

**JEET MACHINE TOOLS LIMITED**

**32<sup>ND</sup> ANNUAL REPORT**

**2015-2016**

## **JEET MACHINE TOOLS LIMITED**

### **BOARD OF DIRECTORS**

|                           |                   |
|---------------------------|-------------------|
| Mr. Ajit Singh Chawla     | Managing Director |
| Mr. Kulwant Singh Kohli   | Director          |
| Mr. N. M. Mansinghka      | Director          |
| Mr. Kawaljit Singh Chawla | Director          |
| Ms. Mohini Hingorani      | Director          |

### **AUDITORS**

M/s J. S. Bhatia & Co.,  
Chartered Accountants,  
14/15, Ashoka Centre,  
2<sup>nd</sup> Floor, Lokmanya Tilak Marg,  
Mumbai- 400 001

### **BANKERS**

Punjab & Sind Bank  
Bharat Overseas Bank Ltd.  
HDFC Bank Ltd.  
State Bank of India

### **REGISTERED OFFICE**

25, Ambalal Doshi Marg,  
Hamam Street, Fort  
Mumbai- 400 023  
Tel: 022- 22651944 / 22672124  
Fax: 022-22655782 / 22675280  
Email: [gmt@mtnl.net](mailto:gmt@mtnl.net)  
[qualitymachinetls@yahoo.com](mailto:qualitymachinetls@yahoo.com)

### **REGISTRAR AND SHARE TRANSFER AGENTS**

TSR Darashaw Limited  
6-10, Haji Moosa,  
Patrawala Industrial Estate, 20,  
Dr. E Moses Road,  
Mumbai- 400 011.  
Tel: 022 – 66568484  
Fax:022 – 66568494

## BOARD'S REPORT

To  
The Members,  
Jeet Machine Tools Limited

Your Directors present the 32<sup>nd</sup> Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2016.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. FINANCIAL RESULTS:

The Company's performance during the year ended March 31, 2016, as compared to the previous financial year, is summarized below:

(Amount in INR)

| <b>Particulars</b>                      | <b>For the financial<br/>year ended<br/>31<sup>st</sup> March, 2016</b> | <b>For the financial<br/>year ended<br/>31<sup>st</sup> March, 2015</b> |
|---|---|---|
| Income                                  | 1,433,796   | 1,839,044   |
| Less: Expenses                          | 1,689,549   | 2,093,871   |
| <b>Profit / (Loss) before tax</b>       | <b>(255,753)</b>  | <b>(254,827)</b>  |
| Less: Provision for tax:                | -   | -   |
| • Deferred tax                          | (103,673)   | 20,425  |
| <b>Profit/ (Loss) after Tax</b>         | <b>(152,080)</b>  | <b>(275,252)</b>  |
| <b>Balance carried to Balance sheet</b> | <b>(152,080)</b>  | <b>(275,252)</b>  |

#### b. OPERATIONS:

The Company continues to be engaged in the activities pertaining to dealing in Work Shop Machinery for Tool Room such as Lathe Machine, Shaping Machine, Hacksaw Machine, Drill Machine, Hydraulic Press, Bench Grinder etc. for maintenance. Sheet Metal Machinery such as Mechanical & Hydraulic Shearing, Press Brake, Sheet Folding Machine & Pyramid Type Plate Bending Machine for Fabrication

There was no change in nature of the business of the Company, during the year under review.

**c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

During the year under review, your Company did not have any Subsidiary, Associate and Joint Venture Company.

**d. DIVIDEND:**

Considering the loss incurred in the current financial year, your Directors have not recommended any dividend for the financial year under review.

**e. TRANSFER TO RESERVES:**

In view of loss incurred during the year under review, your Directors have not recommended transfer of any amount to reserves.

**f. REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements pertaining to previous financial years during the year under review.

**g. DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Sections 73 and 74 of the Companies Act 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

**h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.



**i. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

**j. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

**k. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

During the year under review there were no transactions/contracts /arrangements entered by the Company under Section 188 the Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, and hence disclosure under this part is not applicable.

**l. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

During the year under review the Company has not made any investments in securities or advanced any loans or given any guarantee or provided security in connection with a loan to persons or body corporate in terms of Section 186 of the Companies Act, 2013. Details pertaining to the status of investments made as on 31<sup>st</sup> March, 2016 are disclosed in Note No. 8 of the Financial Statements.

**m. SHARE CAPITAL:**

The Company has not issued any shares during the year under review and hence there was no change in the issued, subscribed and paid-up-share capital of the Company and accordingly disclosures under Section 43(a)(ii), Section 54(1)(d) and Section 62(1)(b) of the Companies Act, 2013 read with relevant rules are not required to be furnished. The Company does not have a scheme of ESOP and hence disclosures pursuant to Section 67(3) of the Companies Act, 2013 are also not required to be furnished.

2. **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

a. **BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

During the year under review, Ms. Mohini Hingorani (DIN: 07345299) was appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from November 26, 2015 upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member of the Company under Section 160 of the Companies Act, 2013, along with the deposit of INR 100,000/- proposing her candidature for the office of Director of the Company.

The Board at its meeting held on August 31, 2015 appointed Mr. Ajit Singh Chawla (DIN: 02451259) as the Managing Director designated as a Key Managerial Personnel of the Company to hold office for a term of 5 (five) years upto August 30, 2020, which was subsequently approved by the members of the Company at the 31<sup>st</sup> Annual General Meeting.

Further, Mr. Harveer Ajit Chawla was appointed as the Chief Financial Officer designated as a Key Managerial Personnel of the Company with effect from August 31, 2016.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Kulwant Singh Kohli (DIN: 02444911) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. Your Directors recommend his appointment.

b. **DECLARATIONS BY INDEPENDENT DIRECTORS:**

The Company has received declarations from both the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming their independence vis-à-vis the Company as provided under Section 149(6) of the Companies Act, 2013.

3. **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

a. **BOARD MEETINGS:**

The Board of Directors met 6 (Six) times during the financial year ended March 31, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

b. **DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Board of Directors hereby confirms 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. such accounting policies have been selected and applied consistently and the Directors 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 as at March 31, 2016 and of the loss of the Company for that year;
- c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**c. NOMINATION AND REMUNERATION COMMITTEE:**

The Company has constituted a Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 and the composition of the Committee as on March 31, 2016 is as under:

1. Mr. Narendra Mansingka, Chairman – Independent Director;
2. Ms. Mohini Hingorani, Member – Independent Director; and
3. Mr. Kulwant Singh Kohli, Member – Non Executive Director.

The Board has in accordance with the provisions of Section 178(3) of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The aforementioned detailed Policy duly approved and adopted by the Board is appended as **Annexure I** to this Report.

**d. AUDIT COMMITTEE:**

The Company has constituted an Audit Committee pursuant to Section 177 of the Companies Act, 2013 and the composition of the said Committee as on March 31, 2016 was as under:

1. Mr. Narendra Mansingka, Chairman – Independent Director;
2. Ms. Mohini Hingorani, Member – Independent Director; and
3. Mr. Kulwant Singh Kohli, Member – Non Executive Director.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

**e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed a 'Vigil Mechanism Policy' for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern / grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

**f. RISK MANAGEMENT POLICY:**

The development and implementation of the Risk Management Policy has been covered in the Management Discussion and Analysis, which forms part of this Report.

**g. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

The Board of Directors has carried out an annual evaluation of its own performance, committees and individual directors pursuant to the provisions of the Companies Act, 2013.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria as laid down by the Nomination and Remuneration Committee.

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, the Board as a whole and of the Chairman was evaluated, taking into account the views of Executive Director and Non-Executive Directors.

Performance evaluation of both the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

**h. INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**i. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The Company did not pay any remuneration to its Directors and Key Managerial Personnel during the year under review, therefore no details are required to be furnished as required in accordance to Section 197(12) of Companies Act, 2013.

**j. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:**

The Company does not have any Holding or Subsidiary Company and hence disclosure under this clause is not applicable.

**4. AUDITORS AND REPORTS:**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016:**

The observations made by the Statutory Auditors in their report for the financial year ended March 31, 2016 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. FRAUD REPORTING:**

During the year under review, there were no instances of material or serious fraud falling under Section 143(12) of the Companies Act, 2013 and Rule 13(1) of the Companies (Audit and Auditors) Rules, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit.

**c. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates Companies to which Secretarial Audit is applicable, to obtain a Secretarial Audit Report from a Practicing Company Secretary. M/s. Rathi and Associates, Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the financial year 2015-16 and to issue a Secretarial Audit Report in the prescribed Form MR-3 for the year under view.

The Secretarial Audit Report issued by M/s. Rathi and Associates, Company Secretaries in the prescribed Form MR-3 for the financial year 2015-16 is appended as **Annexure II** and forms part of this Report.

The observations/comments of the Secretarial Auditors is mentioned in the Secretarial Audit Report and the Management's responses to the remarks of Secretarial Auditors are as under:

1. The Company is in process of complying with the provisions related to:
  - a. Appointment of whole time Company Secretary under Section 203 of the Companies Act, 2013.
  - b. Appointment of Internal Auditors under Section 138 of the Companies Act, 2013.
  - c. Maintenance of functional website under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The equity shares held by one of the Promoters, in the name of Karta of Hindu Undivided Family, could not be dematerialised due to technical errors and accordingly has remained in the physical form.
- d. RE-APPOINTMENT OF STATUTORY AUDITORS FOR THE FY 2016-17:**
- Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. J. S. Bhatia & Co., Chartered Accountants, (Firm Registration Number 118806W the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting. The consent of the Auditors along with certificate under Section 139 of the Act have been obtained from the Auditors to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company. The Board recommends the re-appointment of M/s. J. S. Bhatia & Co., Chartered Accountants as the Statutory Auditors of the Company for the financial year 2016-2017, to hold office from the conclusion of the ensuing Annual General Meeting up to the conclusion of the Thirty Third Annual General Meeting.

Necessary resolution for re-appointment of the said Auditors is included in the Notice of the ensuing Annual General Meeting for seeking approval of members.

**5. OTHER DISCLOSURES:**

Other disclosures as per the provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return in Form MGT-9 for the financial year ended March 31, 2016 made under the provisions of Section 92(3) of the Act is attached as **Annexure III** which forms part of this Report.



**b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

During the year under review, the Company has neither earned nor used any foreign exchange.

**c. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Since your Company did not have more than one thousand stakeholders at any time during the Financial Year 2015-16, it was not required to constitute the Stakeholders' Relationship Committee. However, the Company has taken necessary steps to address the grievances of investors from time to time and the Company has appointed TSR Darashaw Limited as its Registrar and Share Transfer Agents to carry out the functions of transfer of shares held in physical mode. During the year under review, the Company has not received any grievances from the stakeholders.

**d. CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to your Company during the Financial Year 2015-16 and accordingly compliances with respect to the same were not applicable to the Company during the year under review.

**e. COST AUDITORS:**

The Central Government of India has not specified the maintenance of Cost Records under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

**f. MANAGEMENT DISCUSSION ANALYSIS:**

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is marked as **Annexure IV** and forms part of this Report.

**g. SEXUAL HARASSMENT POLICY:**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Investigation and Redressal Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

**6. ACKNOWLEDGEMENTS AND APPRECIATION:**

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

In addition, your Directors also place on record their sincere appreciation of the commitment and hard work put in by the Registrar & Share Transfer Agent, all the suppliers, sub-contractors, consultants, clients and employees of the Company.

**AJIT SINGH CHAWLA**  
**MANAGING DIRECTOR**  
**DIN 02451259**

**KAWALJIT SINGH CHAWLA**  
**DIRECTOR**  
**DIN 00222203**

**Date:** 12<sup>th</sup> May, 2016

**Place:** Mumbai

**Registered Office:**

25 Ambalal Doshi Marg,

Hamam Street, Fort, Mumbai - 400 023

**CIN:** L28900MH1984PLC032859

**Tel No.** 022-22651944 /022- 22672124 **Fax No.:** 022-22675782

**Mail** [qualitymachinetls@yahoo.co.in](mailto:qualitymachinetls@yahoo.co.in)

## **ANNEXURE I**

### **NOMINATION & REMUNERATION POLICY**

#### **CHARTER PURPOSE**

The purpose of the Nomination and Remuneration Committee (the "Committee") of the Board of Directors (the "Board") shall be to assist the Board in discharging its responsibilities relating to compensation of the Company's executive directors and other senior level employees. The Committee has the overall responsibility of approving and evaluating the adequacy of the compensation plans, policies, programs and succession plans for Company's Executive Directors and the Chief Executive Officer.

#### **MEMBERSHIP AND ORGANIZATION**

The Committee shall consist of not less than three members two of them shall be Independent Directors.

The members of the Committee will be appointed by the Board and may be removed by the Board in its discretion. The Board shall designate a member of the Committee as the Chairperson.

#### **RESPONSIBILITIES**

The Committee shall have the following responsibilities and authority:

The Committee shall annually review and approve for the CEO and Executive Directors the corporate goals and objectives applicable to the CEO / Executive Directors, evaluate at least annually the CEO's / Executive Directors' performance in light of those goals and objectives, and determine and approve the appointment CEO's/ Executive Directors and shall also annually review:

- (a) annual base salary,
- (b) annual incentive bonus, including the specific goals and amount,
- (c) equity compensation,
- (d) employment agreements, severance arrangements, and change in control agreements / provisions, and

(e) Any other benefits, compensation or arrangements, based on this evaluation.

The Committee shall review the performance of all the executive directors each quarter, on the basis of detailed performance parameters set for each of the executive directors at the beginning of the year. The Committee may, from time-to-time, also evaluate the usefulness of such performance parameters, and make necessary amendments.

The Committee is responsible for administering the Company's equity incentive plans, including the review and grant of awards to eligible employees under the plans and the terms and conditions applicable to such awards, subject to the provisions of each plan.

The Committee may also make recommendations to the Board with respect to incentive compensation plans. The Committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

The Committee shall review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

The Committee shall annually review its own performance and shall present the results of the evaluation to the Board. The committee shall conduct this evaluation in such manner as it deems appropriate.

The Committee shall have the responsibility to maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development institute, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.

## **ADVISORS**

The Committee may seek the advice of the external specialized agencies in fixation and evaluation of remuneration of the CFO, executive directors and other senior level personnel. The committee shall have the sole authority to select, retain and terminate the services of any compensation consultant to be used to assist in the evaluation of

compensation for the CFO, executive directors or senior management, and shall have the sole authority to approve the consultant's fees and other retention terms and oversee the consultant's work. The compensation committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The Committee shall set the compensation, and oversee the work, of its external legal counsel, accountants and other advisors with respect to compensation matters.

The Committee shall receive appropriate funding from the Company, as determined by the committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, external legal counsel and any other advisors with respect to compensation matters.

- In retaining or seeking advice from compensation consultants, outside counsel and other advisors, the committee must take into consideration the recommendation of the Board in this regards.
- The Committee may retain, or receive advice from, any compensation advisor as they may deem fit and proper, including directors that are not independent, after considering the specified factors. The committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

## **MEETINGS AND REPORTS**

The Committee shall meet as often as may be required to fulfill its responsibilities.

- The committee is governed by the same rules regarding meetings (including through video conferencing meetings), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.
- The committee shall make regular reports to the Board regarding its actions and make

recommendations to the Board as appropriate.

- The committee shall prepare such reports as may be required by any law, rule or regulation to which the Company is subject.
- The committee may invite such members of management to its meetings as it deems appropriate. However, the committee shall meet regularly without such members present, and the CFO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

### **Compensation**

Members of the Committee shall receive such fees, if any, for their services as committee members as may be determined by the Board.

**AJIT SINGH CHAWLA**  
**MANAGING DIRECTOR**  
**DIN: 02451259**

**KAWALJIT SINGH CHAWLA**  
**DIRECTOR**  
**DIN: 00222203**

**Date:** 12<sup>th</sup> May, 2016

**Place:** Mumbai

## SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

To

The Members

**JEET MACHINE TOOLS LIMITED**

Parek Vora Chambers, Ground Floor,

62 Nagindas Master Road, Fort,

Mumbai-400 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Jeet Machine Tools Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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 financial year ended 31<sup>st</sup> March, 2016, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Jeet Machine Tools Limited** ("the Company"), for the financial year ended on 31<sup>st</sup> March, 2016, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) 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 (Prohibition of Insider Trading) Regulations, 2015;
    - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. The provisions of 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 were not applicable to the Company during financial year under report.
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



- v. 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; and
  - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in **Annexure A**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013, *which have not been adequately complied with*; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (upto 30<sup>th</sup> November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1<sup>st</sup> December, 2015);

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the following:

1. The Company is yet to appoint a Whole-time Company Secretary as per the provisions of Section 203 read with Rule 8 of the Companies (Appointment & remuneration of Managerial personnel) Rules, 2014 of the Companies Act, 2013. Accordingly, the Company has not complied with Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to appointment of a qualified Company Secretary as the Compliance Officer.
2. Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company appointed Managing Director and Chief Financial Officer (CFO) with effect from 31<sup>st</sup> August, 2015.

3. Pursuant to the provisions of Section 149 (1) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed a Woman and Independent Director on the Board with effect from 26<sup>th</sup> November, 2015 and accordingly Audit and Nomination & Remuneration Committee was adequately constituted as per provisions of Section 177 and 178 of the Companies Act, 2013, respectively with effect from that date.
4. Pursuant to the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014, Company is yet to appoint an Internal Auditor.
5. Pursuant to the provisions of Companies Act, 2013 and Clause 54 of Listing Agreement and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company does not have functional website.
6. Pursuant to the provisions of Regulation 31 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the entire Promoters' shareholding is not held in dematerialized mode.

**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 with effect from 26<sup>th</sup> November 2015. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Notice has been given to all directors of the Board Meetings, agenda and detailed notes on agenda were sent generally 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, if any, are captured and recorded as part of the minutes.

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

**For Rathi & Associates  
Company Secretaries**

**Place: Mumbai**

**Dated: 12<sup>th</sup> May, 2016**

**Jayesh Shah**

**Partner**

**FCS No. 5637**

**COP No. 2535**

**Note: This report should be read with our letter of even date which is annexed as Annexure-B and forms an integral part of this report.**

## ANNEXURE - A

### List of applicable laws to the Company

1. Income Tax Act, 1961
2. Wealth Tax Act, 1957
3. Companies Act, 1956/ Companies Act, 2013 (to the extent applicable)
4. Listing agreement with the Stock Exchanges
5. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
6. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
7. Employees Provident Fund & Miscellaneous provisions Act, 1952
8. Bombay Shops and Establishment Act, 1948
9. The Employees' State Insurance Act, 1948
10. Profession Tax Act, 1975
11. Maharashtra Value Added Tax Act, 2002
12. Central Sales Tax Act, 1956

### ANNEXURE III

#### EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2016

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

#### I. REGISTRATION AND OTHER DETAILS:

|  |   |  |
|--|---|--|
| CIN  | : | L28900MH1984PLC032859  |
| Registration Date  | : | 10 <sup>th</sup> May, 1984   |
| Name of the Company  | : | Jeet Machine Tools Limited   |
| Category / Sub-Category of the Company                                     | : | Company Limited by Shares/ Indian Non-Government Company   |
| Address of the Registered office and contact details                       | : | 25 Ambalal Doshi Marg, Hamam Street, Fort, Mumbai- 400 023 Tel No.: 022-22651944   |
| Whether listed company   | : | Yes  |
| Name, Address and Contact details of Registrar and Transfer Agent, if any: | : | TSR Darashaw Limited<br>6-10 Haji Moosa Patrawala Industrial Estate,<br>20 Dr. E. Moses Road, Mahalaxmi,<br>Mumbai- 400 011Tel No.: 022-66568484 |

**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       | Manufacture of other general purpose machinery  | 2919                             | 0                                  |

The total income earned by the Company during the year under review is from other sources and not from the principal business activity of the Company.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

The Company has no Holding, Subsidiary or Associate Companies; hence disclosure under this head is not applicable as on Financial Year ended on March 31, 2016.

| Sr. No. | Name and address of the Company | CIN / GLN | Holding / subsidiary / associate | % of shares held | Applicable section |
|---------|---------------------------------|-----------|----------------------------------|------------------|--------------------|
| 1       | -                               | -         | -                                | -                | -                  |







|   |           |         |           |        |           |         |           |        |      |
|---|-----------|---------|-----------|--------|-----------|---------|-----------|--------|------|
| <b>a) Bodies Corp.</b>  |           |         |           |        |           |         |           |        |      |
| <b>i) Indian</b>  | -         | -       | -         | -      | -         | -       | -         | -      | -    |
| <b>ii) Overseas</b>   | -         | -       | -         | -      | -         | -       | -         | -      | -    |
| <b>b) Individuals</b>   |           |         |           |        |           |         |           |        |      |
| <b>i) Individual shareholders holding nominal share capital upto Rs. 1 lakh</b>         | 35,200    | 143,060 | 178,260   | 9.09   | 35,200    | 143,060 | 178,260   | 9.09   | 0.00 |
| <b>ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh</b> | 37,500    | 324,400 | 361,900   | 18.46  | 37,500    | 324,400 | 361,900   | 18.46  | 0.00 |
| <b>c) Others (specify)</b>  | -         | -       | -         | -      | -         | -       | -         | -      | -    |
| <b>Sub-total(B)(2):</b>   | 72,700    | 467,460 | 540,160   | 27.56  | 72,700    | 467,460 | 540,160   | 27.56  | 0.00 |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                                      | 72,700    | 467,460 | 540,160   | 27.56  | 72,700    | 467,460 | 540,160   | 27.56  | 0.00 |
|   |           |         |           |        |           |         |           |        |      |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                                  | -         | -       | -         | -      | -         | -       | -         | -      | -    |
|   |           |         |           |        |           |         |           |        |      |
| <b>Grand Total (A+B+C)</b>  | 1,325,810 | 634,190 | 1,960,000 | 100.00 | 1,325,810 | 634,190 | 1,960,000 | 100.00 | 0.00 |

ii. SHAREHOLDING OF PROMOTERS:

| Sl. No. | Shareholder's Name                  | Shareholding at the beginning of the year |                                  |  | Share holding at the end of the year |                                  |  | % change in share holding 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.      | Mr. Kawaljit Singh Chawla           | 366,400                                   | 18.69                            | 0.00   | 366,400                              | 18.69                            | 0.00   | 0.00                                      |
| 2.      | Mr. Ajit Singh Chawla               | 320,200                                   | 16.34                            | 0.00   | 320,200                              | 16.34                            | 0.00   | 0.00                                      |
| 3.      | Mr. Raminder Kaur Chawla            | 138,080                                   | 7.04                             | 0.00   | 138,080                              | 7.04                             | 0.00   | 0.00                                      |
| 4.      | Mr. Pritikaur Kawaljit Singh Chawla | 123,500                                   | 6.30                             | 0.00   | 123,500                              | 6.30                             | 0.00   | 0.00                                      |
| 5.      | Mr. Balpreet Kaur Chawla            | 114,300                                   | 5.83                             | 0.00   | 114,300                              | 5.83                             | 0.00   | 0.00                                      |
| 6.      | Mr. Rajkaran J Chawla               | 104,700                                   | 5.34                             | 0.00   | 104,700                              | 5.34                             | 0.00   | 0.00                                      |
| 7.      | Mr. Harveer A Chawla                | 86,000                                    | 4.39                             | 0.00   | 86,000                               | 4.39                             | 0.00   | 0.00                                      |
| 8.      | Jagjit S. Chawla - HUF              | 157,000                                   | 8.01                             | 0.00   | 157,000                              | 8.01                             | 0.00   | 0.00                                      |
| 9.      | Mr. Jagjit Singh Chawla             | 9,660                                     | 0.49                             | 0.00   | 9,660                                | 0.49                             | 0.00   | 0.00                                      |

iii. **CHANGE IN PROMOTERS' SHAREHOLDING:**

There was no change in Promoters' shareholding during the Financial Year ended March 31, 2016.

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during 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   | 1,419,840                                 | 72.44                            | 1,419,840                               | 72.44                            |
|         | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc) | -   | -                                | 1,419,840                               | 72.44                            |
|         | At the End of the year   | 1,419,840                                 | 72.44                            | 1,419,840                               | 72.44                            |

iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1.      | <b>Mr. Amritlal C. Shah</b>  |   |                                  |   |                                  |
|         | At the beginning of the year   | 50,400                                    | 2.57                             | 50,400                                  | 2.57                             |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -   | -                                | 50,400                                  | 2.57                             |
|         | At the End of the year (or on the date of separation, if separated during the year)  | 50,400                                    | 2.57                             | 50,400                                  | 2.57                             |
| 2.      | <b>Ms. Richa Rathi</b>   |   |                                  |   |                                  |
|         | At the beginning of the year   | 37,500                                    | 1.91                             | 37,500                                  | 1.91                             |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -   | -                                | 37,500                                  | 1.91                             |
|         | At the End of the year (or on the date of separation, if separated during the year)  | 37,500                                    | 1.91                             | 37,500                                  | 1.91                             |

|    |   |               |             |               |             |
|----|---|---------------|-------------|---------------|-------------|
| 3. | <b>Mr. Baldev G. Wadhwa</b>   |               |             |               |             |
|    | <b>At the beginning of the year</b>   | <b>21,200</b> | <b>1.08</b> | <b>21,200</b> | <b>1.08</b> |
|    | <b>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)</b> | <b>-</b>      | <b>-</b>    | <b>21,200</b> | <b>1.08</b> |
|    | <b>At the End of the year (or on the date of separation, if separated during the year)</b>  | <b>21,200</b> | <b>1.08</b> | <b>21,200</b> | <b>1.08</b> |
| 4. | <b>Ms. Suman Agarwal</b>  |               |             |               |             |
|    | <b>At the beginning of the year</b>   | <b>18,800</b> | <b>0.96</b> | <b>18,800</b> | <b>0.96</b> |
|    | <b>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)</b> | <b>-</b>      | <b>-</b>    | <b>18,800</b> | <b>0.96</b> |
|    | <b>At the End of the year (or on the date of separation, if separated during the year)</b>  | <b>18,800</b> | <b>0.96</b> | <b>18,800</b> | <b>0.96</b> |
| 5. | <b>Ms. Taruna Harmendra Shah</b>  |               |             |               |             |
|    | <b>At the beginning of the year</b>   | <b>18,400</b> | <b>0.94</b> | <b>18,400</b> | <b>0.94</b> |
|    | <b>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)</b> | <b>-</b>      | <b>-</b>    | <b>18,400</b> | <b>0.94</b> |
|    | <b>At the End of the year (or on the date of separation, if separated during the year)</b>  | <b>18,400</b> | <b>0.94</b> | <b>18,400</b> | <b>0.94</b> |

|    |  |        |      |        |      |
|----|--|--------|------|--------|------|
| 6. | <b>Mr. Amardeep Singh Kohli</b>  |        |      |        |      |
|    | At the beginning of the year   | 16,800 | 0.86 | 16,800 | 0.86 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 16,800 | 0.86 |
|    | At the End of the year (or on the date of separation, if separated during the year)  | 16,800 | 0.86 | 16,800 | 0.86 |
| 7. | <b>Ms. Anita Kaur Kohli</b>  |        |      |        |      |
|    | At the beginning of the year   | 16,800 | 0.86 | 16,800 | 0.86 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 16,800 | 0.86 |
|    | At the End of the year (or on the date of separation, if separated during the year)  | 16,800 | 0.86 | 16,800 | 0.86 |
| 8. | <b>Mr. Gurbaxish Singh Kohli</b>   |        |      |        |      |
|    | At the beginning of the year   | 16,800 | 0.86 | 16,800 | 0.86 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 16,800 | 0.86 |
|    | At the End of the year (or on the date of separation, if separated during the year)  | 16,800 | 0.86 | 16,800 | 0.86 |

|     |   |               |             |               |             |
|-----|---|---------------|-------------|---------------|-------------|
|     | separated during the year)  |               |             |               |             |
| 9.  | <b>Mr. Mohinder Kaur Kohli</b>  |               |             |               |             |
|     | <b>At the beginning of the year</b>   | <b>16,800</b> | <b>0.86</b> | <b>16,800</b> | <b>0.86</b> |
|     | <b>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)</b> | <b>-</b>      | <b>-</b>    | <b>16,800</b> | <b>0.86</b> |
|     | <b>At the End of the year (or on the date of separation, if separated during the year)</b>  | <b>16,800</b> | <b>0.86</b> | <b>16,800</b> | <b>0.86</b> |
| 10. | <b>U. R. Agarwal HUF</b>  |               |             |               |             |
|     | <b>At the beginning of the year</b>   | <b>16,800</b> | <b>0.86</b> | <b>16,800</b> | <b>0.86</b> |
|     | <b>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)</b> | <b>-</b>      | <b>-</b>    | <b>16,800</b> | <b>0.86</b> |
|     | <b>At the End of the year (or on the date of separation, if separated during the year)</b>  | <b>16,800</b> | <b>0.86</b> | <b>16,800</b> | <b>0.86</b> |

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1.      | <b>Mr. Ajit Singh Chawla</b>   |   |                                  |   |                                  |
|         | At the beginning of the year   | 320,200                                   | 16.34                            | 320,200                                 | 16.34                            |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -   | -                                | 320,200                                 | 16.34                            |
|         | At the End of the year   | 320,200                                   | 16.34                            | 320,200                                 | 16.34                            |
| 2.      | <b>Mr. Kawaljit Singh Chawla</b>   |   |                                  |   |                                  |
|         | At the beginning of the year   | 366,400                                   | 18.69                            | 366,400                                 | 18.69                            |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -   | -                                | 3,66,400                                | 18.69                            |
|         | At the End of the year   | 366,400                                   | 18.69                            | 366,400                                 | 18.69                            |
| 3.      | <b>Mr. Kulwant Singh Prehlad Singh Kohli</b>   |   |                                  |   |                                  |
|         | At the beginning of the year   | 16,800                                    | 0.86                             | 16,800                                  | 0.86                             |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -   | -                                | 16,800                                  | 0.86                             |
|         | At the End of the year   | 16,800                                    | 0.86                             | 16,800                                  | 0.86                             |



|    |  |        |      |        |      |
|----|--|--------|------|--------|------|
| 4. | <b>Mr. Harveer Chawla</b>  |        |      |        |      |
|    | At the beginning of the year   | 86,000 | 4.39 | 86,000 | 4.39 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 86,000 | 4.39 |
|    | At the End of the year   | 86,000 | 4.39 | 86,000 | 4.39 |
| 5. | <b>Mr. Narendra Mansingka</b>  |        |      |        |      |
|    | At the beginning of the year   | 0      | 0.00 | 0      | 0.00 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 0      | 0.00 |
|    | At the End of the year   | 0      | 0.00 | 0      | 0.00 |
| 6. | <b>Ms. Mohini Topandas Hingorani</b>   |        |      |        |      |
|    | At the beginning of the year   | 0      | 0.00 | 0      | 0.00 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | -      | -    | 0      | 0.00 |
|    | At the End of the year   | 0      | 0.00 | 0      | 0.00 |

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in INR)

|  | <b>Secured<br/>Loans<br/>excluding<br/>deposits</b> | <b>Unsecured<br/>Loans</b> | <b>Deposits</b> | <b>Total<br/>Indebtedness</b> |
|--|---|----------------------------|-----------------|-------------------------------|
| <b>Indebtedness at the beginning of the financial year</b> |   |                            |                 |                               |
| <b>i) Principal Amount</b>                                 | -   | 50,470                     | -               | 50,470                        |
| <b>ii) Interest due but not paid</b>                       | -   | -                          | -               | -                             |
| <b>iii) Interest accrued but not due</b>                   | -   | -                          | -               | -                             |
| <b>Total (i+ii+iii)</b>                                    | -   | 50,470                     | -               | 50,470                        |
|  |   |                            |                 |                               |
| <b>Change in Indebtedness during the financial year</b>    |   |                            |                 |                               |
| <b>Addition</b>  | -   | 4,02,905                   | -               | 4,02,905                      |
| <b>Reduction</b>   | -   | -                          | -               | -                             |
| <b>Net Change</b>  | -   | 4,02,905                   | -               | 4,02,905                      |
|  |   |                            |                 |                               |
| <b>Indebtedness at the end of the financial year</b>       |   |                            |                 |                               |
| <b>i) Principal Amount</b>                                 | -   | 4,53,375                   | -               | 4,53,375                      |
| <b>ii) Interest due but not paid</b>                       | -   | -                          | -               | -                             |
| <b>iii) Interest accrued but not due</b>                   | -   | -                          | -               | -                             |
| <b>Total (i+ii+iii)</b>                                    | -   | 4,53,375                   | -               | 4,53,375                      |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

Mr. Ajit Singh Chawla and Mr. Kawaljit Singh Chawla did not draw any remuneration from the Company during the Financial Year ended March 31, 2016 and hence disclosure under this head is not applicable to the Company:

| <b>Sl. No.</b> | <b>Particulars of Remuneration</b>   | <b>Name of MD/ WTD/ Manager</b>                     |  | <b>Total Amount</b> |
|----------------|--|---|--|---------------------|
|                |  | <b>Mr. Ajit Singh Chawla,<br/>Managing Director</b> | <b>Mr. Kawaljit Singh Chawla,<br/>Executive Director</b> |                     |
| <b>1</b>       | <b>Gross salary</b>  |   |  |                     |
|                | <b>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</b> | -   | -  | -                   |
|                | <b>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</b>                             | -   | -  | -                   |
|                | <b>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</b>              | -   | -  | -                   |
| <b>2</b>       | <b>Stock Option</b>  | -   | -  | -                   |
| <b>3</b>       | <b>Sweat Equity</b>  | -   | -  | -                   |
| <b>4</b>       | <b>Commission</b>  |   |  |                     |
|                | <b>- as % of profit</b>  | -   | -  | -                   |
|                | <b>- others, specify</b>   | -   | -  | -                   |
| <b>5</b>       | <b>Others, please specify</b>  |   |  |                     |
|                | <b>Total (A)</b>   | -   | -  | -                   |
|                | <b>Ceiling as per the Act</b>  | -   | -  | -                   |

**B. REMUNERATION TO OTHER DIRECTORS:**

The Company did not pay remuneration to any of the Directors during the Financial Year ended March 31, 2016 and hence disclosure under this head is not applicable to the Company.

| Sl. No. | Particulars of Remuneration                  | Name of Directors                            |                             | Total Amount |
|---------|--|--|-----------------------------|--------------|
|         | <b>1. Independent Directors</b>              | <b>Mr. Narendra Mansingka</b>                | <b>Ms. Mohini Hingorani</b> |              |
|         | Fee for attending board / committee meetings | -  | -                           | -            |
|         | Commission                                   | -  | -                           | -            |
|         | Others, please specify                       | -  | -                           | -            |
|         | <b>Total (1)</b>                             | -  | -                           | -            |
|         |  |  |                             |              |
|         | <b>2. Other Non-Executive Directors</b>      | <b>Mr. Kulwant Singh Prehlad Singh Kohli</b> |                             |              |
|         | Fee for attending board / committee meetings | -  |                             |              |
|         | Commission                                   | -  |                             |              |
|         | Others, please specify                       | -  |                             |              |
|         | <b>Total (2)</b>                             | -  |                             |              |
|         | <b>Total (B)=(1+2)</b>                       | -  | -                           | -            |
|         | <b>Total Managerial Remuneration</b>         | -  | -                           | -            |
|         | <b>Overall Ceiling as per the Act</b>        | -  | -                           | -            |

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

| Sl. No. | Particulars of Remuneration   | Key Managerial Personnel                    |       |
|---------|---|---|-------|
|         |   | Mr. Harveer Chawla, Chief Financial Officer | Total |
| 1       | Gross salary  |   |       |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | -   | -     |
|         | (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   | -   | -     |

**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) |
|-------------------------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                             |                                    |
| Penalty                             | -                            | -                 | -   | -                           | -                                  |
| Punishment                          | -                            | -                 | -   | -                           | -                                  |
| Compounding                         | -                            | -                 | -   | -                           | -                                  |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                             |                                    |
| Penalty                             | -                            | -                 | -   | -                           | -                                  |
| Punishment                          | -                            | -                 | -   | -                           | -                                  |
| Compounding                         | -                            | -                 | -   | -                           | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                             |                                    |
| Penalty                             | -                            | -                 | -   | -                           | -                                  |
| Punishment                          |                              |                   |   |                             | -                                  |
| Compounding                         |                              |                   |   |                             |                                    |

**AJIT SINGH CHAWLA**  
**MANAGING DIRECTOR**  
DIN: 02451259

**KAWALJIT SINGH CHAWLA**  
**DIRECTOR**  
DIN: 00222203

Date: 12<sup>th</sup> May, 2016

Place: Mumbai

## ANNEXURE IV

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The following Management Discussion and Analysis Report has been prepared in accordance with the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to provide an analysis of the business and financial statements of the Company for the F.Y. 2015-16, hence it should be read in conjunction with the respective financial statements and notes thereon. The Company's management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. Investors are cautioned that this discussion contains forward looking statements that involve risks and uncertainties. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

#### ***Business Overview:***

Jeet Machine Tools Limited was established in 1984 and is engaged in the activities pertaining to dealing in Work Shop Machinery for Tool Room.

#### ***Economic Outlook:***

Industry is moving forward into high-end manufacturing sectors like railways, defence and aerospace. Automotive will become bigger, while medical electronics is also expected to grow. All these would require machine tools playing an important role in productivity. There is also the need to deal with larger-sized components and higher accuracy.

#### ***Business Outlook:***

The Company has incurred a loss of INR 152,080 in the financial year 2015-16. Further, Company is making efforts to re-commence its core business activities.

#### ***Internal control system and their adequacy:***

The Company has adequate internal control procedures commensurate with its size and nature of business. The business control procedures ensure efficient use and protection of Company's resources and compliance with policies, procedures and statutory requirements. Further, auditors are appointed to carry audit assignments and to

periodically review the transactions across the divisions and evaluate effectiveness of internal control systems.

***Risk Management:***

The Board of Directors of the Company has designed a Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual / strategic business plans and in periodic management reviews.

***Financial Performance:***

The Company's financial performance is covered in Directors' Report to the Members.

***Opportunities and Threats:***

Due to changing demographics and economic conditions in India, coupled with rigorous competition, the machinery business is set to grow in the years to come. The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including competition risk, interest rate volatility, human resource risk, execution risk and economic cycle.

***Outlook:***

Going forward, technology will also be one of the key differentiators for driving revenue & profitability. These discussions led to the development of our long-term strategy along with an action plan that would help us exploit the available opportunities and measure progress against key milestones and take corrective action when required.



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF JEET MACHINE TOOLS LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Jeet Machine Tools Limited. ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, 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 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.

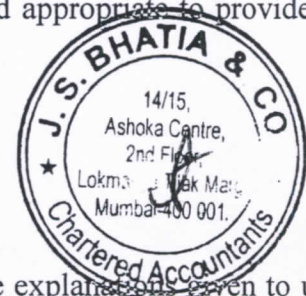
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

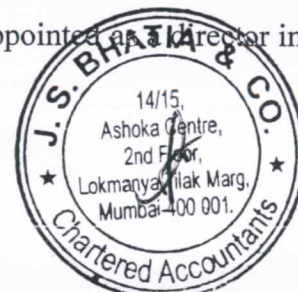




manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit/loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1 As required by the companies (Auditor's Report) Order, 2016 ("the order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, we report that:
  - (a) We have 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 accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
  - (d) 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 and with the accounts of the branches
  - (e) 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.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of  
**J.S.Bhatia & Co**  
Chartered Accountants  
Firm Registration No. 118806W



**Jaipal Singh Bhatia**  
Proprietor  
Membership No. 034290  
Place: Mumbai  
Date: 12/05/2016





Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the





**J. S. BHATIA & CO.**  
**CHARTERED ACCOUNTANTS**

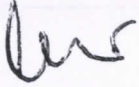
Tel. : Office : 2267 5066 / 2267 5067  
Fax : 2269 2994  
E-mail : jaipalbhatiaca@yahoo.co.in

provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of  
**J.S.Bhatia & Co**  
Chartered Accountants  
Firm Registration No. 118806W



**Jaipal Singh Bhatia**  
Proprietor  
Membership No. 034290  
Place: Mumbai  
Date: 12/05/2016



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone  
Financial Statements of Jeet Machine Tools limited  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143  
of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Jeet Machine Tools Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.





**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**


In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

**J.S.Bhatia & Co**

Chartered Accountants

Firm Registration No. 118806W



**Jaipal Singh Bhatia**

Proprietor

Membership No. 034290

Place: Mumbai

Date: 12/05/2016



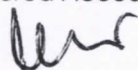
**JEET MACHINE TOOLS LIMITED**

**Balance Sheet as at 31st MARCH, 2016**

| Particulars  | Note No | Figures as at the end of current reporting period | Figures as at the end of earlier reporting period |
|--|---------|---|---|
| <b>I. EQUITY AND LIABILITIES</b>                     |         |   |   |
| <b>(1) Shareholder's Funds</b>                       |         |   |   |
| (a) Share Capital                                    | 1       | 19,600,000  | 19,600,000  |
| (b) Reserves and Surplus                             | 2       | 42,480,051  | 42,632,131  |
| (c) Money received against share warrants            |         |   |   |
| <b>(2) Share application money pending allotment</b> |         |   |   |
| <b>(3) Non-Current Liabilities</b>                   |         |   |   |
| Other Long Term Liability                            | 3       | 918,000   | -   |
| <b>(4) Current Liabilities</b>                       |         |   |   |
| (a) Short-term borrowings                            | 4       | 453,375   | 50,470  |
| (b) Trade payables                                   | 5       | 108,074   | 107,539   |
| (c) Other current liabilities                        |         | -   | -   |
| (d) Short-term provisions                            | 6       | 182,897   | 538,195   |
| <b>Total</b>   |         | <b>63,742,397</b>                                 | <b>62,928,335</b>                                 |
| <b>II. Assets</b>                                    |         |   |   |
| <b>(1) Non-current assets</b>                        |         |   |   |
| <i>(a) Fixed assets</i>                              |         |   |   |
| (i) Tangible assets                                  | 7       | 3,656   | 9,737   |
| (b) Non-current investments                          | 8       | 58,444,521  | 57,534,462  |
| (c) Deferred tax assets (net)                        | 9       | 730,279   | 626,606   |
| (d) Long term loans and advances                     | 10      | 3,084,712   | 2,947,012   |
| (e) Other non-current assets                         | 11      | 77,138  | 77,138  |
| <b>(2) Current assets</b>                            |         |   |   |
| (a) Current investments                              |         | -   | -   |
| (b) Inventories                                      | 12      | 1,345,788   | 1,345,788   |
| (c) Trade receivables                                | 13      | -   | 167,888   |
| (d) Cash and cash equivalents                        | 14      | 39,629  | 160,817   |
| (e) Short-term loans and advances                    | 15      | 15,034  | 51,025  |
| (f) Other current assets                             | 16      | 1,641   | 7,862   |
| <b>Total</b>   |         | <b>63,742,397</b>                                 | <b>62,928,335</b>                                 |
| Significant Accounting Policies                      | 23      |   |   |
| Notes on Financial Statements                        | 1 to 23 |   |   |

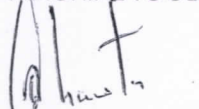
As per our Report of even date

J. S. Bhatia & Co.  
Chartered Accountants



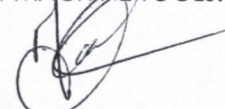
J.S. Bhatia  
M. No :- 34290  
Place :- Mumbai  
Date :- 12-05-2016

For JEET MACHINE TOOLS. LTD



Ajit Singh Chawla  
Director  
Place :- Mumbai  
Date :- 12-05-2016

For JEET MACHINE TOOLS. LTD



Kawaljit Singh Chawla  
Director  
Place :- Mumbai  
Date :- 12-05-2016





**JEET MACHINE TOOLS LIMITED**

**Profit and Loss statement for the year ended 31st March, 2016**

| Particulars   | Note No       | Figures as at the end of current reporting period | Figures as at the end of earlier reporting period |
|---|---------------|---|---|
| <b>INCOME</b>   |               |   |   |
| I. Revenue from operations  | 17            | -   | 1,557,750   |
| II. Other Income  | 18            | 1,433,796   | 281,294   |
| <b>Total Revenue</b>  |               | <b>1,433,796</b>                                  | <b>1,839,044</b>                                  |
| <b>EXPENDITURE</b>  |               |   |   |
| Cost of materials consumed  |               | -   | -   |
| Purchase  |               | -   | 814,477   |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 19            | -   | -   |
| Employee benefit expense  | 20            | 513,876   | 420,201   |
| Financial costs   | 21            | 1,729   | -   |
| Depreciation and amortization expense   | 7             | 6,081   | 56,105  |
| Other expenses  | 22            | 1,167,863   | 803,088   |
| <b>Total Expenses</b>   |               | <b>1,689,549</b>                                  | <b>2,093,871</b>                                  |
| Profit before tax   |               | (255,753)   | (254,827)   |
| <b>Tax Expenses</b>   |               |   |   |
| (1) Current tax   |               | -   | -   |
| Add: MAT Credit Entitlement   |               | -   | -   |
| Net Current Tax   |               | -   | -   |
| (2) Deferred tax  |               | (103,673)   | 20,425  |
| <b>Profit for the year</b>  |               | <b>(152,080)</b>                                  | <b>(275,252)</b>                                  |
| <b>Earnings per equity share of face value of Rs.10 each</b>                  |               |   |   |
| Basic   |               | (0.08)  | (0.14)  |
| Diluted   |               | (0.08)  | (0.14)  |
| Significant Accounting Policies<br>Notes on Financial Statements              | 23<br>1 to 23 |   |   |

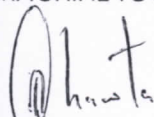
As per our Report of even date

J. S. Bhatia & Co.  
Chartered Accountants



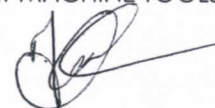
J.S. Bhatia  
M. No :- 34290  
Place :- Mumbai  
Date :- 12-05-2016

For JEET MACHINE TOOLS. LTD



Ajit Singh Chawla  
Director  
Place :- Mumbai  
Date :- 12-05-2016

For JEET MACHINE TOOLS. LTD



Kawaljit Singh Chawla  
Director  
Place :- Mumbai  
Date :- 12-05-2016



**JEET MACHINE TOOLS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

Amount in Rupees

|  | 31/03/2016               | 31/03/2015       |
|--|--------------------------|------------------|
| <b>I CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                          |                  |
| Net Profit / (Loss) before Tax & Extraordinary items           | (255,753)                | (254,827)        |
| <b>Add / (Less) : Adjustments for</b>                          |                          |                  |
| Depreciation   | 6,081                    | 56103            |
| Interest paid  | 1,729                    | -                |
| Sundry balance w/off (Net)                                     | 65,988                   | (76,207)         |
| Dividend Income  | (208,739)                | (182,007)        |
| Interest Received  | (1,057)                  | (9,975)          |
| Discount Received  | -                        | (14,533)         |
| LTCL on sale of Shares & MF                                    | 70,548                   | -                |
| <b>Operating Profit before working capital changes</b>         | <b>(321,203)</b>         | <b>(481,446)</b> |
| <b>Adjusted for :</b>  |                          |                  |
| Trade Receivable   | 90,000                   | (77,888)         |
| Short term borrowings  | 402,905                  | -                |
| Inventories  | -                        | -                |
| Short-term loans and advances                                  | 35990.84                 | 93,049           |
| Other Current Assets   | 6221                     | (77,528)         |
| Trade Payable  | 535                      | 65003            |
| Short term provision   | 343,398                  | -                |
| other Non Current asset  | -                        | 11190            |
| Other current liabilities                                      | -                        | 35083            |
| <b>Cash generated from Operations</b>                          | <b>(128,949)</b>         | <b>(432,537)</b> |
| <b>Direct Taxes paid (Net of Refunds)</b>                      | <b>-</b>                 | <b>-</b>         |
| <b>Net Cash generated from/(used in) Operating Activities</b>  | <b>(A) (128,949)</b>     | <b>(432,537)</b> |
| <b>II CASH FLOW FROM INVESTING ACTIVITIES</b>                  |                          |                  |
| Additions to Non-Current Investment                            | -                        | -                |
| Sale of fixed assets   | -                        | -                |
| Sale of investments  | -                        | 127,600          |
| Dividend received  | 208,739                  | 182,007          |
| Interest Received  | 1,057                    | 9,975            |
| Other Long Term Liability                                      | 918,000                  | -                |
| Long Term Loans and Advances                                   | (137,700)                | -                |
| Non current Inv  | (980,607)                | -                |
| <b>Net Cash generated from/ (used in) Investing Activities</b> | <b>(B) 9,489</b>         | <b>319,583</b>   |
| <b>III CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                          |                  |
| Interest Paid  | 1,729                    | -                |
| Proceeds / ( Repayment) from borrowings                        | -                        | (100,000)        |
| Long-term loans and advances Given (Non current Assets)        | -                        | 35,700           |
| Shares Issue Expenses  | -                        | -                |
| <b>Net Cash generated from/ (used in) Financing Activities</b> | <b>(C) (1,729)</b>       | <b>(64,300)</b>  |
| <b>NET INCREASE / ( DECREASE ) IN CASH</b>                     | <b>(A+B+C) (121,188)</b> | <b>(177,255)</b> |
| <b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENT</b>           | <b>160,817</b>           | <b>338,074</b>   |
| <b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENT</b>           | <b>39,629</b>            | <b>160,817</b>   |



**JEET MACHINE TOOLS LIMITED**

**Notes to the Financial Statement for the year ended 31/03/2016**

| Notes No. -1 | Particulars   | As at 31 March 2016 |                   | As at 31 March 2015 |                   |
|--------------|---|---------------------|-------------------|---------------------|-------------------|
|              |   | Number              | Amount            | Number              | Amount            |
| a            | <b>Authorized Share Capital</b>                             |                     |                   |                     |                   |
|              | Equity shares of Rs. 10 each.                               | 2,000,000           | 20,000,000        | 2,000,000           | 20,000,000        |
| b            | <b>Issued, subscribed &amp; fully paid up share capital</b> |                     |                   |                     |                   |
|              | Equity shares of Rs.10 each fully paid-up                   | 1,960,000           | 19,600,000        | 1,960,000           | 19,600,000        |
|              | <b>Total</b>  | <b>1,960,000</b>    | <b>19,600,000</b> | <b>1,960,000</b>    | <b>19,600,000</b> |

c **Par Value per share is Rs. 10 each**

d **Reconciliation of Number of Equity shares outstanding as at the beginning and at the end of the reporting period.**

| Particulars                                     | As at 31 March 2016 |            | As at 31 March 2015 |            |
|---|---------------------|------------|---------------------|------------|
|   | Number              | Amount     | Number              | Amount     |
| Shares outstanding at the beginning of the year | 1,960,000           | 19,600,000 | 1,960,000           | 19,600,000 |
| Shares Issued during the year                   | -                   | -          | -                   | -          |
| Shares outstanding at the end of the year       | 1,960,000           | 19,600,000 | 1,960,000           | 19,600,000 |

e **Rights, Preference and restrictions attached to the shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

f **Details of shareholder holding more than 5% shares in the company**

| Name of Shareholder       | As at 31 March 2016 |              | As at 31 March 2015 |              |
|---------------------------|---------------------|--------------|---------------------|--------------|
|                           | No. of Shares held  | % of Holding | No. of Shares held  | % of Holding |
| Mr. Ajit Singh Chawla     | 320,190             | 16.34%       | 320,190             | 16.34%       |
| Mrs. Balpreet Kaur Chawla | 114,300             | 5.83%        | 114,300             | 5.83%        |
| Mr. Kawaljit Singh Chawla | 366,350             | 18.69%       | 366,350             | 18.69%       |
| Mrs. Priti Kaur chawla    | 123,500             | 6.30%        | 123,500             | 6.30%        |
| Mr. Rajkaran J Chawla     | 104,700             | 5.34%        | 104,700             | 5.34%        |
| Mrs.Raminder Kaur Chawla  | 138,070             | 7.04%        | 138,070             | 7.04%        |





**Notes to Account forming part of Balance Sheet**

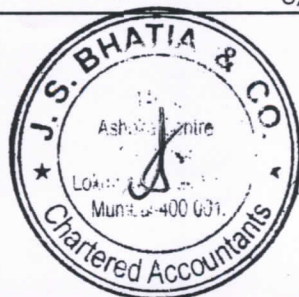
|   | 31/03/2016   | 31/03/2015        |
|---|--|-------------------|
| <b>Note No. 2</b>                                     | <b>Reserve and Surplus</b>                                 |                   |
| i) General Reserve                                    |  |                   |
| Balance as per the last financial statements          | 6,100,000  | 4,600,000         |
| Add: Amount transferred from Export Incentive Reserve | -  | 1,500,000         |
|   | <hr/>  | <hr/>             |
|   | 6,100,000  | 6,100,000         |
| ii) Export Incentive Reserve                          |  |                   |
| Balance as per the last financial statements          | -  | 1,500,000         |
| Less: Transfer to General Reserve                     | -  | (1,500,000)       |
|   | <hr/>  | <hr/>             |
|   | -  | -                 |
|   | <b>Surplus/Deficit in the statement of profit and loss</b> |                   |
| Profit B/fd from Previous Year                        | 36,532,131   | 36,807,383        |
| Transferred From Profits & Loss                       | (152,080)  | (275,252)         |
|   | <hr/>  | <hr/>             |
|   | 36,380,051   | 36,532,131        |
|   | <hr/>  | <hr/>             |
|   | <b>42,480,051</b>  | <b>42,632,131</b> |
| <br>  |  |                   |
| <b>Note No. 3</b>                                     | <b>Non Current Liabilities</b>                             |                   |
|   | <b>Other Long Term Liability</b>                           |                   |
| Security Deposit for Ajit Chamber Gala                | 918,000  | -                 |
|   | <hr/>  | <hr/>             |
|   | <b>918,000</b>   | <b>-</b>          |
|   | <b>Current Liabilities</b>                                 |                   |
| <br>  |  |                   |
| <b>Note No. 4</b>                                     | <b>Short-term borrowings</b>                               |                   |
|   | <u>Unsecured Loan</u>                                      |                   |
| From Others   | 453,375  | 50,470            |
|   | <hr/>  | <hr/>             |
|   | <b>453,375</b>   | <b>50,470</b>     |
| <br>  |  |                   |
| <b>Note No. 5</b>                                     | <b>Trade payables</b>                                      |                   |
| Creditors for Expenses                                | 108,074  | 107,539           |
|   | <hr/>  | <hr/>             |
|   | <b>108,074</b>   | <b>107,539</b>    |
| <br>  |  |                   |
| <b>Note No. 6</b>                                     | <b>Short term Provision</b>                                |                   |
| Provision for expenses                                | 182,897  | 538,195           |
|   | <hr/>  | <hr/>             |
|   | <b>182,897</b>   | <b>538,195</b>    |



### Tangible Assets

**Note:7**

| Particulars                    | Furniture & Fixtures | Office Equipment | Motor Vehicle | Computer | Total     |
|--------------------------------|----------------------|------------------|---------------|----------|-----------|
| Gross Block                    |                      |                  |               |          |           |
| As at 1 April,2013             | 10,657               | 287,093          | 849,586       | 120,803  | 1,268,139 |
| Additions                      | -                    | -                | -             | -        | -         |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31 March,2014            | 10,657               | 287,093          | 849,586       | 120,803  | 1,268,139 |
| Additions                      | -                    | -                | -             | -        | -         |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31 March,2015            | 10,657               | 287,093          | 849,586       | 120,803  | 1,268,139 |
| Additions                      | -                    | -                | -             | -        | -         |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31st March, 2016         | 10,657               | 287,093          | 849,586       | 120,803  | 1,268,139 |
| Accumulated Depreciation       |                      |                  |               |          |           |
| As at 1 April,2013             | 10,493               | 216,829          | 844,629       | 118,109  | 1,190,060 |
| For the year                   | 30                   | 9,774            | 1,358         | 1,077    | 12,239    |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31 March,2014            | 10,523               | 226,603          | 845,987       | 119,186  | 1,202,299 |
| For the year                   | 134                  | 50,753           | 3,599         | 1,617    | 56,105    |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31 March,2015            | 10,657               | 277,356          | 849,586       | 120,803  | 1,258,402 |
| For the year                   | -                    | 6,081            | -             | -        | 6,081     |
| Deletions                      | -                    | -                | -             | -        | -         |
| As at 31 March,2016            | 10,657               | 283,437          | 849,586       | 120,803  | 1,264,483 |
| Net Block as at 31, March,2015 | -                    | 9,737            | -             | -        | 9,737     |
| Net Block as at 31, March,2016 | -                    | 3,656            | -             | -        | 3,656     |



**Non Current assets**

Note No. 8

**Non-current investments****Unquoted**

|                             |           |           |
|-----------------------------|-----------|-----------|
| Investment property         | 6,121,790 | 4,647,930 |
| Investment in Equity Shares | 1,277,770 | 1,277,770 |

**Quoted**

|                               |                   |                   |
|-------------------------------|-------------------|-------------------|
| Investment in Mutual Funds *  | 1,000,000         | 1,500,000         |
| Investment in Equity Shares** | 50,044,902        | 50,044,902        |
| Investment in Debenture***    | 60                | 63,860            |
|                               | <b>58,444,521</b> | <b>57,534,462</b> |

\* Aggregate Market Value of Mutual Funds is Rs.13,29,346 /-(Previous Year Rs.18,94,622/-)

\*\* Aggregate Market Value of Equity shares is Rs.1,37,19,281/-(Previous Year Rs.1,36,08,504/-)

\*\*\* Aggregate Market Value of Debenture is Rs. 0/-(Previous Year Rs.3,55,340/-)

Note No. 10

**Long term loans and advances**Unsecured Considered Good

|                   |       |       |
|-------------------|-------|-------|
| Security Deposits | 6,365 | 6,365 |
|-------------------|-------|-------|

Other loan and advances

|   |           |           |
|---|-----------|-----------|
| MAT Credit Entitlement                      | 2,190,274 | 2,190,274 |
| Advance Tax (Net of Provision for taxation) | 888,073   | 750,373   |

|  |                  |                  |
|--|------------------|------------------|
|  | <b>3,084,712</b> | <b>2,947,012</b> |
|--|------------------|------------------|

Note No. 11

**Other non-current assets**

|               |               |               |
|---------------|---------------|---------------|
| Term Deposits | 77,138        | 77,138        |
|               | <b>77,138</b> | <b>77,138</b> |

**Current assets**

Note No. 12

**Inventories**

|                |                  |                  |
|----------------|------------------|------------------|
| Finished Goods | 1,345,788        | 1,345,788        |
|                | <b>1,345,788</b> | <b>1,345,788</b> |

Note No. 13

**TRADE RECEIVABLES**

|  |   |        |
|--|---|--------|
| Outstanding for a period exceeding six month | - | 90,000 |
| Others trade receivable                      | - | 77,888 |

|  |          |                |
|--|----------|----------------|
|  | <b>-</b> | <b>167,888</b> |
|--|----------|----------------|

Note No. 14

**Cash and cash equivalents**

|                    |               |                |
|--------------------|---------------|----------------|
| Cash In Hand       | 71,937        | 70,507         |
| Balances With Bank | (32,308)      | 90,310         |
|                    | <b>39,629</b> | <b>160,817</b> |

Note No. 15

**Short-term loans and advances**

|                       |               |               |
|-----------------------|---------------|---------------|
| Security Deposit      | -             | 12,500        |
| VAT Credit Receivable | 13,219        | 13,219        |
| Prepaid expenses      | 1,815         | 1,806         |
|                       | <b>15,034</b> | <b>27,525</b> |

Note No. 16

**Other current assets**

|                     |              |              |
|---------------------|--------------|--------------|
| Interest receivable | 1,641        | 7,862        |
|                     | <b>1,641</b> | <b>7,862</b> |





**JEET MACHINE TOOLS LIMITED**

Note No.9

**CALCULATION OF DEFERRED TAX FOR THE YEAR ENDED 31/03/2016**

**CALCULATION OF DEFERRED TAX ASSETS/ LIABILITY**

|   |                     |                         |
|---|---------------------|-------------------------|
| Business Loss & Unabsorbed Dep for AY 2012-13 | 938,916.00          |                         |
| Business Loss & Unabsorbed Dep for AY 2013-14 | 236,766.00          |                         |
| Business Loss & Unabsorbed Dep for AY 2014-15 | 529,750.00          |                         |
| Business Loss & Unabsorbed Dep for AY 2015-16 | 215,960.00          |                         |
| Business Loss & Unabsorbed Dep for AY 2016-17 | 346,821.00          |                         |
|   | <u>2,268,213.00</u> |                         |
| Deffered Tax Assets @ 30.90%                  |                     | 700,878                 |
| Difference between W.D.V as on 31-03-16       |                     |                         |
| WDV as per IT Act                             | 98,803.00           |                         |
| WDV as per books                              | 3,655.00            |                         |
|   | <u>95,148.00</u>    |                         |
| Deffered Tax Assets @ 30.9%                   |                     | 29,401                  |
| Deffered Tax Asset Required as on 31.3.2016   |                     | <u>730,279</u>          |
| Deffered Tax Asset as on 31.3.2015            |                     | 626,606                 |
| DTA to be Provided                            |                     | <u><u>(103,673)</u></u> |



Statement of Profit & Loss

|                    |  |                  |                  |
|--------------------|--|------------------|------------------|
| <b>Note No. 17</b> | <b>Revenue from Operations</b>   |                  |                  |
|                    | a) <b>Sale of Product</b>  |                  |                  |
|                    | Domestic Sale  | -                | 1,542,750        |
|                    | b) <b>Sale of Services</b>   |                  |                  |
|                    | Labour Charges   | -                | 15,000           |
|                    |  | -                | <b>1,557,750</b> |
| <b>Note No. 18</b> | <b>Other Income</b>  |                  |                  |
|                    | Interest   | 1,057            | 9,976            |
|                    | Dividend   | 208,739          | 182,007          |
|                    | Discount   | -                | 14,533           |
|                    | Rent from Ajit Chamber Gala  | 1,224,000        | -                |
|                    | Sundry Balance written back  | -                | 74,778           |
|                    |  | <b>1,433,796</b> | <b>281,294</b>   |
| <b>Note No. 19</b> | <b>Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b> |                  |                  |
|                    | Finished Goods Stock at the Beginning  | 1,345,788        | 1,345,788        |
|                    | Less: Finished Goods Stock at The End  | (1,345,788)      | (1,345,788)      |
|                    |  | -                | -                |
| <b>Note No. 20</b> | <b>Employee benefit expense</b>  |                  |                  |
|                    | Salaries and Wages   | 471,376          | 383,544          |
|                    | P.F.ESIC Employer's Contribution   | 42,500           | 34,986           |
|                    | Staff Welfare  | -                | 1,671            |
|                    |  | <b>513,876</b>   | <b>420,201</b>   |
| <b>Note No. 21</b> | <b>Finance Charges</b>   |                  |                  |
|                    | Interest Paid  | 1,729            | -                |
|                    |  | <b>1,729</b>     | -                |
| <b>Note No. 22</b> | <b>Other Expenses</b>  |                  |                  |
|                    | <b>Direct Expenses</b>   |                  |                  |
|                    | Freight & Octroi Collected   | -                | 25,750           |
|                    |  | -                | <b>25,750</b>    |
|                    | <b>Administrative and Selling Expenses</b>   |                  |                  |
|                    | Electricity Exp  | 21,340           | 17,400           |
|                    | Misc Expenses  | 14,661           | 11,655           |
|                    | Rent Paid  | 132,090          | 142,058          |
|                    | License fees   | -                | 414              |
|                    | Rent, Rates & Taxes  | 1,444            | -                |
|                    | Repair & Maintenance of office   | 7,500            | -                |
|                    | Repair & Maintenance Motor Car   | 35,200           | 49,374           |
|                    | Telephone Exp  | 39,852           | 40,127           |
|                    | Bank Charges   | 3,213            | 5,595            |
|                    | Accounting Charges   | 25,000           | 25,000           |
|                    | Annual Maintenance Charges   | 15,000           | 14,000           |
|                    | Auditor Remuneration   |                  |                  |
|                    | Audit Fees   | 28,625           | 28,090           |
|                    | Conveyance & Travelling Exp  | 2,740            | 2,655            |
|                    | Petrol Charges   | 167,507          | 128,350          |
|                    | General Expenses   | 440              | 3,970            |
|                    | Insurance Expenses   | 1,731            | 940              |
|                    | Listing Fees   | 245,330          | 125,842          |
|                    | Printing & Stationery Exp  | 445              | 1,205            |
|                    | Professional & Consultancy Exp   | 122,384          | 123,365          |
|                    | Advertisement Exp  | 64,585           | 54,933           |
|                    | Depository Charges   | 2,241            | 1,686            |
|                    | Sundry balances w/o  | 65,988           | -                |
|                    | Commission Paid  | 100,000          | -                |
|                    | Loss on Sale of Debentures / Shares/ MF  | 70,548           | -                |
|                    | Interest Paid on Tds   | -                | 679              |
|                    |  | <b>1,167,863</b> | <b>777,338</b>   |
|                    | <b>TOTAL</b>   | <b>1,167,863</b> | <b>803,088</b>   |



## JEET MACHINE TOOLS LIMITED.

### NOTE NO. 23.

#### 1. ACCOUNTING POLICIES:

The Company adopts the accrual concept of accounting based on historical cost concept except in respect of Gratuity & Leave Liabilities which are accounted for on cash basis.

#### 1.1 REVENUE RECOGNITION :

- a) Sales are recognised on the date of despatches made.
- b) Interest is recognised on time proportionate basis taking into account the amount outstanding and the rate applicable.
- c) Dividend income is recognised when the right to receive is established.
- d) Other Incomes are recorded on the basis of certainty.

#### 1.2 FIXED ASSETS: -

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

#### 1.3 DEPRECIATION :-

Depreciation on fixed assets is provided to the extent of depreciable amount on the written down value method . Depreciation is provided based on the useful life of the assets prescribed in Schedule II to the companies Act 2013. Depreciation on fixed assets is calculated on the pro-rata basis from/to the date of additions/ deletion . consequent to compliance of Schedule II of the companies Act 2013, it has resulted into increase in depreciation

#### 1.4 INVESTMENTS :-

Long Term Investment are stated at cost. No provision for diminution in the value of investments have been provided as such diminution is viewed as temporary in nature.

#### 1.5 TRANSLATION OF FOREIGN CURRENCY ITEMS :-

Transactions denominated in foreign currency are recorded at the rate exchange in force at the date of transactions. Any difference arising due to subsequent realization is carried to Profit & Loss Account. All monetary assets held in foreign currency are carried to balance sheet at closing rate.





1.6 INVENTORIES :-

Inventories are valued at lower of cost or realisable value. The cost includes cost of purchase specifically identified to individual items of stock.

1.7 TAXES ON INCOME

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred Tax Assets on carry forward long term capital losses are recognised as there is reasonable certainty that sufficient long term capital gain will be available in future against which such Defferred Tax Assets can be realised.

1.8 RETIREMENT BENEFIT :-

The company contributes to recognised Provident Fund which is charged to revenue. The gratuity is provided on cash basis as the amount involved therein may not be significant.

2. CONTINGENT LIABILITIES :

Contigent Liabilities in respect of show cause notices received are considered only when they are converted into demands.

- a) Claims against company not acknowledged as debt is Nil



3. PROVISION FOR INCOME TAX

Income tax comprises Current Tax and Deferred Tax. Income tax has been provided at the applicable rates prevailing during the year. Deferred tax Assets and liabilities are recognized for future Tax consequences of tanning differences of taxable income or expenses as per books and income tax, subject to the consideration of prudence, deferred tax assets and liabilities are measured using the tax rate enacted or substantially enacted the Balance sheet date.

4. RELATED PARTY TRANSACTIONS:

a) List of related parties and relationship: -

|   | <u>Name</u>              | <u>Relationship.</u>                |
|---|--------------------------|-------------------------------------|
| Key Management Director                   | 1. Ajit Singh Chawla     | Wholetime                           |
| Personal Director                         | 2. Kawaljit Singh Chawla | Wholetime                           |
| Relative of Key Management personal Firm. | Quality Machine Tools    | One Director is Partner in the firm |

b). Related party Transactions:  
Kawaljit Singh Chawla Wholetime

|                         |          |     |
|-------------------------|----------|-----|
| Purchase of Goods       | Nil      | Nil |
| Sale of Goods           | Nil      | Nil |
| Interest received       | Nil      | Nil |
| Loan and Advances taken | 100000/- | Nil |

Ajit Singh Chawla Wholetime

|                         |          |     |
|-------------------------|----------|-----|
| Purchase of Goods       | Nil      | Nil |
| Sale of Goods           | Nil      | Nil |
| Interest received       | Nil      | Nil |
| Loan and Advances taken | 300000/- | Nil |

Quality Machine Tools

|                         |         |         |
|-------------------------|---------|---------|
| Purchase of Goods       | Nil     | Nil     |
| Sale of Goods           | Nil     | Nil     |
| Interest received       | Nil     | Nil     |
| Loan and Advances taken | 53375/- | 50470/- |

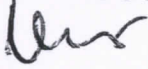
One Director is Partner in the firm



5. Previous years figures are regrouped or rearranged wherever necessary.

As per report of even date

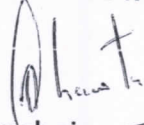
FOR J.S. BHATIA & CO.  
CHARTERED ACCOUNTANT.



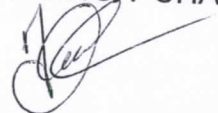
J.S. BHATIA  
M.No: 034290  
Place : Mumbai  
Date : 12/05/2016

For & on behalf of the Board

AJIT SINGH CHAWLA      KAWALJIT SINGH CHAWLA



Place : Mumbai  
Date : 12/05/2016



Place : Mumbai  
Date : 12/05/2016

