

JAGAN LAMPS LTD.

*Manufacturer Automotive Halogen Bulbs
(An 100% Export Oriented Unit)*

22ND ANNUAL REPORT 2013-2014



Jagan *Lighting on the move.....*

BOARD OF DIRECTORS
MR. ASHISH AGGARWAL
MR. ALOK AGGARWAL
MR. RAMESH CHAND
MRS. GEETA SINGLA
MRS. SHIKHA GUPTA

WHOLE TIME DIRECTOR
DIRECTOR PRODUCTION
DIRECTOR
DIRECTOR
DIRECTOR

AUDITORS
BHASIN RAGHAVAN & CO.
F-48, BHAGAT SINGH MARKET
NEW DELHI - 110001

SOLECITORS
C S. AGGARWAL & CO.
R-519, NEW RAJINDER NAGAR
NEW DELHI - 110060

REGISTRAR & TRANSFER AGENT
MAS SERVICES LTD
T-34, 2nd Floor
Okhla Industrial Area Phase - II
NEW DELHI - 110020

REGISTERED OFFICE
JAGAN LAMPS LTD.
NARELA PIAO MANIHARI ROAD
KUNDLI, DISTT. SONEPAT (HARYANA)
TEL. NO. : 0130-2219225, 2219226, 9136205352

BANKERS
1. HDFC BANK LTD
2. PUNJAB NATIONAL BANK

CORPORATE / HEAD OFFICE
JAGAN LAMPS LTD
14, DOA TRANSPORT CENTER
ROHTAK ROAD, PUNJABI BAGH
NEW DELHI - 110035
TEL NO. : 011-28312342, 28312165
Email : customercare@jaganlamps.com
WEBSITE : www.jaganlamps.com

CONTENT

NOTICE
DIRECTORS' REPORT
AUDITORS' REPORT
BALANCE SHEET
PROFIT AND LOSS ACCOUNT
NOTES ON ACCOUNTS
CASH FLOW STATEMENT
BALANCE SHEET ABSTRACT
ATTENDANCE SLIP & PROXY FORM

PAGE NO.

1
2
7
8
9
10
18
19
21

NOTICE OF THE TWENTY TWO ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of the Members of Jagan Lamps Ltd. will be held on Tuesday the 30th day of September, 2014 at 10.00 A.M at the registered office of the company at Jagan Lamps Ltd., Narela Piao Manihari Road, Kundli, Dist.Sonepat (Haryana) to transact the following business :-

ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the Audited balance sheet as at 31st March, 2014, Profit & Loss A/c for the year ended on that date along with the reports of Board of Directors and the Auditors thereon.
- 2) To appoint Mrs. Kamlesh Aggarwal as Managing Director in place of Mr. S.P. Aggarwal who died on 31.03.2014
- 3) To re-appoint M/s Bhasin Raghavan & Co. Chartered Accountants, New Delhi as the Statutory Auditors of the Company to hold Office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Audit Committee of Directors to fix their remuneration.
- 4) To appoint a Director in place of Mrs. Shikha Gupta who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

For and on Behalf of the Board of Directors
For Jagan Lamps Ltd.,

Sd/-
(Ashish Aggarwal)
Director

Dated: 31 MAY 2014
Place : Kundli

NOTES

- 1) A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
- 2) Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the meeting.
- 3) In terms of the provisions of the Companies Act, 1956 and Listing Agreement with the Bombay Stock Exchange Ltd. & the Delhi Stock Exchange Ltd. where the shares of the Company are listed the Register of the Members and Share Transfer Books of the Company will remain closed from 16th day of September, 2014 to 30th day of September, 2014 (both days inclusive).
- 4) The notice of the Annual General Meeting will be sent to those members/ beneficial owners whose name appear in the register of Members/ list of beneficiaries received from the depositories as on 14 August 2014. Shareholders are requested to update their Email IDS with their depository participants which will be used for the purpose of sending the official communications through Email.
- 5) In case of Joint Holders, if more than one Holder intends to attend the meeting, they must obtain addition admission slip on request from the registered office of the Company. Only such Joint Holder who is higher in the order of names will be entitled to vote.
- 6) All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days except Sundays between 11.00 AM to 1.00 PM up to the date of the Annual General Meeting.
- 7) To & Fro Transport facility will be provided to the Members/Proxy Holder only, for attending the annual general meeting of the company, who submits their applications for this facility by 23/09/2014 at the Corporate office of the company between 11.00 A.M to 1.00 P.M on all working days.
- 8) The conveyance for attending the Annual General Meeting will start at 8.30 A.M on 30/09/2014 from the corporate office of the company, for the Members / Proxy holders whose applications for availing the transport facility has been received by the company within the stipulated time which is duly acknowledged by the company.
- 9) Members / Proxies who are holding shares in Dematerialized form are requested to bring the Client ID and DPID numbers for easy identification of attendance at the meeting.
- 10) Details about the Director to be re-appointed in the Annual General Meeting, as per Clause 49 of the Listing Agreement are enclosed.
- 11) **RE-APPOINTMENT OF DIRECTOR**
Mrs. Shikha Gupta who retires by rotation at the ensuing Annual General Meeting, and being eligible offers herself for re-appointment. Mrs. Shikha Gupta aged 34 years, has been associated with the Company and appointed as Director since 2005. She is not interested as director in any other company. None of the directors of your company is disqualified as per the provisions of 274(1) (g) of the Companies Act, 1956. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Necessary Resolution is placed before the members for their approval. Executive and Director of the Investor Grievance Committee of the Company.

For and on Behalf of the Board of Directors
For Jagan Lamps Ltd.,
Sd/-
(Ashish Aggarwal)
Director

Dated: 31 MAY 2014
Place: Kundli

DETAILED GENERAL INFORMATION AS PER SCHEDULE XIII OF THE COMPANIES ACT, 1956:
NATURE OF INDUSTRY: MANUFACTURING AUTO HALOGEN LAMPS, AUTO BULBS & LAMPS
FOREIGN EXCHANGE EARNINGS: THE FOREIGN EXCHANGE EARNINGS FROM EXPORTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014 IS RS 939.23 LACKS AS AGAINST RS 1182.64 LACKS IN 2013
DIRECTORS' REPORT

Dear Share Holders,
Your Directors have pleasure in presenting the Twenty Two Annual Report on the business and operations of the Company for the year ended March 31, 2014 and the Audited Statement of Accounts of the Company along with Auditors Report thereon.
FINANCIAL RESULTS FOR 2014

	Year Ended 31/03/2014
Sales & Other Income	174365218
Total Expenditure	148458437
Profit before Interest & Depreciation	25908781
Interest	260529
Depreciation	8295308
Net Profit	17811473
Provision for Taxes	6756151
Income Tax Adjustments	---
Surplus carried to Balance Sheet	11855322
EPS (Rs.)	1.72

OPERATIONAL PERFORMANCE

In spite of the fact that due to economic slowdown in Automotive Industry due to overall sluggish growth and in spite of such circumstances the sales of the company stood at Rs 1731.15 Lacks as against the previous year Sales of Rs 1790.52 Lacks. Further in spite of decline in sales the Profit of your company has also gone up as compared to the Profit for the correspondent Year. This achievement has been made possible by the high effort & cost effective less of the staff and the management of the Company.

BUSINESS

Your Company is mainly in the business of manufacturing of Automotive Bulbs & Lights. The Company holds 100 % Export oriented status. New markets have been developed by the company for increasing its presence and profitability.

ANALYSIS REPORT

The Management of your Company Looks forward in retaining its position as regularly increased in Profits. Your company has modernized manufacturing facilities in order to achieve the targets fixed for 2014-15. As automobile industry is now growing at a rapid speed & there is a demand and supply gap for the product which is being manufactured by your company i.e. Automotive Bulbs & Lights.

OPPORTUNITIES

The Marketing Team of your company is regularly in the process of expanding its exports in the new markets as we are doing in the past as well. The Marketing team has opened new verticals.

THREATS

- Regular Increase in Energy prices, Fuel Prices, Running Cost, Foreign currency fluctuation may adversely affect the profitability of the company.
- Increase in the cost of work force may impact the profitability of the company.
- Slow down of the economic situation all over the world may affect the sales and profitability of the company.

RISK AND CONCERN

Though the management keep complete watch on the expenses and wastage at production level even the operating margins are under huge pressure due to increase in energy prices, raw material cost & other input costs are creating pressure on operating margins. It may not be possible for the company to recover the entire increase in raw material and input costs from the customers.

SEGMENTWISE PERFORMANCE

As per the relative segment reporting requirements, the company operates in Single Segment of Automotive Bulbs & Lights.

LISTING OF SHARES ON STOCK EXCHANGES

- The Equity Shares of the Company are listed on
1. The Bombay Stock Exchange Ltd., Mumbai, having Company Code 530711
 2. Delhi Stock Exchange Association Ltd., having Company Code 7355.

The Listing Fees up to the Financial Year 2014-15 has been paid.
ISIN NUMBER FOR NSDL & CDSL (International Securities Identification Number)
The ISIN Number of the company is INE144C01014.

The annual custodial fees for the Financial Year 2014-15 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services Ltd., (CDSL).

SHARE TRANSFER AGENT

For change of address, Physical transfer of shares, De-mat requests and other investor's related matters, The Members are requested to correspond with company's Registrar and Share Transfer Agent

"Mas Services Ltd., T-34, 2nd Floor Okhla Industrial Area Phase -II, New Delhi – 110020"

Shares lodged for transfer at the Registrar's address are normally processed and approved by the Share Transfer Committee on fortnight basis. Dematerialization of shares is processed within 15 days. Other miscellaneous matters are processed by the Registrar within 30 days.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. It ensures that all financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.

CONSERVATION OF ENERGY

The company continues its policy of priority to energy conservation measures including regular review of energy conservation, consumption and effective control and utilization of energy.

RESEARCH & DEVELOPMENT

Your company is manufacturing Halogen Lamps with well established technologies and hence does not require any Research and Development efforts.

QUALITY POLICY AND CERTIFICATION

The company is committed to provide consistent good quality products to its worldwide customers and to achieve the world class quality in the products manufactured. Every employee is involved in ensuring quality of products at all times. Management on its part is fully committed to further improve quality and provides all the sources to accomplish this task. The company is ISO / TS 16949 2009 certified.

ACKNOWLEDGEMENT

The Board of Directors & its staff members are deeply mounted by the untimely & sudden death of the Managing Director Mr. S.P Aggarwal. He dedicated his entire life in upbringing & growth of the Company. We commit that we will follow the path he has shown us. The Board of Directors wish to place on record their gratitude to the shareholders, State & Central Government authorities, vendors, bankers, customers and other business associates for their support and co-operation extended to the company. Your Company and its Directors place on record their deep appreciation for exemplary contribution of the employees at all levels. Their dedicated efforts and enthusiasm has been integral to your Company's impressive growth.

For and on Behalf of the Board of Directors
For Jagan Lamps Ltd.
Sd/-
(Ashish Aggarwal)
Director

Dated: 31 MAY 2014
Place: Kundli

CORPORATE GOVERNANCE

Your Company is committed for compliance with the law, social responsibility and has a strong independent knowledgeable Board having responsibility:

- To protect the interest of the investors, customers, employees and vendors.
- To ensure legal and esthetical conduct by every one in the company.
- Advise the chairman with the view to make the company successful, safe guard the interest of the company and the stakeholders.

CORPORATE GUIDELINES

Your company is committed to concept and philosophy of corporate governance as means of effective internal control, highest level of transparency, professionalism and accountability in all areas of its operations for enhancing customer satisfaction and stake holder value. The company believes the corporate governance and practice are not only consistent with the statutory requirements but is aimed at assisting the management in the efficient conduct of its business and meeting its obligations to stake holders and is guided by a strong emphasis on transparency, accountability and integrity as below:-

- Structure that promotes transparency and culture that the right questions and asked without fear and that checks and balances are in place to ensure that the answers reflect what is best for the creation of long term sustainable wealth and value.
- First "The quality of strength of character."
- Risk management is an essential element of Corporate Governance hence the Board is charged with the oversight of this function.

BOARD OF DIRECTORS

(A) Composition of Board

The board consists of three executive directors and three non-executive independent directors. The non-executive directors with their diverse knowledge, experience and expertise brings in their independent judgment to the deliberations and discussions of the Board. Apart from the sitting fees being paid to the non-executive directors for attending board / committee meetings, they did not have any material pecuniary relationship or transaction with the company during the year 2013-14. The company meets the requirements relating to the composition of the Board of Directors under Clause 49 of the Listing Agreement.

(B) Non-executive Directors Compensation and disclosures

The non-executive directors of the company are paid sitting fees as fixed by the Board of Directors within the limits prescribed under the Companies Act, 1956. No stock options were granted to the non-executive directors during the year under review.

(C) Other provision as to Board and Committees

During the year 2013-14, Five meetings of the Board of Directors were held. The 21st Annual General Meeting of your company was held on 30th September, 2013. The details about the Directors, attendance in the Board Meetings and Annual General Meetings are given below:-

Name	Category	Board Meetings attended during the year	Attendance at the AGM held on 30/09/2013
Mr. S.P Aggarwal	Chairman	5	Yes
Mr. Ashish Aggarwal	Whole Time Director	5	Yes
Mr. Alok Aggarwal	Director - Production	5	Yes
Mrs. Geeta Singla	Non-Executive Director	5	Yes
Mrs. Shikha Gupta	Non-Executive Director	5	Yes
Mr. Ramesh Chand	Non-Executive Director	4	Yes

NOTE: None of the directors of the Board serve as Member of more than 10 committees nor do they chair more than 5 Committees as per the requirements of the Listing Agreement

(A) CODE OF CONDUCT

The basic statement constitutes the foundation of the company's Business conduct Guidelines (BCGs) which are globally binding uniform rules of conduct that apply to every employees of the company.

Further the Company has adopted BCGs as the Code of Conduct for Directors and Senior Management of the Company as per the requirements of Clause 49 of the Listing Agreement. Accordingly the application of BCGs has also been extended to the Non executive Directors of the Company.

The Members of the Board of Directors have affirmed compliance with the BCGs applicable to them during the year ended March 31, 2014. A Certificate in this regard duly signed by Mr. S.P Aggarwal, Managing Director, forms part of the Annual Report

AUDIT COMMITTEE

The company complied with the provisions related to Audit Committee in terms of Clause 49 of the Listing Agreement as well as the provisions of Section 292 A of the Companies Act, 1956.

- (1) It consists of three independent directors, who are expertise in Accounting / Financial Management. The Chairman of the Audit Committee is Mrs. Geeta Singla. During the year 4 meetings of the Audit Committee were held. The Chairman of the Audit Committee is Mrs. Geeta Singla
- (2) The main role of the Audit Committee is to review the company's Financial Reporting Process and disclosure of financial information. Recommend the appointment, re-appointment and if required replacement of Statutory Auditors, fixation of Audit Fees and recommends its view / observations to the Board of the Company.
- (3) Review with management the Annual and Quarterly statements before submission to the Board, performance, Statutory and internal auditors and adequacy of the Internal Control Systems.
- (4) The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically

RESPONSIBILITIES OF AUDIT COMMITTEE

1. Review of company's financial reporting process, financial statements & financial management policies.
2. Recommendation to the board for fixation of Audit fee to the statutory auditors
3. Reviewing the annual financial statements with the Management before submission to the Board for approval related to Charges, if any, in accounting policies and practices and reasons for the same. Any matter required to be added in the Directors Responsibility Statement, to be included in the Boards report in terms of clause (2AA) of section 217 of the Companies Act, 1956. Compliances with listing and other legal requirements relating to financial statements. Disclosure of related party transactions.
4. Review the quarterly financial statements with the management before submission to the Board.
5. Review the adequacy of internal control systems

(A) REMUNERATION COMMITTEE

The Remuneration Committee comprises of 3 Independent Directors. The present Committee consists of Mr. Ramesh Chand, Mrs. Shikha Gupta and Mrs. Geeta Singla. During the Financial year 2013-14 five meetings were held. The gap between two meetings did not exceed 4 months.

The terms of reference of the committee is to decide the actual salary, salary grades, overseas allowance, and implementation of the performance linked incentive scheme of the company.

(B) REMUNERATION POLICY

The Remuneration Policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance.

The company does not have a scheme of stock options of its Shares either for the Directors or for the employees. The Non-executive Directors are entitled to Sitting Fees for attending Board /Committee Meetings.

Details of Remuneration paid to the Directors during the year ended 31.03.2014 is as under:

Name	Remuneration	Sitting Fees
Mr. S.P Aggarwal	30.00 Lacks	0.25 Lacks
Mr. Ashish Aggarwal	30.00 Lacks	0.20 Lacks
Mr. Alok Aggarwal	30.00 Lacks	0.25 Lacks

(C) SHARE HOLDERS INFORMATION

- (1) Mrs. Shikha Gupta is retiring by rotation at the forthcoming Annual General Meeting of the company.
- (2) The Quarterly/Annual results are published in Financial Express and Janasata Newspapers. The Annual Reports are mailed to shareholders of the Company by Pre-paid Postage through P & T (Bulk Mailing) Dept., Foreign Post office complex, New Delhi
- (3) The Company has its Website address as www.jaganlamps.com
- (4) The Email Address of the Company is customercare@jaganlamps.com

(D) DIVIDEND

The Board of Directors does not recommend any dividend for the year.

(E) MARKET PRICE INFORMATION The Market Price per Share of the company varied from Rs. 6.23 to Rs. 4.50 during the financial year ended as on 31.03.2014.

DISTRIBUTION OF SHARE HOLDING PATTERN AS ON 31/03/2014

Sr. No	Category	No. of Shares Held	Percentage of Shareholding
1	Promoters	3858606	55.962
2	Mutual Funds	-	-
3	FIs & NRIs	91753	1.331
4	Domestic Companies	306636	4.447
5	Residential Individuals	2638075	38.261
	TOTAL	6895070	100.000

DEMATERIALISATION OF SHARES

36.899 percent of the share holding of the company has been dematerialized as on 31/03/2014

FOREIGN EXCHANGE EARNING AND OUTGO

	(Rs. in Lakhs)
Earnings from Exports	939.23
Outgo Import of Raw Material & Capital Goods	1548.99
Foreign Travel / Mkt. Expenses	8.09
Exhibition	3.23
Sales Promotion	-
NETT EARNING	-621.08

CAUTIONARY NOTE

Certain statements in the management discussions and analysis section may be forward looking and are stated as required by applicable laws and regulations.

FIXED DEPOSIT / PUBLIC DEPOSITS

The company has not accepted any Fixed Deposits u/s 58A of the Companies Act during the year under Review

AUDITORS

M/s Bhasin Raghavan & Co. Chartered Accountants, New Delhi, Auditors of the Company retires at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS REPORT

The observation of the Auditors contained in the Auditors Report, read with Notes on Accounts are self explanatory and do not call for any further clarifications.

PERSONNEL

Name	Designation	Experience	Remuneration	Age
Mr. S.P. Aggarwal	Chairman Cum Mg. Director	51	30.00 Lacs	68
Mr. Ashish Aggarwal	Whole time Director	21	30.00 Lacs	42
Mr. Alok Aggarwal	Director Production	21	30.00 Lacs	40

NOTE:

- Mr. S.P. Aggarwal, Chairman cum Managing Director, Mr. Ashish Aggarwal, Whole time Director & Mr. Alok Aggarwal, Director Production are related to each other.
- Except the appointment of Directors, all other appointments are non-contractual

DISCLOSURES

- There is no non-compliance by the Company and there are no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years
- Whistle Blower Policy**
There is no need in the Company to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy in the Company.
- The company has complied with the mandatory conditions of Corporate Governance.
- Board Disclosures Risk Management**
The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically.

DECLARATION OF THE MANAGING DIRECTOR

This is to certify that the Company has laid down code of conduct for all Board Members and Senior Management of the Company. Further it is certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Business Conduct Guidelines code, as applicable to them, for the Financial Year ended on 31st March 2014.

For Jagan Lamps Ltd.,

Sd/-

(Ashish Aggarwal)
Director

Dated: 31 MAY 2014

Place: Kundli

AUDITORS REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED AS ON 31.03.2014

To
The Members of Jagan Lamps Ltd.

We have examined the Compliance of conditions of Corporate Governance by JAGAN LAMPS LTD. for the year ended March 31, 2014 as stipulated in Clause 49 of the Listing Agreement entered in to by the Company with Stock Exchanges. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Dated: 31 MAY 2014
Place: New Delhi

For Bhasin Raghavan & Co
Chartered Accountants
Sd/-
(H Kapoor)
Partner
Membership No. 82533

Independent Auditor's Report To the Members of Jagan Lamps Ltd.

Report on the Financial Statements

Management's Responsibility for the Financial Statements

- (1) We have audited the accompanying financial statements of Jagan Lamps Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
- (2) The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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

- (3) Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
- (4) An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- (5) In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - in the case of the Statement of Profit and Loss, the profit for the year ended on that date; and
 - in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (6) As required by the Companies (Auditor's Report) Order, 2000 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- (7) As required by section 227(3) of the Act, we report that:
- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - The Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of these books.
 - In our opinion, the Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 except:
 - Accounting Policy No. 8, Note-1, non accountal of gains/losses due to exchange fluctuations, amount unascertained, not in conformity with Accounting Standard 11 (AS-11) issued by the Institute of Chartered Accountants of India.
 - Accounting Policy No. 9, Note-1, regarding accountal of bonus, gratuity and leave encashment on cash basis, amount of liability not ascertained, not in conformity with Accounting Standard 15 (AS-15) issued by the Institute of Chartered Accountants of India.
 - Accounting Policy No. 3, Note-1, regarding accounting of sales (net) is not in conformity with accepted Accounting Principles.
 - On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: New Delhi
Date: 31.05.2014

Bhasin Raghavan & Co
Chartered Accountants
FRN 000197N
s/d
(H Kapoor)
Partner
Membership # 82533

ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in Paragraph 6 of our Report of
even date on the accounts of
JAGAN LAMPS LTD.,
for the year ended 31st March 2014)

- 1 (a) The company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the company are physically verified by the management, according to a phased program 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 the nature of its assets. Pursuant to such program, a physical verification was carried out during the year and this revealed no material discrepancies.
(c) In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of its Fixed assets during the year.
- 2 (a) The inventories of the Company have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
- 3 The Company has neither granted nor taken any loans, secured or unsecured to/ from companies, firms, or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of stores, raw materials, including components, plant and machinery, equipments and other assets, and for the sale of goods and fixed assets. Further, on the basis of our examination and information and according to the explanations given to us, we have neither come across nor we have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- 5 (a) In our opinion and according to the information and explanation given to us, the transactions that need to be entered into the Register maintained under section 301 of Act, have been so entered.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs 5 Lakh in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 The company has not accepted any deposits from the Public.
- 7 In our opinion, the company has no formal internal audit system; however its internal control procedures involve considerable internal checking of its financial records, which is considered by us to be adequate under the circumstances.
- 8 As informed, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
- 9 (a) According to our information and explanation given to us, and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, customs duty, excise duty, cess and other material statutory dues as applicable, have been regularly deposited by the company during the year with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the company examined by us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- 10 The Company has neither accumulated losses as at 31st March, 2014 nor has it incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to Financial Institutions or Bank.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to Chit Fund, Nidhi, Mutual Benefit Fund, Societies are not applicable to the Company.
- 14 In our opinion the Company has no dealing or trading in shares, securities, debentures and other investments during the year.
- 15 The company has not given any guarantees for loans taken by others from Banks or Financial Institutions.
- 16 In our opinion and according to the information and explanation given to us and records of the Company examined by us, the term loans have been applied for the purpose for which they were raised.
- 17 Based on the information and explanations given to us and on an overall examination of the balance sheet of the company in our opinion, there are no funds raised on short term basis, which have been used for long term investment, and vice versa.
- 18 The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
- 19 The company has not issued any debentures.
- 20 The company has not raised any money by public issue during the year.
- 21 During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of fraud on or by the company noticed or reported during the year, nor have we been informed of such case by the management.

Place: New Delhi
Dated: 31.05.2014

Bhasin Raghavan & Co
Chartered Accountants
FRN000197N
s/d
{H Kapoor}
Partner
M.S.No. 82533

JAGAN LAMPS LTD
Balance Sheet as at 31st March 2014

	Note	31st March 2014	31st March 2013
I. Equity and Liabilities			
(1) Share Holder's Funds			68894700
a Share Capital	2	68894700	64821011
b Reserves and Surplus	3	145571033	133715711
(2) Non-current Liabilities			-
a Long Term Borrowings	4	27588823	-
b Deferred Tax Liabilities (net)		1686151	-
		29254974	-
(3) Current Liabilities			-
a Short Term Borrowings	5	19792512	17226729
b Trade Payables	6	34519186	22535345
c Other Current Liabilities	7	33543582	9610000
d Short Term Provision	8	13680000	-
		101535260	49372074
		276361267	183087785
Total			
II. Assets			
(1) Non current Assets			
a Fixed Assets	9	185963221	72971252
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
b Deferred Tax Assets (net)		-	-
c Long Term Loans & Advances		-	-
d Other non-current assets		185963221	72971252
(2) Current Assets			
a Inventories	10	15296915	11767436
b Trade Receivables	11	29961311	21080183
c Cash & Cash Equivalents	12	21832612	51179479
d Short Term Loans & Advances	13	23307208	25810933
e Other Current Assets	14	0	278503
		90398046	110116533
		276361267	183087785
Total			
Significant Accounting Policies			
1			

The notes referred to above are an integral part of the accounts
As per our report attached
For BHASIN RAGHAVAN & CO.
Chartered Accountants
FRN : 000197N

For and behalf of the Board

H. Kapoor
(Partner) Membership Number : 82533

Director

Director

Place : New Delhi
Date : 31st May 2014

JAGAN LAMPS LTD

Statement of Profit and Loss for the Year ended 31st March 2014

	Note	31st March 2014	31st March 2013
I. Revenue			
a	Revenue from Operations	15 173115300	179052195
b	Other Income	16 1249918	1687371
	Total Revenue	174365218	180739566
II. Expenses			
a	Cost of Material Consumed	17 107575584	122588675
b	Changes in Inventories of Stock in Trade & Work in Progress	18 (27472)	1576464
c	Employee benefit expenses	19 16786390	14763612
d	Finance Cost	20 260529	28138
e	Depreciation & other amortization expenses	9 8295308	6732002
f	Other expenses	21 23863406	21497893
	Total Expenses	156753745	167186784
	Profit before Exceptional Items	17611473	13552782
Exceptional Items			
(i)	Prior Period Adjustments	0	3692514
	Profit Before Tax	17611473	17245296
Tax expenses			
a	Current Tax	4070000	5710000
b	Deferred Tax	1686151	-
c	Income Tax Adjustment		(41704)
		5756151	5668296
	Profit / (loss) for the period	11855322	11577000
Earnings per share			
a	Basic	1.72	1.68
b	Diluted	1.72	1.68

Significant Accounting Policies 1

The notes referred to above are in integral part of the accounts
As per our report attached

For BHASIN RAGHAVAN & CO.
Chartered Accountants
FRN : 000197N

For and on behalf of the Board

H. Kapoor
(Partner) Membership Number : 82533

Director

Director

Place : Delhi
Date : 31st May, 2014

JAGAN LAMPS LTD
Notes on Accounts for the Year ended 31st March 2014

	31.03.2014	31.03.2013
2 Share Capital		
Equity Share Capital Authorised		
90,00,000 (90,00,000) Equity Share of Rs. 10/- each	9,00,00,000	9,00,00,000
	<u>9,00,00,000</u>	<u>9,00,00,000</u>
Issued, Subscribed and Paid up		
68,95,070 (68,95,070) Equity Shares of Rs. 10/- each fully paid up.	68,950,700	68,950,700
Less: Calls in Arrears (Others)	56,000	56,000
(Out of the above Shares, 3,10,000 shares (previous year 3,10,000 shares) allotted as fully paid share without payment being received in cash)		
	<u>68,894,700</u>	<u>68,894,700</u>

Details of Shareholders holding more than 5% share in the Company

Equity Shares of Rs. 10/- each fully paid up	31 st March 2014		31 st March 2013	
	No of Shares	% of Holding	No of Shares	% of Holding
Mr. S. P. Aggarwal	367310	5.32%	367310	5.32%
Mr. Alok Aggarwal	541310	7.85%	541310	7.85%
Mr. Ashish Aggarwal	940910	13.64%	940910	13.64%
Mr. Saurabh Aggarwal	715536	10.38%	709772	10.29%
Mrs. Kamlesh Aggarwal	572710	8.30%	572710	8.30%
Total	3137776	45.49%	3132012	45.40%

3. Reserves and Surplus		
Surplus		
Opening Balance	64,821,011	63,244,011
Add : Net Profit after tax transferred from Statement of Profit & Loss	11,855,322	11,577,000
Closing Balance Surplus	<u>76,676,333</u>	<u>74,821,011</u>
4. Long Term Borrowings		
HDFC Buyer Credit (Against mortgage of property owned by a director)	27,568,823	27,568,823
5. Short Term Borrowings		
HDFC Buyer Credit (Against mortgage of property owned by a director)	19,792,512	19,792,512
6. Trade Payables		
Trade Payable-due to Micro, Small & Medium Enterprises		
Trade Payable -others	34,519,186	17,226,729
	<u>34,519,186</u>	<u>17,226,729</u>
7. Other Current Liabilities		
Provisions for expenses	2,517,000	994,129
Payable for Purchase of Fixed Assets	17,507,606	2,055,683
Withholding and other taxes payable	357,492	204,280
HDFC Bank	11,598,459	12,707,534
Advance Received From Customers	1,562,415	6,571,223
Deposit Received	500	2,496
	<u>23,543,562</u>	<u>22,538,345</u>
8. Short Term Provision		
Provision for Income Tax	13,680,000	9,610,000
	<u>13,680,000</u>	<u>9,610,000</u>

JAGAN LAMPS LTD
Notes on Accounts for the Year ended 31st March 2014

	31.03.2014	31.03.2013
2. Share Capital		
Equity Share Capital Authorised		
90,00,000 (90,00,000) Equity Share of Rs.10/- each	<u>9,00,00,000</u> <u>9,00,00,000</u>	<u>9,00,00,000</u> <u>9,00,00,000</u>
Issued, Subscribed and Paid up		
68,95,070 (68,95,070) Equity Shares of Rs.10/- each fully paid up	68,950,700	68,950,700
Less: Calls in Arrears (Others)	56,000	56,000
(Out of the above Shares, 3,10,000 shares (previous year 3,10,000 shares) allotted as fully paid share without payment being received in cash)	<u>68,894,700</u>	<u>68,894,700</u>

Details of Shareholders holding more than 5% share in the Company

Equith Shares of Rs. 10/- each fully paid up	31 st March 2014		31 st March 2013	
	No of Shares	% of Holding	No of Shares	% of Holding
Mr. S. P. Aggarwal	367310	5.32%	367310	5.32%
Mr. Alok Aggarwal	541310	7.85%	541310	7.85%
Mr. Ashish Aggarwal	940910	13.64%	940910	13.64%
Mr. Saurabh Aggarwal	715536	10.38%	709772	10.29%
Mrs. Kamlesh Aggarwal	572710	8.30%	572710	8.30%
Total	3137776	45.49%	3132012	45.40%

3. Reserves and Surplus		
Surplus		
Opening Balance	64,821,011	53,244,011
Add : Net Profit after tax transferred from Statement of Profit & Loss	<u>11,855,322</u>	<u>11,577,000</u>
Closing Balance Surplus	<u>76,676,333</u>	<u>64,821,011</u>
4. Long Term Borrowings		
HDFC Buyer Credit	<u>27,588,823</u>	<u>-</u>
(Against mortgage of property owned by a director)	<u>27,588,823</u>	<u>-</u>
5. Short Term Borrowings		
HDFC Buyer Credit	<u>19,792,512</u>	<u>-</u>
(Against mortgage of property owned by a director)	<u>19,792,512</u>	<u>-</u>
6. Trade Payables		
Trade Payable-due to Micro, Small & Medium Enterprises	<u>34,519,186</u>	<u>17,228,729</u>
Trade Payable -others	<u>34,519,186</u>	<u>17,228,729</u>
7. Other Current Liabilities		
Provisions for expenses	2,517,080	994,129
Payable for Purchase of Fixed Assets	17,507,606	2,055,683
Withholding and other taxes payable	357,492	204,280
HDFC Bank	11,598,459	12,707,534
Advance Received From Customers	1,562,415	8,571,229
Deposit Received	500	2,498
	<u>33,543,562</u>	<u>22,538,345</u>
8. Short Term Provision		
Provision for Income Tax	<u>13,680,000</u>	<u>9,610,000</u>
	<u>13,680,000</u>	<u>9,610,000</u>

JAGAN LAMPS LTD
NOTE 2
SCHEDULE OF FIXED ASSETS AS AT 31.03.2015

Description	Rate of Dep. (%)	Gross Book				Depreciation				Net Book	
		As At 01.04.2013	Additional	Sale	As At 31.03.2014	Total upto 31.03.2013	For The year	Written back	Total upto 31.03.2014	WDV as at 31st March 2014	WDV as at 31st March 2015
Tangible Assets											
Land - Kandi		261960									
Land - Dargam		128543			20468	0	0	0	0	309960	261960
		186705	0	0	186705	0	0	0	0	186705	186705
Site Development	3.5%	80132									
Building	3.5%	744107	21841		86212	89798	3201		95229	49712	11591
Building under Construction		83072	18512601.38		762088	829453	23178		1791281	288758	211720
		922807	1774807		2501944	899135	25444		3299524	3646484	83072
Plant & Machinery											
* Imported	8.2%	860110	10401925								
* Local	8.2%	503729	102050		1992405	4815734	1301100		6092504	4486217	4628111
* Intangible	5.2%	864546	94201		302889	267876	21221		590204	302278	67084
Gas Pipeline	5.2%	20324			322977	449929	28867		169766	77256	65867
IT	8.2%	40278			26748	34438	1706		25844	544	3987
		1040085	10584207		4398296	5632284	207864		6392364	5844888	852322
Control panel	8.7%	39860									
Water Cooler & Refrigerator	8.7%	10580			18646	807	3936		2961	17280	10580
Air Conditioner	8.7%	18612	5420		16290	16613	761		4276	12724	18612
Cable / Tea Stand	8.7%	11112			21863	1961	1324		7080	17888	11112
Digital camera	8.7%	2480			17512	4529	612		1661	3311	2480
Electric Installation	8.7%	141790			19980	2741	483		3169	15984	141790
Fan & Fridge	8.7%	41728			147760	389032	69305		871137	46687	41728
Fan Refrigerator	8.7%	5814			41728	18846	3177		18923	24885	5814
Measuring Substation	8.7%	11666			3814	1108	276		1380	4474	11666
PLC Control	8.7%	1880			11666	73	328		329	16320	1880
Computer	8.7%	85197			1880	725	852		1687	9430	85197
Micro-wave	8.7%	788			185167	87132	4997		1887	9430	788
Misc. Equipment	8.7%	45077			788	2449	351		16019	32168	45077
Mobile phone	8.7%	2128	1860		44417	17132	3086		19211	22910	2128
Time Advertiser Receiver	8.7%	2020			2128	1101	110		1114	1711	2020
Television	8.7%	3811			2020	2111	761		6122	1111	3811
Tools	8.7%	17887			3811	186	151		747	1038	17887
Transformer	8.7%	1887			17887	18627	1799		3886	7321	1887
Cutting Tower	8.7%	17440			1887	28	40		88	188	17440
CTV Camera	8.7%	8199			17440	168	83		2171	1860	8199
Control Room PLC panel	8.7%	11880			8199	817	185		1022	1860	11880
Electronic Weighing machine	8.7%	9880			30800	299	1361		1220	7121	9880
Hand Pallet Truck	8.7%	1260			200	165	242		609	485	1260
Panel Board	8.7%	2180	1708		1260	125	63		176	1475	2180
New Lighting Equipment	8.7%	668	783		1720	186	383		468	1475	668
Roller Fan	8.7%	2100			668	51	111		826	307	2100
Wooded Blinds	8.7%	752			2100	0	103		204	200	752
Wrapping Machine	8.7%	0	1260		752	429	180		797	604	752
		480740	23822	0	682282	1885091	328774	0	1968465	2884787	480740
Car	8.8%	87728			87728	248000	42917		307188	163900	87728
Drive Sign Board	6.3%	12246									
Furniture & Fixtures	6.3%	108747			12246	6971	750		7723	4338	108747
		120893	0		108747	94934	6028		114862	6665	120893
Gas Cylinder	8.2%	9980	16181		9980	21917	8122		13935	11591	9980
Computer	18.2%	40354	2480		40354	63945	11917		64820	434	40354
Total Tangible Assets		14819796	12125076	0	3849110	4726702	827738	0	7044986	18986221	7044986
Intangible Assets											
Software	16.2%	81194	1480		15088	8824	17271		18107	1480	81194
Current Year		1802980	12125076	0	2158628	876797	829885	0	7962663	18987221	7962663
Previous Year		18004036	178113	18883183	14027850	8885414	8732987	287738	6787097	72971252	8784648

9. Inventories - as taken, valued and certified by management		
Raw Material (including material in transit) at cost	13,191,007	9,015,938
Finished Goods - at Cost	1,915,750	1,831,414
Work in Progress - At cost	47,723	104,687
Stores Spares Gases and Packing material	142,435	815,498
	<u>15,296,915</u>	<u>11,767,435</u>
10. Trade Receivables		
Unsecured, considered good		
Exceeding Six Months	1,465,107	-
Others	28,496,204	21,080,183
	<u>29,961,311</u>	<u>21,080,183</u>
11. Cash and Cash Equivalents		
Cash in Hand	354,984	106,177
Balance with Banks		
in Current Accounts	4,378	29,592
Cheques in Hand	-	10,366,924
in Bank Deposits	-	10,000,001
in Foreign Exchange	21,473,250	30,676,785
	<u>21,477,628</u>	<u>51,073,302</u>
	<u>21,832,612</u>	<u>51,179,479</u>
12. Short term Loans and Advances		
Unsecured, considered Good		
Advance to Suppliers /contractors	9,338,918	906,812
Advance for Import of Machinery	-	15,933,754
Security Deposits	419,334	319,936
Loans & Advance to Employees	54,250	31,500
Prepaid Expenses	95,679	71,013
Balance with Government Authorities		
(i) Excise Duty Recoverable	334,713	549,522
(ii) Service Tax Recoverable	-	6,797
Withholding and Advance Taxes Receivables	13,064,314	7,908,780
Others		
Advance recoverable in Cash or in kind	-	82,819
Unsecured, Considered Good		
Doubtful	949,432	949,432
Less : Provision for Doubtful advances	(949,432)	(949,432)
	<u>23,307,208</u>	<u>25,810,933</u>
13. Other Current Assets		
Interest Accrued	-	278,503
	<u>-</u>	<u>278,503</u>
14. Revenue from Operations		
Sale of Products	173,115,300	179,052,195
	<u>173,115,300</u>	<u>179,052,195</u>
15. Other Income		
Interest Income	839,547	1,353,149
Freight Subsidy	-	334,222
others	610,371	-
	<u>1,249,918</u>	<u>1,887,371</u>

16. COST OF MATERIAL CONSUMED

Raw Materials Consumed		
Opening Stock		
Add: Purchases	9,015,938	8,968,329
	<u>99,830,335</u>	<u>112,562,505</u>
Less: Closing Stock	108,946,273	119,530,834
	<u>13,191,007</u>	<u>9,015,938</u>
	<u>86,755,268</u>	<u>110,514,895</u>
Stores and Spares		
Opening Stock		
Add: Purchases	80,828	84,932
	<u>1,153,859</u>	<u>1,224,066</u>
Less: Closing Stock	1,234,697	1,308,998
	<u>12,976</u>	<u>80,828</u>
	<u>1,221,721</u>	<u>1,228,170</u>
Gases		
Opening Stock		
Add: Purchases	552,339	38,412
	<u>5,003,374</u>	<u>6,090,781</u>
Less: Closing Stock	5,555,713	6,129,193
	<u>59,919</u>	<u>552,339</u>
	<u>5,495,794</u>	<u>5,576,854</u>
Packing Material		
Opening Stock		
Add: Purchases	182,329	32,418
	<u>4,890,014</u>	<u>5,418,667</u>
Less: Closing Stock	5,172,343	5,451,085
	<u>59,540</u>	<u>182,329</u>
	<u>5,102,803</u>	<u>5,268,756</u>
Grand Total	<u>107,575,684</u>	<u>122,588,675</u>
17. Changes in Inventories of Stock in trade		
Opening Stock		
Finished Goods		
work in progress	1,831,414	2,789,032
Less: Closing Stock	104,587	713,433
Finished Goods		
work in progress	1,915,750	1,831,414
	<u>47,723</u>	<u>104,587</u>
	<u>27,472</u>	<u>1,576,464</u>
18. Employee benefit expenses		
Salaries, wages, bonus and other benefits	4,153,487	2,403,948
Contribution to Provident and Other funds	1,297,458	1,299,891
Director's Remuneration & Siting Fees	9,931,000	9,895,000
Staff Welfare	1,404,447	1,364,773
	<u>16,785,390</u>	<u>14,763,612</u>
19. Finance Cost		
Interest Paid	260,529	28,138
	<u>260,529</u>	<u>28,138</u>
20. Other Expenses		
Manufacturing Expenses		
Cartage and Incidental		
Consumables	957,130	2,447,609
Repair & Maintenance	500,702	385,885
Building		
Machine	1,240,450	
factory maintenance	229,274	134,261
Factory Electricity and Generator running	5,108,782	4,321,415
Gas storage - rent	4,556,881	3,345,478
Insurance	305,138	331,331
Quality Testing Fee	100,207	109,290
	<u>1,590,622</u>	<u>390,104</u>
	<u>14,588,996</u>	<u>11,465,373</u>

Administrative & Other Expenses	75,000	67,500
Auditors' Remuneration - As Statutory Auditors	2,200	-
Auditors' Certification Expenses	907,691	194,516
Bank charges	8,142	22,780
Computer Expenses	20,000	20,000
Deposit/Register & Transfer Charges	68,902	78,951
Excise Supervision and documentation charges	90,720	-
Fees and Subscription	375,000	545,600
Legal and professional fee	486,454	1,266,071
Miscellaneous Expenses	447,980	-
Additional demand excise	192,829	-
Office Maintenance	213,807	-
Security charges	286,951	236,919
Postage and Courier	34,302	34,741
Printing and Stationery	75,674	124,711
Stock Exchange Listing Fee & ROC Fee	1,875,468	1,148,554
Traveling and Conveyance	-	2,514
Loss on sale of car	340,153	224,808
Vehicle Running and Maintenance	<u>5,501,073</u>	<u>3,965,665</u>
Selling Expenses	2,535,921	1,153,645
Cartage and Incidental	337,560	1,361,302
Fair and Exhibition	190,530	68,368
Marketing Expenses	709,326	2,332,801
Rebate and Discount	-	1,150,739
Selling Expenses	<u>3,773,337</u>	<u>6,066,856</u>
	<u><u>23,863,406</u></u>	<u><u>21,497,893</u></u>

JAGAN LAMPS LTD.
YEAR ENDED 31ST MARCH 2014

NOTE-1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 Basis of Accounting

The Financial Statements are prepared in accordance with historical cost convention and generally accepted accounting principles, thereby recognising significant items of Income and Expenditure on accrual basis.

2 Fixed Assets & Depreciation

- (a) Fixed Assets are stated at cost including all direct incidental expenses and pre-operative expenses are also capitalized and apportioned to fixed assets.
- (b) Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Assets acquired under lease agreements are written off over a period of lease proportionately.

3 Income:

- (a) Domestic Sales are exclusive of Excise Duty
- (b) Export sales are inclusive of Exchange Rate Fluctuation on realisation

4 Inventories

Inventories are valued on following basis:

Raw Material	At Cost
Finished Goods	At Cost
Stocks, Spares & Packing Materials	At Cost
Work - In - Progress	At Estimated Cost

5 Provision for Income Tax

Income Tax expenses are accrued in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" as notified by the Companies Accounting Standard (Rules) 2006, which include Current Tax and Deferred Tax. Provision for current tax is made after taking into considerations benefits admissible under the provision of the Income Tax Act 1961. Deferred income tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent, there is a reasonable certainty that sufficient future taxable income will be available.

6 Earning Per Share

In accordance with the Accounting Standard - 20 (AS -20) "Earning Per Share" as notified by the Companies Accounting Standard (Rules) 2006, Basic & Diluted Earning Per Share is computed using the weighted average number of Shares outstanding during the period.

7 Miscellaneous Expenditure

Quality Testing Fee has been treated as deferred revenue expenditure and is being written off over a period of five years.

8 Foreign Exchange Transactions

Transactions involving Foreign Exchange are recorded at the rates prevailing on the date of transaction. Exchange rate difference due to difference between recorded rates and net realized rates is booked in the respective head of account. The bank balance at the year end are booked at the rates prevailing as on the close of the year. The other current assets / liabilities continue to be shown at recorded rates.

9 Bonus, Gratuity & Leave Encashment are accounted on cash basis.

10 CST Reimbursement claims from NEPZ are recorded on acceptance of claims.

NOTES ON ACCOUNTS

CONTINGENT LIABILITIES

1 Bond executed in favour of Dy. Commissioner Central Excise, for clearance of Imported Goods for Rs. 200 Lakhs (Previous Year Rs. 200 Lakhs)

2 Sundry Creditors and Sundry Debtors shown in the Balance Sheet as subject to confirmation.

3 Additional information pursuant to paragraph 3, 4C and 4D of the Part II of Schedule VI of the Companies Act 1956.

A) Licensed, Installed Capacities & Actual Production :

	<u>Licensed Capacity</u>	<u>Installed Capacity</u>	<u>Actual Production</u>
Lamps / Bubs (Nos)	90.00 Lakhs (90.00 Lakhs)	90.00 Lakhs	66.80 Lakhs (90.00 Lakhs) (95.26 Lakhs)
Head Lights	10.00 Lakhs (10.00 Lakhs)	10.00 Lakhs	0.10 Lakhs (10.00 Lakhs) (0.42 Lakhs)

B) Raw Material and Gases Consumed

	Qty (Nos. 000)	Amount in Rs. (000)	
		Current Year Value (Rs. 000)	Previous Year Value (Rs. 000)
Industrial Gases	-	5496	5577
Glass Tubings and Rods	20	9136	9099
Molybdenum Wire, Pins, Shields & Moly Sleeve	2611	8820	9067
Metal Parts (Pcs) (includes Caps & Collars)	7090	17650	18133
Tungsten Filaments (Pcs)	2047	5773	6542
Lamp Capsules (Pcs)	6189	49185	55210
Others	-	5191	11863
Total		101261	118091

C) Consumption of Imported and Indegenous Raw Materials
(Amount in Rs. 000)

	Current Year		Previous Year	
	%	Value	%	Value
Imported	58.85	56350	76.81	84667
Indegenous	41.15	39405	23.39	25847
	100.00	95755	100.00	110514

D) Turnover & Stock

Description	Opening Stock		Production		Turnover Value	Closing Stock	
	Qty	Value	Qty	Qty		Qty	Value
Halogen Lamps	95	1375	6880	6953	171348	22	1560
	(31)	(2307)	(9526)	(9462)	(173884)	(95)	(1375)
Head Lights	4	456	10	11	1767	3	355
	(4)	(492)	(42)	(42)	(5188)	(4)	(456)

E) Earning in Foreign Exchange

	Amount in Rs. (000)	
	Current Year	Previous Year
(i) FOB (Value of Exports)	93923	118264
	93923	118264

F) Value of Imports on CIF basis

Raw Materials	50280	74878
Capital Goods	104619	0
	154899	74878

G) Expenditure in Foreign Currency

Exhibitions	323	1361
Travel & Tours	809	704
Sales Promotion	0	1515
	1132	3580

H) Auditors Remuneration

Audit Fee	75	67
Certification Fees	2	-
	77	67

4 Segment Reporting

The Company operates in Single Business Segment of "Manufacturing of Auto Lamps and Bulbs." For the purpose of geographical segments the consolidated sales and related items have been divided into two segments.

Domestic Sales India
Exports Other Countries

Geographical Segments

	Amount in Rs(000)		
	Exports	Domestic	Total
a) Direct Expenses	58350	49196	107546
b) Indirect Expenses	22195	18714	40910
c) Income from Sales	93923	79182	173115
d) Other Income	678	572	1250
e) Gross Profit	35573	29994	65567
f) Depreciation	4500	3795	8295
g) Net Profit (before Tax)	9555	8057	17612
h) Provision for Tax	3123	2633	5756
i) Net Profit (After Tax)	6432	5424	11856

5 Related Parties Disclosures

The Company has entered into following transactions with the related parties which require reporting as per Accounting Standard 18 (AS - 18)

a) Sales / Purchases with Related Parties:-

Party Name	Relationship	Sales		Purchases/stores	
		Current year	Previous year	Current year	Previous year
Jagan Automotive Pvt. Ltd.	Associate Concern	14212	16995	0	409
Jagan Automotive	Associate Concern	16074	14708	268	14451
Aggarwal oil & lubes	Associate Concern	0	0	0	8
Others					
S P AGGARWAL	Director			Current year	Previous year 10144

(Sale of Fixed Assets)

	Amount in Rs. (000)	
	Current Year	Previous year
b) Directors Remuneration	9000	9000
c) Sitting Fees to Directors	115	115
d) Allowances	816	580

6 Interest on Term Loan availed by the Company from HDFC Bank under Buyer Credit Scheme for import of machinery has been charged to revenue.

7 Company has no Diluted holdings and as such the Company's EPS and diluted EPS are the same

a) No of Shares issued at the beginning and at the end of the Year	6895070
b) Net Profit after Tax available for Equity Share Holders (Rs. in lakhs)	118.56
c) Basis and diluted earning per Share (Rs)	1.72

8 Necessary disclosures under Micro, Small and Medium Enterprises Development Act, 2006, can only be considered once the relevant information to identify the suppliers who are covered under the said act are received from such parties.

9 Previous Year figures have been regrouped / reclassified, wherever considered necessary.

Director

Director

Director

Auditors Report to the members of Jagan Lamps Ltd.
As per our separate report of even date annexed.

For Bhasin Raghavan & Co.
Chartered Accountants
FRN No - 000197N

Place: New Delhi
Date: 31.05.2014

(H. Kapoor)
Partner
M.No. 82533

JAGAN LAMPS LTD			
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2014			
Particulars	For the year ended 31st March' 2014	For the year ended 31st March' 2013	
CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit as per Profit & Loss Account [i]	17611473	17245296	
Adjustments for :			
Depreciation	8295308	6732002	
Loss on sale of assets		2514	
Interest paid	260529	28138	
Interest received	(639547)	(1353149)	
	25527763	22654801	
Adjustments for :			
Trade & Other Receivables	(6098900)	(9125245)	
Inventories	(3529480)	(1130879)	
Trade payable	49202261	(1402188)	
	39573881	(11658312)	
Net Cash from Operating Activities [A]	65101644	10996489	
CASH FLOW FROM INVESTMENT ACTIVITIES :			
Purchase of Fixed Assets	(121287276)	(778113)	
Sale of Fixed Assets	639547	10217951	
Interest Received		1353149	
Net Cash used in Investing Activities [B]	(120647729)	10792987	
CASH FLOW FROM FINANCING ACTIVITIES :			
Interest paid	(260529)	(28138)	
Proceeds from issue of Share Capital	27568823	(375000)	
Borrowings/ Repayment of Loan			
Net Cash from / (used) in Financing Activities [C]	27308294	(403138)	
Net Increase / (Decrease) in Cash and- Cash equivalents [A]+[B]+[C] [D]	(28237791)	21386338	
Cash & Cash equivalents as at 1st April 2013 (Opening Balance) [E]	38471945	17085607	
Net Cash Outflow Cash & Cash equivalents as at 31st March 2014 (Closing Balance) (D+E)	(28237791)	21386338	
	10234154	38471945	

Director

Director

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of JAGAN LAMPS LTD., for the year ended 31st March 2014. The statement has been prepared in accordance with the requirement of listing agreement with Stock Exchanges and based on and derived from audited accounts of the company for the year ended 31st March 2014.

BHASIN RAGHAVAN & CO.
CHARTERED ACCOUNTANTS
FRN 000197N

[H Kapoor]
Partner
M. No. 82533

Place : New Delhi
Dated: 31.05.2014

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

A) Registration Details	05033993
State Code	05
Balance Sheet Date	31 March 2014
B) Capital Raised during the year	
Public Issue	Rs. Nil
Rights Issue	Rs. Nil
Bonus Issue	Rs. Nil
Private Placement	Rs. Nil
C) Position of Mobilisation & Development of Funds	
Total Liabilities	276361
Total Assets	276361
Sources of Funds :	
Paid up Capital	68895
Reserve & Surplus	78676
Secured Loans	Rs. Nil
	Rs. Nil
Total	<u>145571</u>
Application of Funds	
Net Fixed Asset*	185963
Net Current Assets	90398
Misc. Expenditure	0
Total	<u>276361</u>
D) Performance of Company	
Turnover	174365
Total Expenditure	166753
Profit Before Tax	17611
Profit After Tax	11855
Earning Per Share	1.72
Dividend	Nil
(E) Generic Names of Three Principal Products of the Company	
Item Code No.	85122003
Product Description	Halogen Lamps, Auto Bulbs & Head Lights