



**NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**

**NIFTY 50**  
Stock of the nation

Ref No: NSE/LIST/23515

April 23, 2015

The Company Secretary  
Jenson & Nicholson (India) Limited  
7B, Middleton Street,  
Kolkata 700071

**Kind Attn: - Mr. Subrata Roy**

Dear Sir,

**Sub: - Manner of Dealing with the Qualified Audit Reports filed by the Listed Companies.**

This has reference to SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013 on the captioned subject matter.

SEBI has informed the Exchange that based on the deliberations at QARC, the cases (Annexure I) were referred to FRRB for its opinion on the qualification. Based on FRRB's opinion and SEBI directives, you are advised to restate the Financial Statements pertaining to Financial Year 2013-14 suitably on the qualifications raised by the Statutory Auditors of your Company as per Clause 5 (d) (ii) of above mentioned SEBI circular.

You are advised to ensure compliance of the said SEBI directives and report status of compliance to the Exchange.

Yours faithfully,  
For **National Stock Exchange of India Limited**

*R. Ropalekar*

Radhika Ropalekar  
Manager

BK

CC to: The Statutory Auditor  
M. Mukerjee & Co.  
Chartered Accountants  
24, Netaji Subhas Road,  
Kolkata-700001



## Annexure "I"

Sr. No.	Name of the Company	Qualification	Opinion of FRRB	Action to be taken
1	Jenson and Nicholson (India) Ltd.	<p>The banks, financial institutions and other lenders have filed legal cases against the company for recovery of outstanding loans and interest thereon. No provision has been made in these accounts for additional interest, penal interest, liquidated damages etc. amounting to Rs. 739.67 lacs as claimed by the above lenders at various legal forums, The same has been shown as contingent liability in notes to accounts attached to the said accounts. Company however had been providing interest on the above loans on a basis as considered appropriate by the management but up to 31st March, 2006. However, the company has stopped providing interest on all loans from banks and financial institutions whether secured or unsecured w.e.f. 01.04.2006 on the ground that these loans would have been declared NPA by them. Interest amounting to R 88306.33 lacs up to the current year ended 31st March, 2013 has not been provided but the same has also been included in contingent liability.</p>	<p>Qualification is justified. Further, in the opinion of the Board instead of including this observation under 'Report on Other Legal and Regulatory Requirements', Auditor should have qualified the same.</p>	<p>Restatement under Clause 5(d)(ii) of the SEBI Circular. Further, if the said qualification/observation is continuing in FY 2013-14 also, the company shall submit proforma financial statements for FY 2013-14 in addition to proforma financial statements for FY 2012-13. Further, in such case, adjustment in the books of accounts as a prior period Item shall be carried out in FY 2014-15</p>



	<p>These financial statements have been prepared on a going concern basis. The Company has incurred an operating loss during the year. The company is passing through a severe liquidity crisis and is unable to honour its commitment to lenders, preference shareholders, suppliers and employees. The bankers, financial institutions and other lenders have taken legal action for recovery of their dues. Several petitions for winding up of the company have been filed by the creditors and lenders. The company is contesting these petitions or is settling such petitions out of courts. The company is in the process of restructuring its business and also trying to identify alternative source of finance. In the absence of adequate financial support this basis would be invalid. Provision would then have to be made for any loss that might arise when the company's assets are realized.</p>	<p>Qualification is justified. Further, in the opinion of the Board instead of including this observation under 'Report on Other Legal and Regulatory Requirements', Auditor should have qualified the same.</p>	<p>Restatement under Clause 5(d)(ii) of the SEBI Circular. Further, if the said qualification/observation is continuing in FY 2013-14 also, the company shall submit proforma financial statements for FY 2013-14 in addition to proforma financial statements for FY 2012-13. Further, in such case, adjustment in the books of accounts as a prior period Item shall be carried out in FY 2014-15</p>
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