incentive Scheme	6,829,255	13,630,106
Service Tax Refund Received	170,160	330,911
	<u>14,082,412</u>	<u>17,646,307</u>
Total	<u>166,599,226</u>	<u>328,835,177</u>

Local Sale includes Retail Showroom Sale of ₹ 4,440,718/- (Previous Year ₹ 10,388,345/-)

Note : 16 OTHER INCOME	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Interest	1,175,169	720,448
Profit/ (Loss) on Sale of Fixed Asset (Net)	84,784,858	8,102,602
Profit/ (Loss) on Sale of Long Term Investment (Net)	-	1,949,392
Profit/ (Loss) on Sale of Short Term Investment (Net)	296,464	366,711
Provision For Doubtful Debt Written Back [Refer Note-23(22b)]	-	14,597,401
Miscellaneous Receipts & Adjustments (Net)	3,139,872	5,743,136
Net Gain/ (Loss) on Foreign Currency Transaction and Translation	322,165	-
Total	<u>89,718,528</u>	<u>31,479,690</u>

Miscellaneous Receipts & Adjustments (Net) includes Sundry Balances Written Back of ₹ 2,495,660/- (Net of ₹ 269,217 written off) (Previous Year ₹ 38,81,625/-, Net of ₹ 466,924 written off) and Dividend Income of ₹ 143/- (Previous Year ₹ 130/-).

Note : 17 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Raw Material Consumed	35,231,653	104,781,660
Stores Consumed	16,373	1,598,835
Power & Fuel	7,586,020	25,354,738
Stitching, Embroidery & Designing Charges	6,910,406	11,361,416
Weaving, Dyeing, Printing & Processing Expenses	-	958,214
Carriage Inward	151,552	882,888
Total	<u>49,896,004</u>	<u>144,937,751</u>

Raw material consumption

- Fabrics	34,045,070	27,592,500
- Yarn	535,630	73,294,105
- Others	650,953	3,895,055
	<u>35,231,653</u>	<u>104,781,660</u>

Note : 18 (INCREASE)/DECREASE IN INVENTORIES

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Inventories at the end of the year		
Work in Progress	10,263,250	13,904,458
Finished Goods	25,150,551	34,255,304
	<u>35,413,801</u>	<u>48,159,762</u>
Inventories at the beginning of the year		
Work in Progress	13,904,458	52,233,634
Finished Goods	34,255,304	57,202,321
	<u>48,159,762</u>	<u>109,435,955</u>
(Increase)/ Decrease in Inventories	<u>12,745,961</u>	<u>61,276,193</u>

DETAILS OF PURCHASE OF TRADED GOODS

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Silk Fabric	64,059,074	24,394,626
Cotton Fabric	2,602,398	1,199,709
Others (Handicrafts)	167,520	6,566,579
Total	<u>66,828,992</u>	<u>32,160,914</u>

Note : 19 EMPLOYEE BENEFIT EXPENSES

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Salary, Wages, Bonus, Gratuity & Allowances	29,901,240	52,781,746
Contribution to Provident Fund, ESI & Other Funds	1,942,364	5,389,615
Staff Welfare Expenses	836,080	1,805,226
Total	<u>32,679,684</u>	<u>59,976,587</u>

Note : 20 FINANCE COST

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Interest Expense	71,970,739	64,881,862
Exchange differences arising from Foreign Currency borrowings, to the extent that they are regarded as an adjustment to interest cost	—	17,224,388
Total	<u>71,970,739</u>	<u>82,106,250</u>

Note : 21 DEPRECIATION & AMORTISATION EXPENSE

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Depreciation	44,116,152	36,755,975
Total	<u>44,116,152</u>	<u>36,755,975</u>

Note : 22 OTHER EXPENSES	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Rent	1,086,941	936,248
Printing & Stationery	489,422	750,562
Postage, Telegram & Telephone	1,236,960	1,984,527
Rates & Taxes	1,168,019	4,884,851
Insurance	1,023,702	1,208,844
Travelling Expenses		
- Foreign Travelling	27,972	3,275,867
- Inland Travelling	170,094	567,562
Conveyance	510,141	1,267,471
Payment to Auditors		
- As Auditors	421,350	421,350
- For Taxation Matters	-	35,956
- For Certification/ Limited Review	70,225	35,955
- For Reimbursement of Expenses	24,888	65,212
Professional Fees	2,659,150	4,723,754
Directors' Meeting Fees	77,500	87,500
Directors' Remuneration	2,247,620	3,185,427
Filing Fees	33,055	8,056
Commission & Brokerage	4,563,236	8,134,328
Selling & Distribution Expenses	3,457,737	5,644,235
Repairs & Maintenance		
- to Building	1,070,769	886,731
- to Machinery	79,165	864,590
- to Others	1,195,498	2,214,353
Vehicle Maintenance	1,127,703	1,533,228
Export Credit Guarantee Premium	77,758	1,226,735
Export Promotion Expense	20,836	86,170
Export Expense	152,591	288,418
Trade Fair Expense	1,030,261	1,477,470
Service Charge	924,656	1,703,723
Rebates & Discount	3,612,427	1,922,825
Bad Debt [Refer Note - 23(22b)]	-	14,597,401
Provision for Doubtful Debt [Refer Note- 23(13)]	-	20,101,432
Provision for Diminution in Value of investment [Refer Note - 23(3) & 23(13)]	-	36,095,172
Net (Gain)/ Loss on Foreign Currency Transaction and Translation	-	7,345,354
(Profit)/ Loss on Sale of Long Term Investment (Net)**	1,840,840	-
Bank Charges	1,293,320	2,200,051
Miscellaneous Expense	2,840,295	4,440,241
Total	34,534,131	134,201,599
Selling & Distribution Expenses includes-	2014-2015	2013-2014
Advertisement	52,343	437,664
Samples (Net) *	2,729,796	2,671,256
Packing Expenses	385,929	1,062,119
Freight & Delivery Charges	289,669	1,473,196
	3,457,737	5,644,235

* Realisation on account of Samples ₹ 857,127 (Previous Year ₹ 2,380,696) from buyers have been credited to Sample Expenses Account.

** Net of Profit on Sale of Investment in Subsidiary- J J Creation SA ₹ 687,772/-

Notes Forming Part of the Financial Statements

Note - 23 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

	31.03.2015	31.03.2014
	₹	₹
1 Contingent Liabilities not provided for :		
a) Letters of Guarantee	1,375,750	6,474,950
b) Income Tax pending in appeals for earlier years	95,485,284	95,423,694
c) Case pending in Labour Court	-	159,200
d) Sales tax claim under Appeal (For this, management expects no liability)	3,013,194	69,972,650
e) Excise & Custom Duty and Service tax Demand (includes ₹ 48,40,347 penalty on Custom Duty)	12,600,250	-
f) Capital Commitment (Net of Advance of ₹ 3.60 crore)	24,000,000	NIL
2 Significant accounting policies adopted by the company:		
a) Historical conventions and revenue recognition		
i) Financial statements are drawn using the historical cost convention and adopting accrual basis save & except realisation on account of samples which are accounted for on settlement/receipt basis in view of uncertainty of realisation.		
ii) Export sales have been booked on FOB basis on the date of shipment.		
iii) Sale of import/export entitlements received by way of SIL/QUOTA licenses has been booked as on the date of sale, thereof. However, Duty Draw Back and DEPB Entitlement are accounted for on accrual basis on eligible amount of exports made and entitlement of Target-Plus Scheme has been accounted on utilisation basis as per the scheme. Focus Product Credit is booked on the basis of licences received.		
b) Fixed assets and capital expenditure :		
i) Fixed assets are stated at cost which includes installation & other expenditures. Such expenditure comprises purchase price, import duties, levies and any directly attributable cost of bringing the assets to their working conditions.		
ii) Capitalisation of Construction Period Expenses:		
Direct expenses as well as clearly identifiable indirect expenses incurred during construction period have been capitalised directly with respective assets. Finance cost and other allocable expenses incurred during the construction period of the project have been capitalised, proportionately.		
c) Depreciation:		
Depreciation is provided on Written Down Value Method as per Schedule II of the Companies Act, 2013, save and except for units J.J.Spectrum Silk and J.J. Exporter Limited- DTA Unit where depreciation has been provided on Straight Line Method as per Schedule II of the Companies Act, 2013. Leasehold land is being depreciated over the period of lease, wherever applicable. Increase/decrease in value of assets arising out of exchange rates fluctuation is charged over the remaining useful life of the assets upto the year 31st March, 2007 and later on, it has been charged to the Statement of Profit and Loss in accordance with the Accounting Standard 11, "The Effects of Changes in Foreign Exchange Rates".		
d) Valuation of Inventory:		
i) Stock of finished/semi finished goods has been valued at weighted average cost representing costs which has been incurred in bringing the inventory to their present conditions or net realisable value whichever is lower except for damaged and rejected goods which has been valued at estimated realisable value as per continuous practice followed by the company.		
ii) Raw Materials & Stores have been valued at weighted average cost or net realisable value whichever is lower.		
e) Investments:		
Non-current investments are stated at cost. Provisions are being made for diminution in value other than temporary in nature. Current investments categorywise are valued at cost or market price, whichever is lower.		

f) Foreign Currency transactions:

- i) All foreign currency income and expenses are generally recorded at the exchange rate prevailing on the date of transactions/ negotiations with the company's banker, save & except where forward contract has been booked which is being recorded at relevant rate. Premium on forward contract is being accounted for during the life of contract.
- ii) Foreign currency retained out of export proceeds in Exchange Earner's Foreign Currency Account with banker has been converted at bank advice rate applied for the relevant export bills except in case of collection bills wherein the same has been converted at spot rate prevailing on the date of realisation of the bills.
- iii) Commission to foreign agents is converted at exchange rates prevailing at the time of accounting such liability in company's books.
- iv) The company has approved policy of hedging. Accordingly, derivative contracts are entered into to hedge highly probable sales transactions or firm commitments. As per accounting policies adopted by the company, the gain or loss on settlement of the hedge contract is adjusted in sale/purchase as the case may be in the period in which transaction is accounted for.
- v) Current Assets and Liabilities in foreign currencies are converted at exchange rates prevailing at the year end, except in case of Forward contract booked by the company against these Assets/ Liabilities, which have been converted at the contracted rates.

g) Employee benefits:

- i) Short-term employee benefits including Leave Encashment are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- ii) Post Employment Benefits and other Long Term Employee Benefits include:

Defined Contribution Plans:

Company's contribution to Provident Fund and Employee State Insurance Fund are determined under the relevant Schemes and/or Statute and charged to the Statement of Profit & Loss.

Defined Benefit Plans:

Company's liability towards gratuity is actuarially determined at each Balance Sheet date using the Projected Unit Credit Method. Actuarial gains and losses are recognised in Statement of Profit & Loss. The contribution towards Gratuity is funded with LIC.

h) Taxation :

Income Tax expense comprises current tax and deferred tax charge or credit. Deferred Tax Asset or Liability is recognised using substantively enacted tax rates. Deferred Tax Assets/ Liabilities are reviewed as at each Balance Sheet date based on developments during the year and to reassess realisation/liabilities.

i) Impairment of assets :

Impairment of assets are assessed at balance sheet date and if any indicator of impairment exist, the same is assessed and provided for.

j) Provisions for contingent liabilities & contingent assets :

Provisions are recognised in respect of present obligations arising out of past events where there are reliable estimate of probable outflows of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for and are disclosed by way of notes to the accounts. Contingent assets are neither provided for nor disclosed.

k) Government Grants :

- State Capital Investment Subsidy has been credited to Capital Reserve Account on receipt basis.

l) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised as part of cost until the asset is ready for its intended use. A qualifying asset is an asset that necessarily require substantial period of time to get ready for its intended use or sale. After that, the borrowing costs are recognised as an expense in the period in which they are incurred and it includes exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to borrowing costs.

- 3 In respect of the Equity Shares of Erstwhile J.J. Spectrum Silks Ltd. held by the company (hereinafter referred to as the transferee company), 1,303,675 shares have been issued by the transferee company in terms of scheme,

to the board of trustees to have and to hold such shares in trust exclusively for the benefit of the transferee company and deal with the same as they deem fit. □

The above shares have been valued at cost. The said shares, being long term in nature, no provision for diminution in value has been done in earlier years. However, as per prudence and in view of the Financial Position, the company has made a provision of ₹ 3,00,00,000/- towards diminution in the year 2013-14 which, according to the management, is appropriate.

- 4 □ In the opinion of Board of Directors, all the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated and that all the known liabilities relating to the year have been provided for. □
- 5 □ As the company's business activities falls mainly within a single primary business segment viz. Dealing in Textile Goods, so disclosure requirement of Accounting Standard 17 " Segment Reporting ", notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 has not been given. □
- 6 □ **Related Party Disclosure in accordance with Accounting Standard 18 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.** □

a) □ Where common control exist □	Relationship □
i) □ Spin International Inc. □	Wholly Owned Subsidiary Company □
ii) □ OOO JJ Home □	Wholly Owned Subsidiary Company □
iii) □ JJ Creation SA □	Subsidiary Company (Ceased to be a Subsidiary Company during the year) □
iv) □ Nupur Carpet Private Limited □	(Associate) □
b) □ Key Managerial Personnel □	
i) □ Sri S.N. Jhunjunwala □	Executive-Chairman □
ii) □ Sri Rajiv Jhunjunwala □	Vice-Chairman □
v) □ Shri A.B. Chaturvedi □	Whole Time Director □
c) □ Relative of key managerial personnel □	
i) □ Mrs. Kavita Jhunjunwala □	Wife of Mr. Rajiv Jhunjunwala, Vice-Chairman

Nature of Transaction

	Related parties referred □ under (a) above □		Related parties referred □ under (b) and (c) above □	
	31.03.2015 □ (₹) □	31.03.2014 □ (₹) □	31.03.2015 □ (₹) □	31.03.2014 □ (₹) □
i) □ Sale of goods □	10,672,163 □	46,338,201 □	- □	- □
ii) □ Remuneration paid □	- □	- □	2,266,620 □	3,974,423 □
iii) □ Outstanding receivable □	- □	2,986,454 □	- □	- □
iv) □ Balance of Advance Received □	15,206,293 □	4,346,065 □	- □	- □
v) □ Sample development & □ designing charges □	42,058 □	623,866 □	- □	- □
vi) □ Loan taken (Nupur Carpets Private Limited) □	2,500,000 □	17,000,000 □	- □	- □
vii) □ Loan refunded □	2,500,000 □	17,000,000 □	- □	- □
viii) □ Interest paid □	16,438 □	459,451 □	- □	- □
ix) □ Loan Outstanding □	NIL □	NIL □	- □	- □
x) □ Provision for Doubtful Debts (OOO J J HOME) □	- □	20,101,432 □	- □	- □
xi) □ Provision for Diminution in Value of Investment □ in OOO JJ Home (Wholly Owned Subsidiary) □	- □	6,095,172 □	- □	- □
xii) □ Reduction in value of Investment □ (JJ Creation SA) □	- □	1,037,062 □	- □	- □

Note : The Sale of Goods include Deemed Export Sale to Subsidiary Company amounting to ₹ NIL (Previous Year ₹ 1,355,634/-).

- 7 □ The Company has approached the banks for one Time Settlement of outstanding loans. Two of the banks have approved Company's One Time Settlement Proposal and have been accepted by the company. All necessary adjustment entries have been passed in the books of accounts where the company has accepted the One time settlement approval in totality and has been shown as Extraordinary Item. □
- 8 □ The Net worth of the Company has substantially eroded and now the Company has initiated business and debt restructuring (Refer Note 7 above). In view of the ongoing restructuring, the accounts of the Company have been prepared on going concern basis.
- 9 □ **Earning per share : Disclosure in accordance with Accounting Standard 20 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.** □

31.03.2015 □ ₹ □	31.03.2014 □ ₹ □
(26,535,019) □	(231,179,768) □
9,262,250 □	9,262,250 □
(2.86) □	(24.96) □

- i) □ Net profit/(loss) after tax available for equity shareholders □
- ii) □ Weighted average Number of Equity Shares □
of ₹ 10/- each outstanding at the end of the year. □
- iii) □ Basic/diluted earning per share (i/ii) □

Earning per Share :- Disclosure in accordance with Accounting Standard 20 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. □

31.03.2015 □
(56,510,383) □
9,262,250 □
(6.10) □

- i) □ **Net Profit/ (Loss) before Extra-Ordinary Items but after Tax available for equity shareholders** □
- ii) □ **Weighted average Number of Equity Shares of ₹ 10/- each outstanding during the year.** □
- iii) □ **Basic/ Diluted Earning per Share (i/ii)** □

- 10 □ As a matter of prudence no deferred tax assets after adjusting MAT liability has been recognised in the account in accordance with "Accounting Standard 22", as notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. □

11 Loans taken from Nupur Carpets Private Limited □

	Opening □ balance ₹ □	Loan taken □ during the □ year ₹ □	Loan refunded □ during the □ year ₹ □	Maximum balance □ outstanding during □ the year ₹ □	Outstanding □ at the year □ end ₹ □
Current year (2014-15) □	- □	2,500,000 □	2,500,000 □	2,500,000 □	- □
Previous year (2013-14) □	- □	17,000,000 □	17,000,000 □	15,000,000 □	- □

- 12 □ Profit and Loss on sale of Investment includes ₹ 1486/- (Previous Year - ₹ NIL) on account of Security Transaction Tax paid on such transactions. □

- 13 □ One of the subsidiary, OOO JJ HOME, had closed its business during the year 2013-14. As a consequence of that, debit balance due from above subsidiary amounting to ₹ 20,101,432 had been provided and a provision for diminution in value of investment □ was done amounting to ₹ 6,095,172, necessary approval is awaited from Reserve Bank of India.

14

Imports & Consumption (in INR)	Stores 31st March ₹		Raw Materials 31st March ₹		Capital Goods 31st March ₹	
	2015	2014	2015	2014	2015	2014
	a) Imports (C.I.F. Value)	NIL	59,579	NIL	80,933,472	NIL
b) Consumption						
i) Imported	0	196,297	579,919	72,493,319	NIL	NIL
Percentage of Total	0.00%	12.28%	1.65%	69.19%		
ii) Indigenous	16,373	1,402,538	34,651,734	32,288,341	NIL	NIL
Percentage of Total	100.00%	87.72%	98.35%	30.81%		

15 Wholtime Director's Remuneration :

	31.03.2015 ₹	31.03.2014 ₹
a) Salaries & Bonus	1,926,000	2,736,000
b) Contribution to P.F. and other funds	231,120	328,320
c) Other perquisites	90,500	121,107
	<u>2,247,620</u>	<u>3,185,427</u>

16 Foreign Currency income & expenditure :

	31.03.2015 ₹	31.03.2014 ₹
Income :		
i) Export of goods (F.O.B. Basis) (net after adjustment of Sales returns)	140,717,468	278,941,356
ii) Sample & development Cost Received	491,486	1,575,325
iii) Sundry balances written back (net)	392,470	2,493,281
iv) Profit on Reduction of Investment (JJ Creation SA)	-	1,949,392
v) Sale of Investment (J J Creation SA)	1,151,400	-
Expenditure :		
i) Commission	4,421,211	7,951,278
ii) Travelling	27,972	1,677,318
iii) Foreign Trade Fair	945,186	1,477,469
iv) Subscription	30,264	90,792
v) Others	-	311,363
vi) Rebates & discounts	3,582,776	1,900,767
vii) Interest paid in Indian rupees on foreign currency loans	-	8,090,086
viii) Advertisement	-	84,641
ix) Provision for Bad & Doubtful Debts	-	20,101,434
x) Provision for Diminution in Value of Investment (OOO JJ Home)	-	6,095,172

17 Land measuring about 2.07 acre duly conveyed in the name of one of the unit of the Company by the State Government has been disputed by the original owner and the matter is subjudice.

- 18 In Respect Of 100% Export Oriented Units and as per the prevailing laws and guidelines, it is exempted from Customs and Central Excise Duties and levies. The Company has executed legal undertaking to pay the customs and central excise duties and liquidated damages, if any, in respect of capital goods, raw material, stores etc. procured duty free in the event of non-fulfillment of terms and conditions.
- 19 Loans and advances include ₹ 8,112/- (Previous Year amounting to ₹ 374,736/-) balance lying with Central Excise department.
- 20 There is no amount to be credited to Investors Education & Protection Fund as on 31st March 2015.
- 21 Interest on term loan is net of TUFS subsidy amounting to ₹ 4,518,636/- (Previous Year ₹ 4,592,858/-).
- 22 a Claims against certain Derivative transactions entered with a Bank during 2007-2008 have not been acknowledged by the company. Claims of ₹ 7.86 crores (excluding Interest) against these transactions which were contested and not provided by the management. However, the same had been settled by the company for an amount of ₹ 4 crores, which had been reflected as an Exceptional item in 2013-14.
- 22 b Also, Claims of ₹ 14,597,401/- by the company against the bank, for which a provision had been made in the books, was treated as Bad Debts in Accounts in the year 2013-14.
- 23 The Company had closed down the operation in its units at Dodaballapur, Bangalore with effect from 01-04-2013 and had disposed off the assets thereon in the Previous year except Land and Building which is in the process of disposal.
- 24 The Disclosure required under Accounting Standard 15 " Employee Benefits " notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 are given below:

A DEFINED CONTRIBUTION PLANS

□

B DEFINED BENEFIT PLANS

GRATUITY PLAN

The employees gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

	2014-15 Total (₹)	2013-14 Total (₹)
1) Reconciliation of opening and closing balances of defined benefit obligation		
Present value of obligation as at beginning of the year	19,189,608	19,668,248
Interest cost	1,401,102	1,748,604
Current service cost	1,152,122	1,370,689
Benefits Paid	(8,852,000)	(2,866,870)
Actuarial (Gain) /Loss on obligations	2,947,094	(731,063)
Present value of obligation as at end of the year	15,837,926	19,189,608
2) Reconciliation of opening and closing balances of Fair value of Plan Assets		
Fair value of Plan Assets at beginning of the year	21,226,209	17,326,024
Expected return on plan assets	1,421,862	1,734,850
Contribution	489,096	5,264,465
Benefits Paid	(8,852,000)	(2,866,870)
Actuarial Gain /(Loss) on Plan assets	132,822	(232,260)
Fair value of Plan Assets at end of the year	14,417,989	21,226,209

	2014-15 Total (₹)	2013-14 Total (₹)
3) Reconciliation of Fair Value of Assets and Obligations		
Actuarial Gain /(loss) for the year- obligations	(2,947,094)	731,063
Actuarial Gain /(loss) for the year-plan assets	132,822	(232,260)
Total Gain /(loss) for the year	(2,814,272)	498,803
Actuarial Gain /(loss) recognised in the year	(2,814,272)	498,803
4) Amount recognised in balance sheet		
Present value of defined benefit obligation	15,837,926	19,189,608
Fair value of plan assets	14,417,989	21,226,209
Net assets recognised in balance sheet	(1,419,937)	2,036,601
5) Expenses recognised during the year in the statement of profit and loss		
Current service cost	1,152,122	1,370,689
Interest cost	1,401,102	1,748,604
Expected return on plan assets	(1,421,862)	(1,734,850)
Net Actuarial (gain) /loss recognised in the year	2,814,272	(498,803)
Expenses recognised in the Statement of Profit & Loss	3,945,634	885,640
6) Actuarial Assumptions		
Discount Rate (Per Annum)	8.00%	8.25%
Expected Rate of Return on Plan Assets (Per Annum)	8.00%	9.00%
Rate of Escalation in Salary (Per Annum)	5.00%	5.00%

The estimation of rate escalation in salary considered in the actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. The above information as provided by the actuary.

25) Due to unfavourable market conditions and downturn in silk industry, one of the units at Gangarampur is no more viable to operate. So the company has declared temporary closure w.e.f. 01.12.2013.

26) One of the Subsidiary, namely, J J Creations SA had reduced its share capital by € 42,500 in the previous year. The Shares of the said subsidiary were disposed off by the Company during the year.

27) The company has regrouped and rearranged previous year figures to confirm the corresponding figures of this year.

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

Cash Flow Statement for the year ended 31st March 2015

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	(26,535,019)	(231,179,768)
Adjustment for:		
Depreciation	44,116,152	36,755,975
Interest Income	(1,175,169)	(720,448)
Interest Expense	71,970,739	64,881,862
(Profit)/ Loss on Sale of Investments (Net)	1,544,376	(2,316,103)
(Profit)/ Loss on sale of Fixed Asset	(84,784,858)	(8,102,602)
Provision for fall in the value of Non-Current Investment	–	36,095,172
Dividend Received	(143)	(130)
Operating Profit before Working Capital Changes	5,136,078	(104,586,042)
Movements In Working Capital :		
Increase/ (Decrease) in Trade Payables	(12,213,957)	(17,257,728)
Increase/ (Decrease) in Other Current Liabilities	24,327,311	(1,611,531)
Increase/ (Decrease) in Short Term Provisions	1,419,937	–
Decrease/ (Increase) in Trade Receivables	31,841,610	41,666,988
Decrease/ (Increase) in Inventories	20,326,056	69,371,171
Decrease/ (Increase) in Long- Term Loans and Advances	173,918	1,305,330
Decrease/ (Increase) in Short - Term Loans and Advances	7,309,802	33,402
Decrease/ (Increase) in Other Current Assets	(1,791,357)	3,203,089
Cash Generated from Operations/ (Used in) Operations	76,529,398	(7,875,321)
Direct Taxes Paid (Net)	(1,753,348)	(329,899)
Net Cash from Operating Activities (A)	74,776,050	(8,205,220)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase Of Fixed Assets	(873,411)	(2,182,951)
Sale Of Fixed Assets	97,194,286	45,745,453
Capital Advance for Purchase of Fixed Asset	(36,000,000)	–
Purchase of Investments	(42,700,000)	–
Sale of Investments	45,628,450	3,353,165
Fixed Deposit held as Margin Money matured	1,132,954	3,430,153
Interest Received	1,032,699	928,994
Dividend Received	143	130
Net Cash from Investing Activities (B)	65,415,121	51,274,944

Cash Flow Statement for the year ended 31st March 2015 (Contd.)

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds/ (Repayment) from Long Term Borrowings (Net)	(60,000,000)	(14,028,500)
Proceeds/ (Repayment) from Short Term Borrowings (Net)	(49,604,016)	1,914,797
Interest Paid	(6,911,410)	(30,367,913)
Dividend Paid (Unclaimed)	(145,526)	(129,346)
Net Cash from Financing Activities (C)	(116,660,952)	(42,610,962)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	23,530,219	458,762
Cash and Cash Equivalents at the Beginning of the Year	6,701,890	6,243,128
Cash and Cash Equivalents at the End of the Year	30,232,109	6,701,890
Components of Cash & Cash Equivalents:		
Balances with Banks		
- In Current Account	18,703,465	6,228,172
- In Foreign Currency Account	3,312	-
- In Fixed Deposit Account	11,420,984	-
- In Unpaid Dividend Account	-	145,526
Cash on Hand	104,348	328,192
	30,232,109	6,701,890

Note:

- a) Previous year's figures has been regrouped and rearranged wherever necessary.
- b) The above cash flow has been prepared under "Indirect Method" as prescribed under Accounting Standard 3 notified in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- c) Cash & Cash Equivalents as at March 31, 2015 and March 31, 2014 exclude restricted Cash & Bank Balances. The restrictions are primarily on account of Bank Balances held as Margin Money Deposits against Guarantees and Unpaid Bills but includes restricted Bank Balance such as Unpaid Dividends.

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF J J EXPORTERS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements J J EXPORTERS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

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

Others Matters

- (a) We did not audit the financial statements/ financial information of SPIN INTERNATIONAL INC., a foreign subsidiary for the year ended 31st March, 2015, whose financial statements reflect Total Assets of ₹ 4,66,75,429/- and Total Revenue of ₹ 8,01,34,386/- and net cash flows amounting to ₹ (21,02,929)/- for the year then ended. The consolidated financial statements also include the Group's share of net loss of ₹ 10,81,475/- for the year ended 31st March, 2015, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in

so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements / financial information of J J CREATIONS SA, a foreign subsidiary, whose financial statements/financial information reflect Total Assets of ₹ NIL as at 31st March, 2015 and Total Revenues of ₹ 16,041/- for the period 1st April, 2014 to 30th September, 2014 as it ceased to be a Subsidiary {Refer Note-23(25)}, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 82,472/- for the year ended 31st March, 2015, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, in the auditors' report of the Holding company incorporated in India, we give an Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of were disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated financial statements disclose the impact of pending litigation of the consolidated financial position of the Group– Refer Clause 3 of Note 23 to the consolidated financial statements.
- (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No.302111E

Anand Prakash
Partner
Membership No. 56485

Place: Kolkata
Date: 29th day of May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- i. (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the holding Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the holding Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. (a) As explained to us, inventories have been physically verified during the year at reasonable intervals by the management.
- (b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the holding Company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the holding Company, we are of the opinion that, the holding Company is maintaining proper records of its inventory. Discrepancies, which were noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of accounts. However, they are not material in nature.
- iii. According to the information and explanations given to us, the holding Company has not granted any loan, secured or unsecured to the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, comment on Clause No.iii (a) and iii (b) of the said order does not arise.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the holding Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our previous assessment, no continuing failure to correct any major weakness in internal control system had come to our notice.
- v. According to the information and explanations given to us, there is no such deposits, taken by the holding Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, compliances are required.
- vi. We have broadly reviewed the books of account and records maintained by the holding Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the holding Company's product to which the said rules are made applicable, and are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the same.
- vii. (a) According to the records of the holding Company and as per the information and explanations given to us, the holding Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) On the basis of information and explanations given to us, these are the disputed Statutory Dues, which have not been deposited with the appropriate authorities :

The details regarding the Income Tax disputed dues pending before Commissioner of Income Tax (Appeals) is shown below:

ASSESSMENT <input type="checkbox"/> YEAR <input type="checkbox"/>	INCOME TAX <input type="checkbox"/> AMOUNT (₹) <input type="checkbox"/>	ASSESSMENT <input type="checkbox"/> YEAR <input type="checkbox"/>	INCOME TAX <input type="checkbox"/> AMOUNT (₹) <input type="checkbox"/>
1998-99 <input type="checkbox"/>	79,799 <input type="checkbox"/>	2008-09 <input type="checkbox"/>	4,58,68,423 <input type="checkbox"/>
2003-04 <input type="checkbox"/>	1,63,157 <input type="checkbox"/>	2009-10 <input type="checkbox"/>	4,24,06,650 <input type="checkbox"/>
2004-05 <input type="checkbox"/>	13,01,201 <input type="checkbox"/>	2010-11 <input type="checkbox"/>	3,27,520 <input type="checkbox"/>
2005-06 <input type="checkbox"/>	52,76,944 <input type="checkbox"/>	2011-12 <input type="checkbox"/>	61,590 <input type="checkbox"/>

The details regarding the Sales tax disputed dues pending before Appellate and Revisional Board are as follows:□

ASSESSMENT YEAR□	SALES TAX AMOUNT (₹)□
2008-09□	1,15,154□
2009-10□	1,04,171□
2010-11□	25,76,331□
2011-12□	2,17,538

The details regarding the Excise Duty, Custom Duty and Service Tax disputed dues are as follows:□

PARTICULARS□	AMOUNT (₹)□	Forum where Dispute is Pending□
Custom Duty (including penalty of ₹48,40,347) (2009-10 to 2012-13)□	96,80,694□	Commissioner of Central Excise□
Service Tax (2006-07)□	2,56,065□	Central Excise and Service Tax Appellate Tribunal (CESTAT)□
Service Tax (2006-07)□	3,36,842□	Commissioner of Appeal□
Service Tax (2007-08)□	90,842□	CESTAT□
Service Tax on Commission (2005-06)□	3,48,536□	Commissioner of Appeal□
Service Tax (2007-08) □	2,66,676□	Commissioner of Appeal□
Service Tax (2007-08)□	3,87,217□	CESTAT□
Service Tax (2008-09 & 2009-10)□	2,83,482□	Commissioner of Appeal□
Service Tax (2009-10)□	51,920□	Commissioner of Appeal□
Service Tax (2006-07 & 2007-08)□	6,95,479□	Commissioner of Appeal□
Service Tax (2007-08)□	2,02,497□	Honourable High Court of Calcutta□

c)□ There is no amount required to be transferred to Investors Education and Protection Fund as on 31st March, 2015.

viii.□The accumulated losses of the holding Company at the end of the financial year is more than fifty percent of its net worth and the holding Company has not incurred cash losses in the current financial year but the holding Company has incurred cash losses in the immediately preceding financial year.

ix.□ The term loan from Industrial Development Bank of India (IDBI) to the extent of ₹ 15 Crores, which was to be paid during the year 2014-15, is not yet paid. However, the bank has approved one time settlement of the outstanding loans, for which necessary compliances are in process.□

Loans from Indian Overseas Bank (IOB) of ₹ 23.18 Crores (including interest), subject to confirmation was called back for repayment during the year 2013-14 and is also not yet paid, for which the holding Company has approached for one time settlement to the bank in view of the current financial position.

x.□ According to the information and explanations given to us, the holding Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.

xi.□ To the best of our knowledge and belief and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

xii.□During the course of our examination of the books and records of the holding Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the holding Company, noticed or reported during the year, nor we have been informed of such case by the management.

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No.302111E

Anand Prakash
Partner

Membership No. 56485

Place: Kolkata
Date: 29th day of May, 2015

Consolidated Balance Sheet as at 31st March 2015

I. EQUITY AND LIABILITIES	Notes	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Shareholders' Fund			
Share Capital	1	92,622,500	92,622,500
Reserves and Surplus	2	(45,751,079)	(18,644,126)
		46,871,421	73,978,374
Minority Interest		-	453,896
Non-Current Liabilities			
Long-Term Borrowings	3 (A)	100,268,480	200,509,164
		100,268,480	200,509,164
Current Liabilities			
Short-Term Borrowings	3 (B)	121,973,993	171,578,009
Trade Payables	4	17,616,429	38,107,363
Other Current Liabilities	5	346,571,957	228,494,604
Short-Term Provisions	6	63,140,385	61,720,448
		549,302,764	499,900,424
Total	□	696,442,665	774,841,858
		As at	As at
II. ASSETS	Notes	31st March 2015 ₹	31st March 2014 ₹
Non-Current Assets			
Fixed Assets			
- Tangible Assets	7	359,686,757	415,435,316
- Capital Work In Progress		2,590,374	2,590,374
Non-Current Investments	8 (A)	51,110,278	55,119,476
Long Term Loans and Advances	9	37,713,426	1,887,344
		451,100,835	475,032,510
Current Assets			
Current Investments	8 (B)	12,000	12,000
Inventories	10	71,330,602	99,092,562
Trade Receivables	11	26,678,963	63,653,228
Cash and Bank Balances	12	38,123,402	20,525,972
Short-Term Loans and Advances	13	93,137,964	102,472,613
Other Current Assets	14	16,058,899	14,052,973
		245,341,830	299,809,348
Total		696,442,665	774,841,858
Significant Accounting Policies and notes to accounts	23		

The notes referred to above form an integral part of the financial statements

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

Consolidated Statement of Profit and Loss for the year ended 31st March 2015

PARTICULARS	Notes	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
I. Revenue from Operations	15	234,992,153	384,699,800
II. Other Income	16	90,479,295	32,806,829
III. Total Revenue (I + II)		325,471,448	417,506,629
IV. Expenses:			
Cost of Materials Consumed & Other Manufacturing Expenses	17	49,896,004	144,937,751
Purchase of Traded Goods	18	114,021,256	85,706,257
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18	16,340,768	56,684,145
Employee Benefits Expense	19	40,069,326	72,147,451
Finance Costs	20	71,970,739	82,106,250
Depreciation and Amortisation Expenses	21	44,230,916	36,965,238
Other Expenses	22	46,361,918	129,184,644
IV. Total Expenses		382,890,927	607,731,736
V. Profit/ (Loss) before Prior Period Adjustments, Exceptional Items, Extra-Ordinary Items and Tax (III - IV)		(57,419,479)	(190,225,107)
VI. Prior Period Adjustments		(56,474)	(79,366)
VII. Profit/ (Loss) before Exceptional Items, Extra-Ordinary Items and Tax (V - VI)		(57,475,953)	(190,304,473)
VIII. Exceptional Items [Refer Note - 23(20a)]		-	(40,000,000)
IX. Profit/ (Loss) before Extra-Ordinary Items and Tax (VII - VIII)		(57,475,953)	(230,304,473)
X. Extra-Ordinary Items [Refer Note - 23(8)]		29,975,364	-
XI. Profit/ (Loss) Before Tax (IX - X)		(27,500,589)	(230,304,473)
XII. Tax Expense:			
(1) Current Tax/Wealth Tax		(198,376)	(187,399)
(2) Deferred Tax		-	-
(3) Income Tax for Earlier Years		-	-
XIII. Profit/(Loss) after Tax (XI - XII)		(27,698,965)	(230,491,872)
Less: Minority Interest		-	33,651
XIV. Profit/(Loss) after Tax and Minority Interest		(27,698,965)	(230,458,221)
XV. Earning per Equity Share before Extra Ordinary Items but after Tax - Basic/ Diluted (Refer Clause 10 of Note 23)		(6.23)	-
XV. Earning per Equity Share - Basic/ Diluted (Refer Clause 10 of Note 23)		(2.99)	(24.88)
Significant Accounting Policies and notes to accounts	23		

The notes referred to above form an integral part of the financial statements

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

ICAI Reg. No. 302111E

Anand Prakash

Partner

(Membership No. 056485)

Place : Kolkata

Dated: 29th Day of May, 2015

S. L. Agrawal

Company Secretary

S. N. Jhunjunwala — Executive Chairman

Rajiv Jhunjunwala — Vice Chairman

Rahul Singhi — Director

H. S. Senapati — Director

Puja Jhunjunwala — Director

P. K. Sarkar — Director

A. B. Chaturvedi — Director

Dipali Sharma — Director

NOTE : 1 SHARE CAPITAL	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Authorised Shares		
Equity shares		
10,000,000 (10,000,000) shares of ₹ 10/- each	100,000,000	100,000,000
Issued, Subscribed & Paid-Up Shares		
Equity shares		
1,257,500 (1,257,500) shares of ₹ 10/- each fully Paid-Up in Cash	12,575,000	12,575,000
42,500 (42,500) shares of ₹ 10/- each allotted as fully Paid-Up, pursuant to contract without payment being received in cash	425,000	425,000
5,876,000 (5,876,000) shares of ₹ 10/- each allotted as fully Paid-Up, Bonus Shares by way of Capitalisation of Reserve	58,760,000	58,760,000
2,086,250 (2,086,250) shares of ₹ 10/- each allotted as fully Paid-Up, pursuant to Scheme of Amalgamation	20,862,500	20,862,500
Total	92,622,500	92,622,500

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos.	As at 31st March 2015 ₹	Nos.	As at 31st March 2014 ₹
At the beginning of the period	9,262,250	92,622,500	9,262,250	92,622,500
Issued during the period	—	—	—	—
Outstanding at the end of the period	9,262,250	92,622,500	9,262,250	92,622,500

b. Aggregate number of Bonus share issued & share issued for consideration other than cash

Particulars	Nos.	As at 31st March 2015 ₹	Nos.	As at 31st March 2014 ₹
Equity share allotted as fully paid bonus share by capitalisation of reserve				
At the beginning of the year	5,876,000	58,760,000	5,876,000	58,760,000
Issued during the year	—	—	—	—
Outstanding at the end of the year	5,876,000	58,760,000	5,876,000	58,760,000
Equity share allotted as fully paid up pursuant to contracts for consideration other than Cash				
At the beginning of the year	2,128,750	21,287,500	2,128,750	21,287,500
Issued during the year	—	—	—	—
Outstanding at the end of the year	2,128,750	21,287,500	2,128,750	21,287,500

c. Details of Shareholders holding more than 5% Shares in the Company

Particulars	Nos.	As at 31st March 2015 % Holding in the Class	Nos.	As at 31st March 2014 % Holding in the Class
Equity Shares of Rs. 10 each				
Nupur Carpets Private Limited	2,411,140	26.03	2,411,140	26.03
J J Exporters Beneficiary trust	1,303,675	14.08	1,303,675	14.08
Akhilesh Jhunjunwala Beneficiary Trust	762,604	8.23	762,604	8.23
S.N. Jhunjunwala (including S. N. Jhunjunwala HUF)	952,240	10.28	952,240	10.28
Rajiv Jhunjunwala (including Rajiv Jhunjunwala HUF)	786,104	8.49	786,104	8.49

Note : 2 RESERVE & SURPLUS	As at 31st March 2015 ₹	As at 31st March 2014 ₹
a) Capital Reserve		
Pursuant to scheme of Amalgamation		
Opening Balance	1,580,077	1,580,077
Deduction	(49,467)	-
Closing Balance	1,530,610	1,580,077
Capital Subsidy Received from WBIDC	7,934,000	7,934,000
Closing Balance	9,464,610	9,514,077
b) Securities Premium Account		
Opening Balance	48,203,900	48,203,900
Addition	-	-
Deduction	-	-
Closing Balance	48,203,900	48,203,900
c) Foreign Currency Reserve on Consolidation	3,330	252,296
d) General Reserve		
Opening Balance	344,400,000	344,400,000
Addition	-	-
Deduction	344,400,000	-
Closing Balance	-	344,400,000
e) Surplus/(Deficit) as per Statement of Profit and Loss		
Opening Balance	(421,014,399)	(200,788,146)
Add: Transfer from General Reserve	344,400,000	-
Add: Adjustment on Consolidation for Reduction & Diminution in Investments	-	10,231,968
Add: Adjustment on Account of Disposal of Investment in Subsidiary	890,445	-
Deduction	(27,698,965)	(230,458,221)
Closing Balance	(103,422,919)	(421,014,399)
Total	(45,751,079)	(18,644,126)

Note : 3 BORROWINGS	As at 31st March 2015 (₹)				As at 31st March 2014 (₹)			
	Long term Borrowings (A)	Current maturity of long term borrowings (B)	Short term borrowings (B)	Total Borrowings	Long term Borrowings (A)	Current maturity of long term borrowings (B)	Short term borrowings (B)	Total Borrowings
A Term Loans								
Secured :								
- From Bank	207,662,750	-	-	207,662,750	257,662,750	-	-	257,662,750
Funding Interest Term Loan From Banks	77,710,632	-	-	77,710,632	41,718,948	-	-	41,718,948
Unsecured :								
- From Body Corporate (ABG Ports Ltd)	-	-	-	-	10,000,000	-	-	10,000,000
Less: Current maturity of long term borrowings shown as other current liabilities (Refer note-5)	(185,104,902)	185,104,902			(200,000,000)	200,000,000		
	100,268,480				109,381,698			
B Working Capital Loan From Bank								
Secured								
- Packing Credit Loan -INR	-	-	-	-	-	-	52,659,368	52,659,368
- Packing Credit Loan -Foreign Currency	-	-	-	-	-	-	65,584,602	65,584,602
- Bill Discounted With Banks-Foreign Currency			6,762,840	6,762,840	-	-	10,056,203	10,056,203
- Working Capital Term Loan	91,127,466			91,127,466	91,127,466			91,127,466
Less: Current maturity of long term borrowings shown as other current liabilities (Refer note-5)	(91,127,466)	91,127,466			-	-		
- Cash Credit From Banks			90,211,153	90,211,153	-	-	19,277,836	19,277,836
Unsecured								
- From Bodies Corporates			25,000,000	25,000,000			24,000,000	24,000,000
Total	100,268,480	276,232,368	121,973,993	498,474,841	200,509,164	200,000,000	171,578,009	572,087,173

- a) Working capital facilities with Indian Overseas Bank is secured by first charge on Current Assets of the Company.
- b) As collateral security, Indian Overseas Bank has second pari passu charge on (i) Movable block assets of the company, (ii) Mortgage on Land and Building at Doddaballapur, Bangalore and (iii) Mortgage on Land and Building at Gangarampur, 24 Parganas (S), West Bengal.
- c) Further, the working capital limits of Indian Overseas Bank is also secured by personal guarantee of two Directors of the company.
- d) The said loan from Indian Overseas Bank are subject to confirmation and reconciliation, if any.
- e) Rupee Term Loan with Industrial Development Bank of India Ltd (IDBI) has been secured as follows:

Purpose <input type="checkbox"/>	Description of property <input type="checkbox"/>
Retail showroom <input type="checkbox"/>	(i) <input type="checkbox"/> Plant and machinery of Kolkata EOU on first Charge. <input type="checkbox"/> (ii) <input type="checkbox"/> Entire movable property (excluding current assets) of retail showroom on first charge basis. <input type="checkbox"/> (iii) <input type="checkbox"/> Stock of Raw Material, WIP and Finished goods of all units on second charge <input type="checkbox"/>
Doddaballapur <input type="checkbox"/>	(i) <input type="checkbox"/> First charge on Land and Building at Dodaballapur. <input type="checkbox"/> (ii) <input type="checkbox"/> First charge on movable and immovable assets (except Stock) of J.J.Spectrum (unit of J J Exporter Ltd.) <input type="checkbox"/> (iii) <input type="checkbox"/> First charge on movable and immovable assets (except Stock) of EOU at Kolkata. <input type="checkbox"/>
Kolkata EOU <input type="checkbox"/>	(i) <input type="checkbox"/> Whole of movable properties (other than stock) of the company's unit situated at Gangarampur, EOU-I and EOU-II <input type="checkbox"/> (ii) <input type="checkbox"/> Land measuring 40,000 sq. feet together with buliding thereon. Plant and machinery on first charge <input type="checkbox"/> (iii) <input type="checkbox"/> Personal guarantee of a Director.

f) Terms of Repayment of Term Loans/ FITL From IDBI

The IDBI Bank Limited has approved One Time Settlement (OTS) of its dues on account of Term Loan and Funding Interest Term Loan, the repayment of which is as follows:

₹15 crore was to be paid by selling Dodaballapur unit by March, 2015, the remaining Term Loan of ₹ 57,662,750/- is to be repaid w.e.f. 1st April 2015 in 59 monthly installments of ₹ 965,000/- and one installment of ₹ 727,750/-

The Funding Interest Term Loan of ₹ 67,732,163/- is to be repaid in 60 monthly installments w.e.f 1st April 2015.

- g) The Working Capital Loans and Funding Interest Term Loan has been recalled by Indian Overseas Bank. Hence, the said loan is shown as Current Maturity of Long Term Borrowings and is included in Other Current Liabilities (Refer Note 5). However, the Company has approached the bank for One Time Settlement.

h) Terms of Repayment of Term Loans of Previous Year

Terms of Repayment of Funding Interest Term Loans From Banks:

A) IDBI Bank Limited

Funding Interest Term Loans ₹ 3,17,40,479/-. The interest on the Term loan is funded by the bank by way of FITL upto ₹ 7 Crores till 31st March, 2015. It was to be repaid in 60 monthly installment w.e.f 1st April 2015.

B) Indian Overseas Bank

Funding Interest Term Loans ₹ 99,78,469/-. The interest on the Working Capital Term loan is funded by the bank by way of FITL. It was to be repaid in 16 Quarterly installment w.e.f 1st April, 2016.

Terms of Repayment of Working Capital Term Loan from IOB:

The Bank had crystalised and converted part of the Packing Credit Facility to WCTL during the year. The said loan was repayable in 16 Quarterly Installments of ₹ 56.25 lacs each w.e.f 1st April, 2016.

Terms of Repayment of Term Loan from IDBI:

The Bank has restructured the terms of repayment of Term Loan as follows:

₹ 20 crore was to be paid by selling Dodaballapur unit by March, 2015, the remaining Term Loan of ₹ 57,662,750/- was to be repaid w.e.f. 1st April 2015 in 59 monthly installments of ₹ 965,000/- and one installment of ₹ 727,750/-

Note : 4 TRADE PAYABLES	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Sundry Creditors for Goods and Services	17,616,429	38,107,363
Total	17,616,429	38,107,363

The company has not received information from vendors regarding the status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence no disclosures thereof for outstandings are made in this account.

Note : 5 OTHER CURRENT LIABILITIES	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Interest Accrued & Due on Borrowings	33,702,299	-
Interest Accrued but Not Due	-	4,634,654
Current Maturity of Long Term Loans (Refer Note 3)	276,232,368	200,000,000
Advance from Customers	30,956,058	12,858,520
Payable for Employee Benefits	3,940,822	6,727,730
Other Payables	250,454	744,570
Statutory Liabilities	1,489,956	3,137,311
Bank Book Overdraft	-	246,293
Unclaimed Dividend	-	145,526
Total	346,571,957	228,494,604

Note : 6 SHORT TERM PROVISIONS	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Provision For Tax	61,720,448	61,720,448
Provision For Gratuity	1,419,937	-
Total	63,140,385	61,720,448

Note : 7 FIXED ASSETS

PARTICULARS	COST			ACCUMULATED DEPRECIATION & AMORTISATION					NET BOOK VALUE	
	01.04.2014 ₹	Addition ₹	Deduction ₹	31.03.2015 ₹	01.04.2014 ₹	Charge for The Year ₹	Transitional Depreciation ₹	Deduction/ Adjustment ₹	31.03.2015 ₹	31.03.2014 ₹
Tangible Assets										
FREE HOLD LAND**	23,359,863	-	-	23,359,863	-	-	-	-	23,359,863	23,359,863
LEASEHOLD LAND	366,381	-	-	366,381	222,528	12,213	-	-	131,640	143,853
BUILDINGS & STRUCTURES**	407,893,462	-	31,411,572	376,481,890	161,090,622	18,046,315	1,768,122	19,899,873	215,476,704	246,802,840
LEASEHOLD SHED	539,732	-	-	539,732	539,732	-	-	-	-	-
PLANT & EQUIPMENTS	672,606,699	143,836	351,043	672,399,492	561,637,829	10,416,090	307,439	294,347	100,332,481	110,968,870
OFFICE EQUIPMENTS	73,495,670	-	2,331,478	71,164,192	51,012,650	7,847,276	1,763,426	2,185,957	12,726,797	22,483,020
FURNITURE & FIXTURES	32,770,999	139,920	6,660,505	26,250,414	23,917,771	2,822,405	298,147	6,301,937	5,514,028	8,853,228
VEHICLES	7,853,916	589,655	2,141,825	6,301,746	5,030,274	925,727	23,756	1,823,255	2,145,244	2,823,642
TOTAL	1,218,886,722	873,411	42,896,423	1,176,863,710	803,451,406	40,070,026	4,160,890	30,505,369	359,686,757	415,435,316
PREVIOUS YEAR	1,353,643,108	2,182,951	136,939,337	1,218,886,722	865,819,037	36,965,238	-	99,332,869	803,451,406	415,435,316

Leasehold land is being depreciated over the period of lease.

Incase of the Holding Company pursuant to the enactment of the Companies Act, 2013 ("the Act"), the Company has, effective 01.04.2014, reviewed and revised the estimated useful lives of its Fixed Assets, generally, in accordance with the provisions of Schedule II of the Act as a result of which Previous Year's figures have been regrouped and rearranged, wherever necessary. The consequential impact on Depreciation is higher by ₹ 7,665,261/- and the Written Down Value of Fixed Assets whose lives have expired as at 01.04.2014 have been charged in the Statement of Profit and Loss ₹ 4,160,890 as Depreciation.

** Includes Assets held for Sale as at 31st March, 2015: □

	Gross Value (₹)	Net Book Value (₹)
Free Hold Land	9,512,673	9,512,673
Buildings & Structures	183,866,772	108,538,873

Note : 8 INVESTMENT (At cost)

PARTICULARS	Face Value ₹		As at 01.04.14		Additions (cost)		Deductions (cost)		As at 31.03.15	
	No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹
A) NON-CURRENT INVESTMENT										
I) Investment in Equity Instruments										
a) Others (Quoted)										
- J. J. Exporters Ltd. (Held by J. J. Exporters Beneficiary Trust as Treasury Share)	10	81,100,278	1,303,675	81,100,278	-	-	-	-	1,303,675	81,100,278
- ABG Infralogistics Limited	10	3,442,627	7,500	3,442,627	-	-	7,500	3,442,627	0	-
- ABG Shipyard Limited	10	566,571	1,000	566,571	-	-	1,000	566,571	0	-
b) Others (Unquoted)										
- Ballygunge Services Pvt. Ltd.	10	10,000	1,000	10,000	-	-	-	-	1,000	10,000
- Provision for diminution in value of Investment		(30,000,000)		(30,000,000)						(30,000,000)
Total (A)		55,119,476		55,119,476				4,009,198		55,110,278
B) CURRENT INVESTMENT										
I) Investment in Govt. Securities (Others) (Unquoted)										
- National Savings Certificates		12,000		12,000						12,000
II) Investment in Mutual Fund										
- Reliance Growth Fund			23,322,942				23,322,942			
Total (B)				12,000						12,000
Total (A + B)				55,131,476						51,122,278
Total				55,131,476						51,122,278

	As at 31st March 2015		As at 31st March 2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate value of Quoted Investments	81,100,278	8,943,211	85,109,476	16,073,700
Aggregate value of Un-quoted Investments	22,000	NA	22,000	NA

Note : 9 LONG TERM LOANS AND ADVANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
a) Loans :		
Unsecured, considered good :		
- To Others	-	-
b) Advances to Staff (Unsecured- considered good)	-	-
c) Advance against Capital Goods	36,000,000	-
d) Security Deposits :		
Unsecured, considered good	1,713,426	1,887,344
Total	37,713,426	1,887,344

Note : 10 INVENTORIES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Raw Material	11,809,946	19,381,516
Work In Progress	10,263,250	13,904,458
Finished Goods*	40,449,229	56,989,886
Stores	8,692,565	8,698,982
Packing Materials	115,612	117,720
Total	71,330,602	99,092,562

* Includes Stock in Trade of ₹ 15,298,678/- (Previous Year ₹ 22,734,581/-)

Note : 11 TRADE RECEIVABLES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Outstanding for a period exceeding six months		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	1,040,865	1,385,200
c) Unsecured, Considered Doubtful	-	-
	1,040,865	1,385,200
Others :		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	25,638,098	62,268,028
c) Unsecured, Considered Doubtful:	-	-
	25,638,098	62,268,028
Total	26,678,963	63,653,228

Note : 12 CASH & BANK BALANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
CASH & CASH EQUIVALENT		
Balances with Banks		
a) In Current Account	18,703,465	6,228,172
b) In Foreign Currency Account	3,312	-
c) In Fixed Deposit Account	11,420,984	-
d) In Unpaid Dividend Account	-	145,526
	<u>30,127,761</u>	<u>6,373,698</u>
Cash on Hand		
a) Cash on Hand	3,634,738	8,656,195
b) Foreign Exchange on Hand	-	2,222
	<u>3,634,738</u>	<u>8,658,417</u>
(A)	<u>33,762,499</u>	<u>15,032,115</u>
OTHER BANK BALANCES		
a) In Margin Deposit Account	4,360,903	5,493,857
(B)	<u>4,360,903</u>	<u>5,493,857</u>
Total (A + B)	<u><u>38,123,402</u></u>	<u><u>20,525,972</u></u>

Note : 13 SHORT TERM LOANS & ADVANCES	As at 31st March 2015	As at 31st March 2014
	₹	₹
Advance tax	77,616,910	75,863,562
Advances recoverable in cash or in kind		
Considered good	15,521,054	26,609,051
Considered doubtful	470,983	470,983
Less: Provision for doubtful advance	(470,983)	(470,983)
Total	<u><u>93,137,964</u></u>	<u><u>102,472,613</u></u>

Note : 14 OTHER CURRENT ASSETS	As at 31st March 2015	As at 31st March 2014
	₹	₹
Interest Accrued	1,230,874	1,088,404
Duty Draw back Receivable	3,343,827	4,253,176
Focus Product License In hand	-	1,817,930
TUFS Subsidy Receivable	8,350,067	3,831,431
Hotel Facility in Hand (Hotel Hilton)	3,134,131	3,062,032
Total	<u><u>16,058,899</u></u>	<u><u>14,052,973</u></u>

Note : 15 REVENUE FROM OPERATIONS	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
SALE OF PRODUCTS		
Sales		
Fabrics	205,947,887	335,670,181
Garments & Made-Ups	3,162,508	1,115,298
	(A) 209,110,395	336,785,479
Local Sales/Realisation	(B) 11,242,050	29,613,779
Design & Job Charges	(C) 557,296	654,235
	(A + B + C) 220,909,741	367,053,493
Export Incentives		
Duty Drawback	7,082,997	3,685,290
Focus Product Incentive Schemes	6,829,255	13,630,106
Service tax refund received	170,160	330,911
	14,082,412	17,646,307
Total	234,992,153	384,699,800

Local Sale Includes retail showroom sale of ₹ 440,718/- (₹ 10,388,345/-)

Note : 16 OTHER INCOME	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Interest	1,175,169	720,448
Profit/ (Loss) on Sale of Fixed Asset (Net)	84,784,858	8,102,602
Profit/ (Loss) on Sale of Short term Investment (Net)	296,464	366,711
Provision For doubtful debt written back [Refer Note-23(20b)]	-	14,597,401
Miscellaneous Receipts & Adjustments (Net)	4,222,804	9,019,667
Total	90,479,295	32,806,829

Miscellaneous Receipts & Adjustments (Net) includes Sundry Balances Written Back of ₹ 2,495,660/- (Net of ₹ 269,217 written off) (Previous Year ₹ 38,81,625/-, Net of ₹ 466,924 written off) and Dividend Income of ₹ 143/- (Previous Year ₹ 130/-).

Note : 17 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Raw Material Consumed	35,231,653	104,781,660
Stores Consumed	16,373	1,598,835
Power & Fuel	7,586,020	25,354,738
Stitching, Embroidery & Designing Charges	6,910,406	11,361,416
Weaving, Dyeing, Printing & Processing Expenses	-	958,214
Carriage Inward	151,552	882,888
Total	49,896,004	144,937,751
Raw Material Consumption	2014-2015	2013-2014
– Fabrics	34,045,070	27,592,500
– Yarn	535,630	73,294,105
– Others	650,953	3,895,055
	35,231,653	104,781,660

Note : 18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Inventories at the end of the year		
Work in Progress	10,263,250	13,904,458
Finished Goods	25,150,551	34,255,305
Stock in Trade*	19,139,775	22,734,581
	<u>54,553,576</u>	<u>70,894,344</u>
Inventories at the beginning of the year		
Work in Progress	13,904,458	52,233,634
Finished Goods	34,255,305	37,902,082
Stock in Trade	22,734,581	37,442,773
	<u>70,894,344</u>	<u>127,578,489</u>
(Increase)/ Decrease in Inventories	<u>16,340,768</u>	<u>56,684,145</u>

Note: 18 PURCHASE OF TRADED GOODS	2014-2015	2013-2014
Silk Fabric	111,251,338	77,939,969
Cotton Fabric	2,602,398	1,199,709
Others (Handicrafts & Showroom)	167,520	6,566,579
Total	<u>114,021,256</u>	<u>85,706,257</u>

* Includes Stock In Trade of JJ Creations SA as at 30th September, 2014 of ₹ 3,841,097/- which ceased to be a Subsidiary during the year

Note : 19 EMPLOYEE BENEFIT EXPENSES	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Salary, Wages, Bonus, Gratuity & Allowances	37,290,882	64,952,610
Contribution to Provident Fund , ESI & Other Fund	1,942,364	5,389,615
Staff Welfare Expenses	836,080	1,805,226
Total	<u>40,069,326</u>	<u>72,147,451</u>

Note : 20 FINANCE COST	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Interest Expense	71,970,739	64,881,862
Exchange differences arising from Foreign Currency borrowings, to the extent that they are regarded as an adjustment to interest cost	-	17,224,388
Total	<u>71,970,739</u>	<u>82,106,250</u>

Note : 21 DEPRECIATION & AMORTISATION EXPENSE	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Depreciation	44,230,916	36,965,238
Total	<u>44,230,916</u>	<u>36,965,238</u>

Note : 22 OTHER EXPENSES	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Rent	4,491,085	5,506,929
Printing & Stationery	516,062	798,367
Postage, Telegram & Telephone	2,279,305	3,256,103
Rates & Taxes	1,497,350	6,857,343
Insurance	2,387,470	2,667,767
Travelling Expenses	1,005,831	5,416,955
Conveyance	510,141	1,324,996
Payment to Auditors		
- As Auditors	421,350	421,350
- For Taxation matters	-	35,956
- For Certification/Limited review	70,225	35,955
- For Reimbursement of Expenses	24,888	65,212
Professional Fees	3,447,778	5,919,515
Directors' Meeting Fees	77,500	87,500
Director's Remuneration	2,247,620	3,185,427
Filing Fees	33,055	8,056
Commission & Brokerage	5,284,642	9,802,350
Selling & Distribution Expenses	3,499,795	5,644,235
Repairs & Maintenance		
To Building	1,070,769	886,731
To Machinery	79,165	877,020
To Others	1,195,498	2,271,149
Vehicle Maintenance	1,127,703	1,533,228
Export Credit Guarantee Premium	77,758	1,226,735
Export Promotion Expense	20,836	86,170
Export Expense	152,591	288,418
Trade Fair Expense (Net)	1,030,261	1,477,470
Service Charge	924,656	1,703,723
Rebate & Discount	3,612,427	1,922,825
Bad Debt	-	14,597,401
Provision for Diminution in value of Investment [Refer Note - 23(4)]	-	30,000,000
Net (Gain)/ Loss on Foreign Currency transaction and translation	632,404	9,613,604
(Profit)/ Loss on Sale of Long Term Investment (Net)**	1,840,840	-
Bank Charges	2,051,781	3,095,399
Miscellaneous Expense	4,751,132	8,570,755
Total	46,361,918	129,184,644
Selling & Distribution Expenses includes-	2014-2015	2013-2014
Advertisement	52,343	437,664
Samples (Net) *	2,771,854	2,671,256
Packing Expenses	385,929	1,062,119
Freight & Delivery Charges	289,669	1,473,196
	3,499,795	5,644,235

* Realisation on account of Samples ₹ 857,127/- (Previous Year ₹ 2,380,696/-) from buyers have been credited to Sample Expenses Account.

** Includes Profit on Sale of Investment in Subsidiary- J J Creations SA ₹ 687,772/-

Notes Forming Part of the Consolidated Financial Statements

NOTE-23 : Significant Accounting Policies and Notes to Accounts

1 Subsidiaries

The consolidated financial statements present the consolidated account of J J Exporters Limited with the following subsidiaries:-

Name of the Subsidiary	Country of Incorporation	Percentage of Holding
Spin International INC	U.S.A.	100.00%
OOO JJ Homes	Russia	100.00%
JJ Creations SA*	Belgium	85.00%

*Note: The Holding Company J J Exporters Limited has disposed off its Investment in the Subsidiary J J Creations SA in the year 2014-15 and Ceased to be a Subsidiary.

- 2 Significant Accounting Policies and Notes to the Consolidated Financial Statements are intended to show as means of informative disclosure and a guide to better understanding of the consolidated position of the company. Recognising this purpose, the company has disclosed only such policies and notes from individual financial statements which fairly present the needed disclosure. Lack of homogeneity and other similar conditions made it desirable to exclude some of them which in the opinion of the management could be better viewed when referred from individual financial statements.

PARTICULARS	31.03.2015	31.03.2014
	₹	₹
3 Contingent Liabilities not provided for :		
(a) Letters of Guarantee	1,375,750	6,474,950
(b) Income Tax pending in appeals for earlier years	95,485,284	95,423,694
(c) Case pending in Labour Court		159,200
(d) Sales tax claim under Appeal (For this, management expects no Liability)	3,013,194	69,972,650
(e) Excise & Custom Duty and Service tax Demand (includes ₹ 48,40,347 penalty on Custom Duty)	12,600,250	-
(f) Capital Commitment (Net of Advance of ₹ 3.60 crore)	24,000,000	NIL

- 4 "In respect of the Equity shares of Erstwhile J.J.Spectrum Silks Ltd. held by the company (hereinafter referred to as the transferee company), 1,303,675 shares which have been issued by the transferee company in terms of scheme, to the board of trustees to have and to hold such shares in trust exclusively for the benefit of the transferee company and deal with the same as they deem fit.

The above shares have been valued at cost. The said shares, being long term in nature, no provision for diminution in value was done in earlier years. However, as per prudence and in view of the financial position, the company had made a provision of ₹ 3,00,00,000/- towards diminution in the year 2013-14 which, according to the management, is appropriate.

- 5 In the opinion of board of directors, all the Current Assets, Loan and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and that all the known liabilities relating to the year have been provided for.
- 6 As the company's business activities fall mainly within a single primary business segment viz, Dealing in fabrics and accessories, so disclosure requirement of Accounting Standard 17 "Segment Reporting" notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 has not been given.

7 **Related Party Disclosure in accordance with Accounting Standard 18 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.**

- | Name of the Related Party <input type="checkbox"/> | Relationship <input type="checkbox"/> |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| a) <input type="checkbox"/> Where Common Control Exists <input type="checkbox"/>
Nupur Carpet Private Limited <input type="checkbox"/> | Associate <input type="checkbox"/> |
| b) <input type="checkbox"/> Key Managerial Personnel <input type="checkbox"/> | |
| i) <input type="checkbox"/> Sri S.N. Jhunjhunwala <input type="checkbox"/> | Executive-Chairman <input type="checkbox"/> |
| ii) <input type="checkbox"/> Sri Rajiv Jhunjhunwala <input type="checkbox"/> | Vice-Chairman <input type="checkbox"/> |
| iii) <input type="checkbox"/> Sri A.B. Chaturvedi <input type="checkbox"/> | Whole Time Director <input type="checkbox"/> |
| c) <input type="checkbox"/> Relative of Key Managerial Personnel <input type="checkbox"/> | |
| i) <input type="checkbox"/> Mrs. Kavita Jhunjhunwala <input type="checkbox"/> | Wife of Mr. Rajiv Jhunjhunwala, Vice-Chairman <input type="checkbox"/> |

Name of Transaction <input type="checkbox"/>	31.03.2015 <input type="checkbox"/>		31.03.2014 <input type="checkbox"/>	
	In Respect of (a) & (b) above <input type="checkbox"/>	In Respect of (c) above <input type="checkbox"/>	In Respect of (a) & (b) above <input type="checkbox"/>	In Respect of (c) above <input type="checkbox"/>
Remuneration Paid <input type="checkbox"/>	2,247,620 <input type="checkbox"/>	19,000 <input type="checkbox"/>	3,185,427 <input type="checkbox"/>	789,000 <input type="checkbox"/>
Loan taken <input type="checkbox"/>	2,500,000 <input type="checkbox"/>	- <input type="checkbox"/>	17,000,000 <input type="checkbox"/>	- <input type="checkbox"/>
Loan refunded <input type="checkbox"/>	2,500,000 <input type="checkbox"/>	- <input type="checkbox"/>	17,000,000 <input type="checkbox"/>	- <input type="checkbox"/>
Interest paid <input type="checkbox"/>	16,438 <input type="checkbox"/>	- <input type="checkbox"/>	459,451 <input type="checkbox"/>	- <input type="checkbox"/>

- 8 The Company has approached the banks for one Time Settlement of outstanding loans. Two of the banks have approved Company's one time settlement proposal and have been accepted by the company. All necessary adjustment entries have been passed in the books of accounts where the company has accepted the One time settlement approval in totality and has been shown as Extraordinary Item.
- 9 The Net worth of the Company has substantially eroded and now the company has initiated business and debt restructuring (Refer Note 8 above). In view of the ongoing restructuring the accounts of the Company has been prepared on going concern basis.
- 10 **Earning per Share (after tax):- Disclosure in accordance with Accounting Standard 20 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.**

	2014-15 (₹) <input type="checkbox"/>	2013-14 (₹) <input type="checkbox"/>
i) <input type="checkbox"/> Net Profit/ (Loss) after Tax available for Equity Shareholders <input type="checkbox"/>	(27,698,965) <input type="checkbox"/>	(230,458,221) <input type="checkbox"/>
ii) <input type="checkbox"/> Weighted average Number of Equity Shares of ₹ 10/- each <input type="checkbox"/>	9,262,250 <input type="checkbox"/>	9,262,250 <input type="checkbox"/>
iii) <input type="checkbox"/> Basic/Diluted Earning Per Share (i/ii) <input type="checkbox"/>	(2.99) <input type="checkbox"/>	(24.88) <input type="checkbox"/>

Earning per Share (before Extra-ordinary item but after tax):- Disclosure in accordance with Accounting Standard 20 notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

	31.03.2015 <input type="checkbox"/> (₹) <input type="checkbox"/>
i) <input type="checkbox"/> Net Profit/ (Loss) before Extra-Ordinary Items but after <input type="checkbox"/> Tax available for equity shareholders <input type="checkbox"/>	(57,674,329) <input type="checkbox"/>
ii) <input type="checkbox"/> Weighted average Number of Equity <input type="checkbox"/>	9,262,250 <input type="checkbox"/>
iii) <input type="checkbox"/> Basic/ Diluted Earning per Share(i/ii) <input type="checkbox"/>	(6.23) <input type="checkbox"/>

11 □ As a matter of prudence, no deferred tax assets has been recognised in the accounts, in accordance with "Accounting Standard 22" notified in the Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

12 □ **Wholtime Directors' Remuneration:** □

PARTICULARS □	31.03.2015 □ (₹) □	31.03.2014 □ (₹) □
a): Salaries and Bonus □	1,926,000 □	2,736,000 □
b): Contribution to P.F. and other Funds □	231,120 □	328,320 □
c): Other Perquisites □	90,500 □	121,107 □
Total □	2,247,620 □	3,185,427 □

13 □ **Loans taken from Nupur Carpets (P) Limited (Associate)** □

	Opening □ Balance □ (₹) □	Loan taken □ during the □ year □ (₹) □	Loan Refunded □ during the □ year □ (₹) □	Maximum □ Balance □ Outstanding □ during the year □ (₹) □	Outstanding □ at the year end □ (₹) □
Current year (2014-15) □	- □	2,500,000 □	2,500,000 □	2,500,000 □	- □
Previous year (2013-14) □	- □	17,000,000 □	17,000,000 □	15,000,000 □	- □

14 □ Loans and advances include ₹ 8,112/- (Previous Year amounting to ₹ 374,736/-) balance lying with Central Excise department.

15 □ Land measuring about 2.07 acre duly conveyed in the name of one of the unit of the company by the State Government has been disputed by the original owner and the matter is subjudice. □

16 □ Profit and Loss on sale of Investment includes ₹ 1486/- (Previous Year - ₹ NIL) on account of Security Transaction Tax paid on such transactions. □

17 □ There is no amount due to be credited to Investors Education & Protection Fund as on 31st March, 2015. □

18 □ Minority Interest consists of the following: □

i) Share Capital □

ii) Debit/Credit Balance of Statement of Profit & Loss □

iii) Profit/(Loss) During the year □
(Refer Note 23(1))

2014-15 (₹) □	2013-14 (₹) □
- □	229,617 □
- □	257,930 □
- □	(33,651) □

19 □ Interest on term loan is net of TUFs subsidy amounting to ₹ 4,518,636/- (Previous Year ₹ 4,592,858/-). □

20(a) □ Claims against certain Derivative transactions entered with a Bank during 2007-2008 have not been acknowledged by the company. Claims of ₹ 7.86 crores (excluding Interest) against these transactions which were contested and not provided by the management. However, the same had been settled by the company for an amount of ₹ 4 crores in the previous year, which had been reflected as an Exceptional item. □

20(b) □ Also, Claims of ₹ 14,597,401/- by the company against the bank, for which a provision had been made in the books, was treated as Bad Debts in Accounts in the year 2013-14. □

21 □ Due to unfavourable market conditions and downturn in silk industry, one of the units at Ganagarampur is no more viable to operate. So the company had declared temporary closure w.e.f. 01.12.2013. □

22 □ One of the Subsidiary, namely, J J Creations SA had reduced its share capital by € 42,500 in the previous year. The Shares of the said subsidiary were disposed off by the Company during the year.

23 Significant Accounting Policies adopted by the Company :
A) Basis of Preparation of Financial Statements:

The Financial Statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as of the Parent Company i.e. for the year ended 31st March, 2015. In case of Foreign Subsidiary, they have got their accounts compiled by their Auditors for the year ended 31st March, 2015.

The Financial Statement have been prepared under the historical cost convention and on the accrual basis of accounting. The accounts of the Parent Company and other Indian subsidiaries have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, and of the Foreign Subsidiary, have been prepared in accordance with the local laws and the applicable Accounting Standards/ Generally Accepted Accounting Principles.

B) Principal of Consolidation :

- i) The Financial Statements of the Parent Company and its subsidiaries 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, intra-group transactions and the unrealised profits to the extent possible.
- ii) The Financial Statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
- iii) The excess of the cost of the Parent Company of its investments in each of the subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the Financial Statements as Goodwill/Capital reserve and charged to revenue. However such excess or deficit arising after the acquisition date on account of currency fluctuation in respect of Foreign subsidiary is transferred to Currency Fluctuation Reserves or Goodwill. Goodwill arising out of consolidation is written off during the year as a matter of prudence.

C) Historical Cost Conventions and Revenue Recognition:

- i) Financial statements are drawn using the historical cost convention and adopting accrual basis save & except, realisation on account of samples which are accounted for on settlement/receipt basis in view of uncertainty of realisation.
- ii) Sale of import/export entitlements received by way of SIL/QUOTA licenses has been booked as on the date of sale thereof. However Duty Draw Back and DEPB entitlement are accounted for on accrual basis on eligible amount of exports made and entitlement of target plus scheme has been accounted on utilisation basis as per the scheme. Focus product credit is booked on the basis of licences received.

D) Fixed Assets and Capital Expenditure:

- i) Fixed Assets are stated at cost which includes installation & other expenditures. Such expenditure comprises purchase price, import duties, levies and any directly attributable cost of bringing the assets to their working conditions and effects of Foreign Currency Fluctuations is being given on loans taken for acquiring the same.
- ii) Capitalisation of Construction Period expenses:
 - Direct Expenses as well as clearly identifiable indirect expenses incurred during construction period have been capitalised directly with respective assets, Finance cost and other allocable expenses during the construction period of project have been capitalised proportionately.

E) Depreciation:

Depreciation is provided on Written Down Value Method as per Schedule II of the Companies Act, 2013, save and except for units J.J.Spectrum Silk and J.J. Exporter Limited- DTA Unit where depreciation has been provided on Straight Line Method as per Schedule II of the Companies Act, 2013. Lease hold assets are amortised over the period of lease, wherever applicable. Increase and decrease in the value of assets arising out of exchange fluctuation is charged over the remaining useful life of the assets to the extent of the applicability for the consolidated financial statements.

F) Valuation of Inventory:

- i) Stock of finished /semi finished goods has been valued at weighted average cost representing costs which has been incurred in bringing the inventory to their present conditions or net realisable value whichever is lower except for damaged and rejected goods which has been valued at estimated realisable value as per continuous practice followed by the company.
- ii) Raw Materials & Stores have been valued at weighted average cost or net realisable value whichever is lower.
- iii) The inventory resulting from Intra Group transaction have been stated at estimated cost after deducting estimated unrealised profit on such transactions.

G) Investment: □

Non-current investments are stated at cost. Provisions are being made for diminution in value other than temporary in nature. Current investments categorywise are valued at cost or market price, whichever is lower. □

H) Foreign Currency Transactions: □

i) □ For the purpose of consolidation, the amounts appearing in foreign currencies in the Financial Statements of the Foreign subsidiary is translated at the following rate of exchange :- □

a) Average Rate for the Income and Expenditure except Depreciation, which is calculated at the year end rate. □

b) The year end rate for Assets and Liabilities. □

ii) □ All foreign currency income and expenses are generally recorded at the exchange rate prevailing on the date of transactions/negotiation with the Company's banker rate save & except where forward contract has been booked which is being recorded at relevant rate. Premium on forward contract is being accounted for during the life of the contract. □

iii) □ Foreign currency retained out of export proceeds in Exchange Earner's Foreign Currency Account with banker has been converted at bank advice rate applied for the relevant export bills except in case of collection bills wherein the same has been converted at spot rate prevailing on the date of realisation of the bills. □

iv) □ Commission to foreign agents is converted at exchange rates prevailing at the time of accounting such liability in company's books. □

v) □ The company has approved policy of hedging. Accordingly, derivative contracts are entered into to hedge highly probable sales transactions or firm commitments. As per accounting policies adopted by the company, the gain or loss on settlement of the hedge contract is adjusted in sale/purchase as the case may be in the period in which transaction is accounted for. □

vi) □ Current Assets and Liabilities in Foreign Currencies have been converted at exchange rates prevailing at the year end, except in case of forward contract booked by the company against these assets/liabilities, which have been converted at contracted rates. □

I) Employee Benefits: □

i) □ Short-term employee benefits including Leave Encashment are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. □

ii) □ Post Employment benefits and other long term employee benefits include: □

Defined Contribution Plans: □

Company's contribution to Provident Fund and Employee State Insurance Fund is determined under the relevant Schemes and/or statute and charged to Statement of Profit and Loss. □

Defined Benefit Plans: □

Company's liability towards gratuity is actuarially determined at each Balance Sheet date using the Projected Unit Credit Method. Actuarial gains and losses are recognised in Statement of Profit and Loss. The contribution towards Gratuity is funded with LIC. □

J) Taxation : □

Income Tax expense comprises current tax and deferred tax charge or credit. Deferred tax asset or liability is recognised using substantively enacted tax rates. Deferred tax assets/liabilities are reviewed as at each Balance Sheet date based on developments during the year and to reassess realisation/liabilities. □

K) Impairment of Assets: □

Impairment of assets are assessed at balance sheet date and if any indicator of impairment exist, the same is assessed and provided for. □

L) Provisions, Contingent Liabilities & Contingent Assets : □

Provisions are recognised in respect of present obligations arising out of past events where there are reliable estimate of probable outflows of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for and are disclosed by way of notes to the accounts. Contingent assets are neither provided for nor disclosed.

M) Government Grants :

State Capital Investment Subsidy has been credited to Capital Reserve account on receipt basis.

N) Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost until the asset is ready for its intended use. A qualifying asset is an asset that necessarily require a substantial period of time to get ready for its intended use or sale. After that, the borrowing costs are recognised as an expense in the period in which they are incurred and it includes exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to borrowing costs.

24 The Company had closed down the operation in its units at Dodaballapur, Bangalore with effect from 01-04-2013 and had disposed off the assets thereon in the Previous year except Land and Building which is in the process of disposal.

25 The financial statements of J J Creations SA included in the Statement of Profit & Loss upto 30th September, 2014 excluding Minority interest of 15%, as it ceased to be a Subsidiary Company during the year and other subsidiary OOO J J Home, which closed its operation in the year 2013-14, also not included in the financial statements. So Previous year figures are not comparable.

26 The company has regrouped and rearranged previous year figures to confirm the corresponding figures of this year.

27 Additional Information for the Consolidated Financial Statements for the year ended 31st March, 2015

Name of the Entity in the <input type="checkbox"/>	Net Assets, i.e. Total Assets minus <input type="checkbox"/>		Share in Profit or Loss <input type="checkbox"/>	
	Total Liabilities <input type="checkbox"/>			
	As % of <input type="checkbox"/>	Amount <input type="checkbox"/>	As % of <input type="checkbox"/>	Amount <input type="checkbox"/>
	Consolidated <input type="checkbox"/>		Consolidated <input type="checkbox"/>	
	Net Assets <input type="checkbox"/>		Profit or Loss <input type="checkbox"/>	
1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

Parent Subsidiaries

Indian

NONE

Foreign

1 <input type="checkbox"/> SPIN INTERNATIONAL INC <input type="checkbox"/>	94.11% <input type="checkbox"/>	44,111,550 <input type="checkbox"/>	3.90% <input type="checkbox"/>	(1,081,475) <input type="checkbox"/>
2 <input type="checkbox"/> J J CREATIONS SA <input type="checkbox"/>	- <input type="checkbox"/>	- <input type="checkbox"/>	0.35% <input type="checkbox"/>	(97,024) <input type="checkbox"/>
3 <input type="checkbox"/> OOO J J HOME <input type="checkbox"/>	- <input type="checkbox"/>	- <input type="checkbox"/>	- <input type="checkbox"/>	- <input type="checkbox"/>

NOTE:

The financial statements of J J Creations SA included in the Statement of Profit & Loss upto 30th September, 2014 excluding Minority interest of 15%, as it ceased to be a Subsidiary Company during the year and other subsidiary OOO J J Home, which closed its operation in the year 2013-14, also not included in the consolidated financial statements.

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**

Chartered Accountants

ICAI Reg. No. 302111E

Anand Prakash

Partner

(Membership No. 056485)

Place : Kolkata

Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman

Rajiv Jhunjunwala — Vice Chairman

Rahul Singhi — Director

H. S. Senapati — Director

Puja Jhunjunwala — Director

P. K. Sarkar — Director

A. B. Chaturvedi — Director

Dipali Sharma — Director

Consolidated Cash Flow Statement for the year ended 31st March 2015

(Amount in ₹ lacs)

□	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES □		
Net Profit/(Loss) before Tax □	(275.01) □	(2,303.04)
Adjustment for: □		
Depreciation □	442.31 □	369.65 □
Interest Income □	(11.75) □	(7.20) □
Interest Expense □	719.71 □	648.82 □
(Profit)/Loss On Sale of Investments □	15.44 □	(3.67) □
(Profit)/Loss On Sale Of Fixed Asset □	(847.85) □	(81.03) □
Provision for fall in Value of Non- Current Investment □	– □	300.00 □
Adjustment on Consolidation, Reduction, Disposal etc □	(2.85) □	102.32
Operating Profit before Working Capital Changes □	40.00 □	(974.15)
Movements In Working Capital : □		
Increase/(Decrease) in Trade Payables □	(204.91) □	(116.45)
Increase/(Decrease) in Other Current Liabilities □	129.23 □	(54.13)
Increase/(Decrease) in Short Term Provisions □	14.20 □	
Decrease/(Increase) in Trade Receivables □	369.74 □	127.33
Decrease/(Increase) in Inventories □	277.62 □	840.79
Decrease/(Increase) in Long- Term Loans and Advances □	1.74 □	11.55
Decrease/(Increase) in Short - Term Loans and Advances □	110.88 □	36.84
Decrease/(Increase) in Other Current Assets □	(18.63) □	28.44
Cash Generated from Operations/(Used in) Operations □	719.87 □	(99.78)
Direct Taxes Paid (Net) □	(19.52) □	(0.43)
Net Cash from Operating Activities (A) □	700.35 □	(100.21)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase Of Fixed Assets □	(8.73) □	(21.83)
Sale Of Fixed Assets □	971.94 □	457.09
Capital Advance Given □	(360.00) □	
Effect of Exchange Rate Change on Consolidation □	(0.59) □	(12.12)
Purchase of Investments □	(427.00) □	–
Sale of Investments □	456.28 □	3.67
Fixed Deposit held as Margin Money matured □	11.33 □	34.30
Interest Received □	10.33 □	9.29
Net Cash from Investing Activities (B)	653.56	470.40

Consolidated Cash Flow Statement for the year ended 31st March 2015 (Contd.)

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds/(Repayment) from Long Term Borrowings (Net)	(600.00)	(140.29)
Proceeds/(Repayment) from Short Term Borrowings (Net)	(496.04)	19.15
Interest Paid	(69.11)	(303.68)
Dividend Paid (Unclaimed)	(1.46)	(1.29)
Net Cash from Financing Activities (C)	(1,166.61)	(426.11)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	187.30	(55.92)
Cash and Cash Equivalents At The Beginning of The year	150.32	206.24
Cash and Cash Equivalents At The End Of The year	337.62	150.32
Components of Cash & Cash Equivalents		
Balances With Banks		
- In Current Account	187.03	62.28
- In Foreign Currency Account	0.03	-
- In Fixed Deposit Account	114.21	-
- In Unpaid Dividend Account	-	1.46
Cash On Hand	36.35	86.58
	337.62	150.32

Note:

- a) Previous year's figures have been regrouped and rearranged, wherever necessary.
- b) The above cash flow has been prepared under "Indirect Method" as prescribed under Accounting Standard 3 notified in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- c) Cash & Cash Equivalents as at March 31, 2015 and March 31, 2014 exclude restricted Cash & Bank Balances. The restrictions are primarily on account of Bank Balances held as Margin Money Deposits against Guarantees and Unpaid Bills but includes restricted Bank Balance such as Unpaid Dividends.

For and on Behalf of the Board

For **SALARPURIA JAJODIA & CO.**
Chartered Accountants
ICAI Reg. No. 302111E
Anand Prakash
Partner
(Membership No. 056485)
Place : Kolkata
Dated: 29th Day of May, 2015

S. L. Agrawal
Company Secretary

S. N. Jhunjunwala — Executive Chairman
Rajiv Jhunjunwala — Vice Chairman
Rahul Singhi — Director
H. S. Senapati — Director
Puja Jhunjunwala — Director
P. K. Sarkar — Director
A. B. Chaturvedi — Director
Dipali Sharma — Director

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