



# JBF Industries Limited

CIN : L99999DN1982PLC000128

Regd. Office : SURVEY NO. 273, VILLAGE ATHOLA, SILVASSA -396 230

Tel.: + 91-0260-2642745, 2643861/62 Fax : + 91-0260-2642297

Website: <http://www.jbfindia.com> E-mail : [sec.shares@jbfmail.com](mailto:sec.shares@jbfmail.com)

## NOTICE TO MEMBERS

**Notice is hereby given that the Thirty-Fifth Annual General Meeting of the members of JBF Industries Limited will be held on Wednesday, 27th September, 2017, at Daman Ganga Valley Resort, Silvassa – 396 230, at 11.30 a.m.**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2017 and Audited Financial Statements and the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 together with the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Rakesh Gothi, (DIN 00229302) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mrs. Veena Arya, (DIN: 00228818) who retires by rotation and being eligible, offers herself for re-appointment.
4. To declare dividend on Preference Shares and on Equity Shares of the Company.
5. To appoint of M/s Pathak H D & Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and Rules made there under, M/s. Pathak H D & Associates, Chartered Accountants, (Registration No. 107783W) the Chartered Accountants, Mumbai, be and is hereby appointed as the Statutory Auditors of the Company for three years in place of M/s. Charutvedi & Shah, whose term is expiring on conclusion of Annual General Meeting, to hold office until the conclusion of the Thirty Eighth Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting) at a remuneration as may be decided by the Board of Directors."

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification (s) the following resolution as a **Ordinary Resolution**

**"RESOVLED THAT** in accordance with section 198 & 197(3) and applicable provisions of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013, and as recommended by the Nomination and Remuneration committee and by the Board of Directors in their meeting held on 30th May, 2017, Mr. Rakesh Gothi, (DIN 00229302), who holds office as CEO & Managing Director of the Company till 31st December, 2017, be and is hereby re-appointed as CEO & Managing Director of the Company for further period of Five years w.e.f. 1st January, 2018, and that Mr. Rakesh Gothi, CEO & Managing Director, be paid a monthly salary at the rate of ₹ 6,02,330 [Rupees Six Lacs Two Thousand Three Hundred Thirty Only], payable on the last working day of each calendar month subject to deduction of all the taxes which the Company is required to deduct."

### And that he will be entitled for

1. Monthly House Rent Allowance at the rate of 10% of the basic Salary ;
2. Reimbursement of entertainment expenses upto a maximum of Rs 5,315 [Rupees Five Thousand Three Hundred Fifteen Only] per month ;
3. Reimbursement of education and books and periodicals expenses equivalent to ₹ 5,315 [Rupees Five Thousand Three Hundred Fifteen Only] per month ;
4. Leave Travel Allowance equivalent to Rs 5,88,639 [Rupees Five Lacs Eighty Eight Thousand Six Hundred Thirty Nine Only] per year ;
5. Reimbursement of medical expenses incurred for himself, wife and dependant children subject to a maximum of ₹ 6,02,328 [Rupees Six Lacs Two Thousand Three Hundred Twenty Eight Only] per year ;
6. Reimbursement of the Expenses of Telephone / Fax installed at his residence used for business purposes shall be borne by the Company ;
7. The use of the Company car with chauffeur and actual expenses for upkeep of a car ;
8. Gratuity not exceeding half months' salary for each completed year of service as per Gratuity Act ;
9. Participation in the Provident Fund and any other schemes provided by the Company for the benefit of its Senior Executives ;
10. He will be entitled to one month's leave for every 11 months of service or such leave as the exigencies of the business shall permit and as may be mutually agreed. However, the total monetary value of encashed leave at the end of the Tenure will not be included in the Computation of ceiling of perquisites ;

**"RESOLVED FURTHER THAT** the remuneration payable as aforesaid shall be paid to Mr. Rakesh Gothi, (DIN 00229302), CEO & Managing Director, as minimum remuneration in accordance with in the case of absence or inadequacy of profits in any financial year during the term of his office and that the Board of Directors be and is hereby authorised to vary or increase, or enhance the scope of the remuneration and perquisites including the monetary value thereof, as referred to hereinabove to the extent of 2(Two) crores of the Gross amount of remuneration but the same may be enhanced, altered, or varied in accordance with any guidelines regarding payment of managerial remuneration under the Companies Act, 2013, from time to time in force and that the agreement between the Company and Mr. Rakesh Gothi, CEO & Managing Director, be suitably amended to give effect to those amendments."

7. To alter Article No. 118(2) by way of substitution existing Article No. 118(2) of Articles of Association and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-

enactment thereof, for the time being in force), the existing Article No. 118(2) of Articles of Association to be replaced by the new Article as mentioned below and is hereby approved and adopted as the Articles of Association of the Company."

"The seal of the Company shall not be affixed to any instrument except authorised by the Board of Directors or by a Committee of Board authorised to that effect and signed by any one Director or the Secretary or such other person as the Board / Committee of Board may appoint for the purpose; and such Director or the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2018 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of the Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Devashree Vijayakar the Cost Auditors of the Company as appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018, be paid remuneration of ₹ 1,75,000 (Rupees One Lac Seventy Five Thousand) per annum inclusive of all expenses;"

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To obtain approval for waiver of excess remuneration paid to Mr. Bhagirath C Arya, Executive Chairman and in this regard to consider and if thought fit, to pass with or without modification (s) the following resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 197(10) and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications) or re-enactment thereof for the time being in force, The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and subject to approval of the Central Government, consent of the members of the Company be and is hereby accorded to waiver of recovery of excess remuneration of ₹ 3,27,44,513 paid to Mr. Bhagirath C Arya, Executive Chairman of the Company over and above the limits prescribed under Section 197(10) read with Schedule V of the Companies Act, 2013 during the period from (2016-2017)."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee of Directors duly constituted by the Board be and is hereby authorised to do all such acts deeds and things as may be considered necessary or required, furnish any clarifications information and to settle any question, difficulty or doubt that may arise in this regard.

**BY ORDER OF THE BOARD OF DIRECTORS**

Place : Mumbai

Date : 11<sup>th</sup> August, 2017

**UJJWALA APTE**  
**Company Secretary**

## **ANNEXURE TO NOTICE**

### **EXPLANATORY STATEMENT**

**As required under Section 102(1) of the Companies Act, 2013, the following Explanatory Statement is set out all material facts relating to items of special business mentioned in the Notice.**

#### **Item No. 6**

Mr. Rakesh Gothi, was appointed on 28th September, 2012, to hold office as CEO & Managing Director, of the Company for Five years with effect from 1st January, 2013. The tenure of his office expires on 31st December, 2017. The Nomination & Remuneration Committee has proposed and passed the resolution in their meeting held 30th May, 2017 for the re-appointment of Mr. Rakesh Gothi, as CEO & Managing Director of the Company for a further period of five years w.e.f. 1st January, 2018, on such remuneration & on such terms and conditions approved by the Board of Directors.

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Mr. Rakesh Gothi, is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned Item No. 6 respectively.

#### **Item No. 7**

For operational convenience it is proposed that the Article No.118(2) be altered as mentioned in the resolution as set out at notice Item No.7 that:

Pursuant to the provisions of Companies Act, 2013, amendment of Articles of Association requires approval of shareholders by way of special resolution. Accordingly, this matter has been placed before the shareholders for approval.

The Board, therefore, submits the resolution for your consideration and recommends it to be passed as a special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives, except are in any way, concerned or interested, financially or otherwise, in the Resolution mentioned in Item No.7.

#### **Item No. 8**

The Board, on the recommendation of Audit Committee in their Meeting held on 30th May, 2017, has approved the appointment and remuneration of the Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending 31st March, 2018.

In accordance with provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors of for the financial year ending 31st March, 2018.

None of the Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No.8 of the Notice.

#### **Item No. 9**

The Company has paid remuneration to Mr. Bhagirath C Arya, Executive Chairman, for the period 2016-2017 as per recommendation of the Nomination and Remuneration Committee (Formally known as Remuneration Committee) Meeting held on 30th May, 2016 and as approved by the Board of Directors and Shareholders of the Company.

The Company has earned profit before tax of Rs.55.13 crores as against Rs.95.76 crores which was inadequate for the calculation of managerial remuneration during the financial year 2016-2017. Hence the Remuneration

of Rs.3,27,44,513/- paid to Shri. Bhagirath C Arya, for the period 2016-2017 was in excess of the limits laid down under the provisions of Section 197(10), Schedule V of the Companies Act, and the permission of the Central Government for waiver of recovery of excess remuneration under Section 197(10) of the Companies Act, 2013, is required to be obtained.

The Board of Directors at its meeting held on 30th May, 2017, has given the approval to make the application to Central Government under Section 197(10) of the Companies Act, 2013, for waiver of recovery of excess remuneration paid to Shri. Bhagirath C Arya, during the period 2016-2017.

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Mr. Bhagirath C Arya and Mrs Veena Arya, are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No.9 of the Notice.

#### **BY ORDER OF THE BOARD OF DIRECTORS**

Place : Mumbai

**MRS. UJJWALA APTE**

Date : 11th August, 2017.

**Company Secretary**

#### **NOTES :**

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight (48) hours before the commencement of the Meeting.

Pursuant to provision of section 105 of the Companies Act, 2013 read with applicable rules thereon, a person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members/Proxies/Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
4. The Company has notified closure of Register of Members and Share Transfer Books from 18th September, 2017 to 27th September, 2017 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
5. One the vote on a resolution is cast by the member, the member shall not allowed to change it subsequently. Further, members who have casted their vote electronically shall not vote by way of poll, if held at the meeting. To provide an opportunity to vote at the meeting to the shareholders, who have not exercised the remote e-voting facility, shall be provided ballot paper before the commencement of the meeting. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only.
6. Dividend, if declared at the Annual General Meeting, will be paid on or after the date of Annual General Meeting through NECS mode, who have selected NECS mode, who have selected NECS mode and by way of dividend warrants to other shareholders.
7. Shareholders are requested to address their correspondence in connection with Dividend Payments, to the Company.
8. Member holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise

any change in their address or bank mandates immediately to the Company / Link Intime Pvt. Ltd.

9. The Members whose names appear in the Register of Members / list of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL) and national Securities Depository Limited (NSDL) on 20th September, 2017 are entitled to vote by Ballot Paper attending Annual General Meeting in person(s) on the resolutions set forth in this notice.
10. Please note that any person, who acquires shares of the company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Wednesday, 20th September, 2017, is entitled to vote and may obtain the login ID and password by sending a request by email to : <https://www.evoting.nsdl.com/> or [sec.shares@jbfmail.com](mailto:sec.shares@jbfmail.com)
11. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
12. Brief profile of Directors including those proposed to be appointed/ re-appointed, are provided in the Corporate Governance Report forming part of the Annual Report.
13. Draft of new Articles of Association of the Company is open for inspection by the members at the venue of the meeting on the date of meeting and also at Registered Office and Corporate Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, requested to submit their PAN to their Depository Participants with whom they are maintain their demat accounts. Members holding shares in physical form and submit their PAN to the Company/Link Intime India Pvt. Ltd.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/ claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandates the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.
17. Hence, the Company urges all the shareholders to encash/ claim their respective dividend during the prescribed period. The details of the unpaid/ unclaimed amounts lying with the Company as on 29th September, 2016 (date of last Annual General Meeting) are available on the website of the Company <http://www.jbfindia.com/> and on Ministry of Corporate Affairs' website. The shareholders whose dividend/ shares gets transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>
18. In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules after the due date of 31st May, 2017.
19. Members are requested to contact Link Intime Private Limited/ the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company.

#### **Voting through electronic means**

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by

the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Poling Paper"

- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

- IV. The remote e-voting period commences on 23rd September, 2017 (9:00 am) and ends on 26th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

NOTE: The "remote e-voting" end time shall be 5:00 p.m. on the date preceding the date of general meeting and the cut-off date shall not be earlier than 7 days before the date of general meeting

V. The process and manner for remote e-voting are as under:

**A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :**

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of JBF Industries Limited
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case a Member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the Annual General Meeting.

**EVEN (Remote e-voting Event Number) USER ID, PASSWORD/PIN**

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- III. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID + ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No Folio No).

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2017.

NOTE: The cut-off date shall not be earlier than 7 days before the date of general meeting

- VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2017 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

- VII. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- VIII. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.

- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

- X. CS Mr. Ronak Kalathiya, practicing Company Secretary of M/s. Jagdish Patel & Co., of Vapi, has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- XI. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Poling Paper"

- XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company 30th September, 2017 and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE India Ltd & BSE Limited, Mumbai.

# FORM FOR UPDATION / REGISTRATION OF E-MAIL ADDRESS

## JBF INDUSTRIES LIMITED

Sectretarial Department  
8th Floor, Express Towers  
Nariman Point  
Mumbai – 400 021.

Sending of Notices, Annual Reports and Account & other documents through Electronic Mode.

Dear Sirs,

I hereby update/register my e-mail address provided below for receiving the Notices, Annual Reports and Accounts and other documents from the Company through electronic mode:-

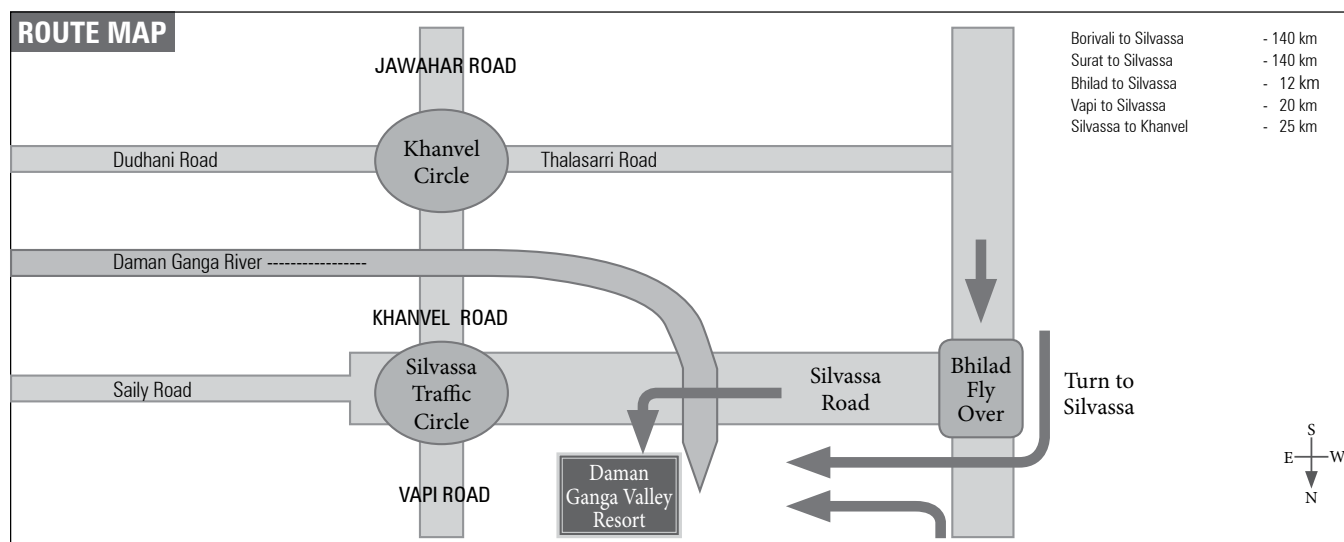
E-mail address :	
Name of the Sole/First Holder:	
DP ID / Client ID / Registered Folio No :	
Contact Nos.:	Mobile :  Landline :

Signature of the Sole / First Holder

Date : \_\_\_\_\_

### Notes:

1. The Notices, Annual Reports and Accounts and other documents are sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories.
2. This Form can also be downloaded from the Company website [www.jbfindia.com](http://www.jbfindia.com)



# PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

## JBF INDUSTRIES LIMITED

CIN : L99999DN1982PLC000128

REGD. OFFICE : SURVEY NO. 273, VILLAGE ATHOLA, SILVASSA-396 230

Name of the member (s) :			
Registered address :			
E-mail Id :			
Folio No/Client ID :		DP ID :	

I/ We, being the member (s) of ..... shares of the above named company, hereby appoint

1. .... of ..... having E-mail Id : ..... or failing him.
2. .... of ..... having E-mail Id : ..... or failing him.
3. .... of ..... having E-mail Id : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on the Wednesday, 27th September, 2017 at 11.30 a.m. at Daman Ganga Valley Resort, Silvassa and at any adjournment thereof in respect of such resolution as are indicated below:

Item No.	Resolution	For	Against
1	Adoption of Balance sheet as at 31st March, 2017 and Profit & Loss A/C for the year ended on that date and the Directors' Report and Auditors Report.		
2	Re-appointment of Mr. Rakesh Gothi.		
3	Re-appointment of Mrs. Veena Arya.		
4	Dividend on Preference Shares and Equity shares for the Financial Year 2016-17.		
5	Appointment of M/s. Pathak H D & Associates, Chartered Accountants as Statutory Auditors.		
6	Appointment and Remuneration of Mr. Rakesh Gothi		
7	Alteration of Articles of Association		
8	Remuneration of Cost Auditor		
9	Waiver for recovery of excess Remuneration of Mr. Bhagirath C. Arya.		

Signed this ..... day of ..... 2017

Affix ₹ 1/-  
Revenue  
Stamp

Signature of Proxy holder(s)

Signature of shareholder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.



# JBF Industries Limited

ANNUAL  
REPORT  
**2016**  
**2017**





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**Note : Notice of Annual General Meeting is enclosed with this Annual Report**



## Corporate Information

### Board of Directors

Bhagirath C. Arya  
Chairman

Rakesh Gothi  
Managing Director & CEO

N. K. Shah  
Director-Commercial

Vijay S. Bapna  
Director

Veena Arya  
Director

B. R. Gupta  
Director

Prakash V. Mehta  
Director

Nikhil Srivastava  
Director

B. A. Prabhakar  
Director (upto 09.03.2017)

Sunil Diwakar  
Director

### Company Secretary

Ujjwala G. Apte

### Statutory Auditors

Chaturvedi & Shah  
Chartered Accountants

### Internal Auditors

Bhuwania & Agrawal Associates  
Chartered Accountants

### Main Bankers

Bank of Baroda  
State Bank of India  
Bank of India  
Andhra Bank

Standard Chartered Bank  
IDBI Bank Ltd.  
Axis Bank Ltd.  
Union Bank of India

Indian Overseas Bank  
ICICI Bank Ltd.  
DBS Bank Ltd.

### Registered Office

Survey No. 273,  
Village Athola,  
Dadra & Nagar Haveli,  
Silvassa - 396230, India.

### Corporate Office

8th Floor, Express Towers,  
Nariman Point, Mumbai - 400021.  
Tel Nos : 22 88 59 59 Fax No : 22 88 63 93  
Website : www.jbfindia.com

### E-mail Address

for General Correspondence : jbf@vsnl.com  
for Investor Grievance & Correspondence:  
sec.shares@jbfmail.com

### Plants

- Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa.
- 156/2, Village Saily, Saily-Rakholi Road, Dadra & Nagar Haveli, Silvassa.
- Plot No. 11 and 215 to 231, Sarigam GIDC Indl. Area, Tal : Umbergaon, Sarigam, Vapi, Gujarat

### Subsidiaries

JBF GLOBAL PTE LTD  
112, Robinson Road, # 05-01, Singapore - 068902

JBF TRADE INVEST PTE LTD  
112, Robinson Road, # 05-01, Singapore - 068902

JBF PETROCHEMICALS LTD  
SEZ Mangalore, India.

JBF BIO GLICOLS INDUSTRIA QUIMICA LTDA  
State of Sao Paulo, Estrada Vicinal, Jose Zanin,  
Parque Das Hortenias CEP - 14800 - 659

JBF RAK LLC  
P. O. Box : 6574 Ras Al Khaimah, U.A.E.

JBF AMERICA INC  
669, Marine Drive Suite, 232, Charleston, South Carolina,  
Zip Code 29492, USA

JBF GLOBAL EUROPE BVBA  
Nijverheidsweg 4, 2430 Laakdal, Belgium

JBF BAHRAIN S.P.C  
PO Box 50397, Salman Industrial City, Al, Kingdom of Bahrain

### R & T Agents

M/s. Link Intime India Pvt. Ltd.  
C 101, 247 Park, LBS Road,  
Vikhroli (West),  
Mumbai - 400 083.

### Annual General Meeting

Wednesday, 27th September, 2017  
at 11.30 a.m

at Daman Ganga Valley Resort,  
Silvassa

## DIRECTORS' REPORT

### DEAR SHAREHOLDERS,

Your Directors have pleasure to present the Thirty-Fifth Annual Report and the Company's Audited Financial Statement for the year ended 31st March, 2017.

As mandated by the Ministry of Corporate Affairs, the Company has adopted the IND AS for the Financial Year commencing from April 1, 2016. The Company's financial performance, for the year ended on 31st March, 2017 is summarized below :

### FINANCIAL RESULTS

PARTICULARS	(₹ Crore)	
	March 31, 2017	March 31, 2016
Revenue from Operations	4,271.45	3,939.94
Other Income	136.42	85.92
Profit for the year before Finance cost, Depreciation and exceptional items	389.67	433.50
Less : Finance Cost	237.44	237.18
Less : Depreciation & Amortization Expenses	97.10	100.56
Profit Before Tax	55.13	95.76
Current Tax	12.65	29.64
MAT Credit Entitlement	(0.63)	--
Deferred Tax	7.48	4.39
<b>Profit for the year</b>	<b>35.63</b>	<b>61.73</b>
Other Comprehensive Income	(0.88)	(1.19)
Total Comprehensive Income for the year	34.75	60.54

### DIVIDEND

The Board of Directors has recommended dividend of ₹ 1 (Rupee One Only) per share (@ 10%) on equity share of Face Value of ₹ 10/- each. Dividend will be paid to eligible equity shareholders, if approved by the members at the Annual General Meeting.

As per the terms and conditions of Bank of India, dividend will be paid @ 2.5% per annum to Preference Shareholders holding 75709 Cumulative Redeemable Preference Shares of ₹ 100 each and dividend will be paid @ 20% per annum to Preference Shareholders for 1415000 Cumulative Redeemable Preference Shares of ₹ 100 each.

The Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's Website viz. [www.jbfindia.com](http://www.jbfindia.com).

### SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2017 was ₹ 81.87 Crore and Preference Share Capital as on 31st March, 2017 was ₹ 14.91 Crore.

### PERFORMANCE OF THE COMPANY

Profit before tax of the Company decreased from ₹ 95.76 Crore in 2015-16 to ₹ 55.13 Crore in 2016-17 reflecting an decrease of 42.43%.

Profit after tax of the Company decreased from ₹ 61.73 Crore in 2015-16 to ₹ 35.63 Crore in 2016-17 reflecting an decrease of 42.28%.

The production of Polyester Chips increased from 506817 MT in 2015-16 to 543438 MT in 2016-17, production of POY & Yarn increased from 293703 MT in 2015-16 to 308676 MT in 2016-17.

### DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rakesh Gothi and Mrs. Veena Arya, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

Mr. B. A. Prabhakar, resigned on 9th March, 2017 and Company is under process of appointing Independent Director in his place.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### BOARD EVALUATION

Pursuant to the provision of the Companies Act, 2013 and Regulation 4(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a structured questionnaire was prepared after taking into consideration of various aspects of the Board's functioning, composition of Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### BOARD COMMITTEES

As per the requirement of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors of the Company has 6 Committees namely Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Finance Committee.

The details of the constitution of the Committees and the meetings held during the financial year 2016-17 are included in the Corporate Governance Report forming part of Annual Report.

### NUMBER OF MEETINGS OF THE BOARD & AUDIT COMMITTEE

During the year Six Board Meetings and Six Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and relevant provisions of LODR 2015 of SEBI.

### KEY MANAGERIAL PERSONNEL

Following are the Key Managerial Personnel of the Company :

Sr. No.	Name of the Person	Designation
1	Mr. Bhagirath C Arya	Executive Chairman
2	Mr. Rakesh Gothi	CEO & Managing Director
3	Mr. N. K. Shah	Director – Commercial
4	Mrs. Ujjwala Apte	Company Secretary
5	Mr. Ajay Kumar Agrawal (appointed w.e.f. 01.06.2016)	Chief Financial Officer

### SUBSIDIARIES

Company has overseas subsidiary under the name and style JBF Global Pte Ltd at Singapore, which has subsidiaries, namely JBF Petrochemicals Ltd at Mangalore, India, JBF Trade Invest Pte Ltd at Singapore, JBF Bio Glicols Industria Quimica Ltda, at Brazil and JBF RAK LLC, at U.A.E with its own subsidiaries, JBF Bahrain S.P.C at Bahrain, JBF Global Europe BVBA at Belgium and JBF America Inc, at America.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. In accordance with the

Indian Accounting Standard (IND-AS), the audited Consolidated Financial Statements including the Financial information of the Subsidiary Companies are provided in the Annual Report.

The annual accounts of the Subsidiary Companies will be available at the Registered and Corporate Office of the Company and on the website of the company.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

## CORPORATE GOVERNANCE

As per Regulations 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors on compliance forms an integral part of this report.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as required by Regulation 34(2) of SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015, is annexed as Annexure No.I and forms an integral part of the Report.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure No.II and forms an integral part of this Report.

## CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of rural development.

The disclosures required under section 135 of the Companies Act, 2013, read with the rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure No. III to Directors' Report.

## DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION), RULES, 2014

The information required pursuant to Section 197 read with rule 5(1) of the Companies (Appointment and Remuneration) Rules, 2014 in respect of employees of the Company and Directors is enclosed in the Annual Report.

## COMPANY POLICIES :

The company has formulated various policies which are available on our website : [www.jbfindia.com](http://www.jbfindia.com)

### Nomination and Remuneration Policy

The Company has formed Nomination and Remuneration Committee and framed the Remuneration Policy. The Committee has been given responsibility of appointment and re-appointment of Whole-time Director, Directors, Key Managerial Persons and the specified employees / executives of the Company and approving their remuneration based on their qualification experience and responsibility in the Company.

The salient features of Remuneration policy are included in Corporate Governance Report forming part of this annual report.

### Risk Management Policy

As a good governance practice, the Company has constituted Risk Management Committee. The Company has a Risk Management Policy and team evaluate business risks.

The Board of Directors regularly reviews risk and threats in the business and takes suitable steps to safeguard Company's interest.

## Related Party Transactions Policy

As per statutory requirement the Company has framed related party transaction policy. As a policy all Related Party Transactions including sale and purchase entered into with Subsidiary Companies, if any, are placed before the Audit Committee and also before the Board for approval. Omnibus approval was obtained on a quarterly / annual basis for such transactions which are of repetitive nature.

There are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has also formulated policy on materiality of Related Party Transactions.

## Whistle Blower Policy

A whistle blower policy in terms of the Listing Regulations includes Ethics & Compliance for senior executives of the Company. It also includes vigil mechanism. Confidential disclosures can be made by whistle blower through an e-mail, or a letter to the Committee member or to the Chairman of the Audit Committee.

The efforts is taken to accept the observations of the whistle blower and the action are taken accordingly.

## Prevention of Sexual Harassment at Workplace Policy and Preservation of Documents Policy

The company has also constituted prevention of sexual harassment at work place policy and preservation of documents policy. Separate Management Teams are appointed to review periodically at different locations of the Company. These policies are also available on website of the Company.

## FOREIGN EXCHANGE EARNING & OUTGO

Foreign Exchange earnings by way of exports and Freight were ₹ 1136.29 Crore against outgo of ₹ 959.93 Crore on import of raw materials, stores spares & consumables and ₹ 15.50 Crore of foreign exchange was invested in imported capital equipments for the growth of the Company.

## FIXED DEPOSITS

During the year Company has not accepted any Fixed Deposits and as such, no amount of principal or interest on account of Fixed Deposits is outstanding as on the date of Balance Sheet.

## PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements (Refer note no.41)

## INSURANCE

All the properties of the Company including buildings, plant and machinery and stock have been adequately insured.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

- that in the preparation of the Annual Accounts for the year ended 31st March, 2017, the applicable Indian Accounting Standards (IND-AS) have been followed along with proper explanation relating to material departures, if any;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the

- provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
  - v. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
  - vi. that the Directors had devised proper systems were adequate and operating effectively.

## CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of Subsidiary/Associate Companies/Joint Ventures is given in Form AOC-1 and forms an integral part of this Report.

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms a part of this Annual Report.

The Auditors of the Subsidiary Company in the Consolidated Financial Statements of that subsidiary, have reported in respect of its subsidiary, JBF RAK LLC (UAE), that:-

- (i) Other Current financial assets as at 31st March, 2017 includes an amount of ₹ 642.41 Crore (Previous year ₹ 854.95 Crore) towards rebates receivable from suppliers. Management has accounted for these rebates receivable from suppliers based on management's best estimate of the rebates amount due. They were unable to obtain sufficient evidence to ascertain the existence and recoverability of these rebates receivable from suppliers and, consequently, they were unable to determine whether any adjustments to these amounts are necessary.
- (ii) Current financial assets loans as at 31 March, 2017 includes amounts due from related parties amounting to ₹ 23.71 Crore (Previous year ₹ 24.19 Crore) is long overdue and outstanding for more than four years. Although management believes that this amount will be recovered in due course, in view of the age of this balance and the absence of subsequent settlement, they believe that a full provision should be made for this balance. Had a provision been made for this balance, there would have been, the net loss attributable to Owners of the Company of ₹ 360.57 Crore as against the reported net loss attributable to the Owners of the Company of ₹ 340.30 Crore for the year ended 31 March, 2017. Further Current financial assets loans, other equity and non-controlling interest as at 31st March, 2017 would have been ₹ 122.59 Crore, ₹ 1961.89 Crore and ₹ 167.50 Crore respectively as against reported figure of ₹ 146.30 Crore, ₹ 1982.16 Crore and ₹ 170.94 Crore respectively.

## SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made hereunder, the Company has appointed M/s. Jagdish Patel & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as and forms an integral part of this Report.

## STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and rules made there under the term of office of M/s. Chaturvedi & Shah, Chartered Accountants, (Firm Registration No. 101720W) as the Statutory Auditors of the Company will conclude from the close of ensuing Annual

General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered by M/s. Chaturvedi & Shah, Chartered Accountants, (Firm Registration No. 101720W) as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s. Pathak H D & Associates, Chartered Accountants, Mumbai (Registration No. 107783W) as the Statutory Auditors of the Company for three years in place of M/s. Chaturvedi & Shah, Chartered Accountants, pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board seeks approval of Shareholders of the company for the appointment of Statutory Auditors as mentioned in the notice of the Annual General Meeting.

## COST AUDIT

The Board of Directors has approved appointment of Ms. Devashree P. Vijayakar, Cost Accountant as the Cost Auditor of the Company to conduct cost audit and give report for the year 2017-18. The notice of Annual General Meeting includes the resolution to obtain consent of the shareholders.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an effective internal control and risk-mitigation system, which are assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal audit is entrusted to M/s. Bhuwania & Agrawal Associates. Every quarter internal audit report is placed before the Audit Committee and the Audit Committee of the Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

## ENVIRONMENT AND SAFETY

The Company has constituted Committee for prevention of sexual harassment at work place with a mechanism of lodging complaints. During the year under review no complaints were reported to the Board

## ACKNOWLEDGEMENT

The Board of Directors would like to express their grateful appreciation for the assistance, support and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review.

The employees of the Company contributed significantly in achieving the results. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excellence in the years to come.

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 30th May, 2017

**BHAGIRATH C. ARYA**  
Chairman

## ANNEXURES TO THE DIRECTORS' REPORT

A Statement containing necessary information as required under section 134 of the Companies Act, 2013 The relevant information is given below:-

### A. POWER & FUEL CONSUMPTION

	For the year Ended 31.03.2017	For the year Ended 31.03.2016
<b>1. Electricity</b>		
Purchased Units (in thousands)	372,885	361,039
Total Amount (₹ in Crore)	164.69	171.23
Rate / per unit (₹)	4.42	4.74
<b>2. Furnace Oil</b>		
Consumed (Kgs in thousands)	547	937
Total Amount (₹ in Crore)	1.09	1.85
Rate/ per kg (₹)	19.92	19.78
<b>3. Light Diesel Oil &amp; HSD</b>		
Consumed (Ltrs in thousands)	67	83
Total Amount (₹ in Crore)	0.26	0.42
Rate/ per Ltr (₹)	39.62	50.60
<b>4. Natural Gas</b>		
Consumed (Gcal)	858	315
Total Amount (₹ in Crore)	0.30	0.13
Rate/ per Gcal (₹)	3,465.43	4,214.53
<b>5. Coal</b>		
Consumed (MTI)	75,363	70,767
Total Amount (₹ in Crore)	37.03	35.10
Rate/ per MT (₹)	4,913.05	4,959.35

### B. CONSUMPTION PER UNIT OF PRODUCTION

	For the year Ended 31.03.2017	For the year Ended 31.03.2016
<b>1. Electricity</b> (kwh /Ton of Product)		
a) Polyester Filament Yarn (POY)	1,036	1,037
b) Polyester Chips	135	131
c) Polyester Processed Yarn	891	910
<b>2. Furnace Oil</b> (Kgs/Ton of Product)		
a) Polyester Chips	1.06	1.80
b) Polyester Filament Yarn (POY)	0.05	0.11
<b>3. Light Diesel Oil &amp; HSD</b> (Ltrs/Ton of Product)		
a) Polyester Filament Yarn (POY)	0.21	0.29
b) Polyester Chips	0.04	0.04
c) Polyester Processed Yarn	--	--
<b>4. Natural Gas</b> (Gcal/Ton of Product)		
a) Polyester Chips	--	--
<b>5. Coal</b> (Kgs/Ton of Product)		
a) Polyester Chips	148.70	139.63

### A. Salient Features of Financial Statements of Subsidiary / Associates as per Companies Act, 2013.

#### A-1. Subsidiary Company

(₹ In Crore)

Sr. No.	Particulars	Subsidiary Company							
		JBF Global Pte. Ltd.	JBF Petrochemicals Ltd.	JBF RAK LLC	JBF Bio Glicols Industria Quimica Ltda.	JBF Global Europe BVBA	JBF Bahrain S.P.C.	JBF Trade Invest Pte. Ltd.	JBF America Inc.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA
2	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD	₹	AED	BRL	EURO	BHD	USD	USD
	Exchange rate as on 31.03.2017	64.8589		17.6487	20.4889	69.3434	171.8981	64.8589	64.8589
3	Share Capital	957.64	1,086.64	580.70	14.00	381.39	543.69	0.00	1.62
4	Other Equity	(302.98)	63.24	973.10	(16.17)	14.99	(168.37)	(0.28)	3.15
5	Total Assets	2,124.84	5,603.35	6,319.41	3.09	1,395.57	1,820.70	0.02	78.86
6	Total Liabilities	1,470.18	4,453.47	4,765.61	5.26	999.19	1,445.37	0.29	74.09
7	Investments	--	--	--	--	--	--	--	--
8	Revenue From Operations	--	--	4,518.49	--	261.08	716.97	--	404.24
9	Profit / (Loss) before Tax	(79.04)	3.11	(196.61)	(12.17)	(27.53)	(79.34)	(0.05)	5.28
10	Provision for Taxation	--	(0.62)	--	--	0.50	--	--	(1.72)
11	Profit / (Loss) After Taxation	(79.04)	2.49	(196.61)	(12.17)	(27.03)	(79.34)	(0.05)	3.57
12	Proposed Dividend	--	--	--	--	--	--	--	--
13	% of shareholding	85.50%	85.50%	85.50%	85.50%	85.50%	85.50%	85.50%	85.50%
14	Country	Singapore	India	UAE	Brazil	Belgium	Bahrain	Singapore	USA



## MANAGEMENT DISCUSSION AND ANALYSIS

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes economic developments within India and the countries in which the Company conducts business and other incidental factors.

### I. GLOBAL ECONOMY OVERVIEW

The global economy is in the midst of a decade long slow growth environment characterized by an imminent productivity growth crisis. The looming labor shortage in mature economies and skill deficiencies in emerging markets will add further challenges to global economic prospect. Global financial markets continue to face elevated levels of uncertainty notwithstanding the resilience to the outcomes of Brexit referendum and the US election. A negative feedback loop arising from productivity and global trade slowdowns and rising protectionism is adding to the pessimistic outlook on global recovery even as the uptick in US interest rates poses a significant risk to emerging market economies.

Goldman Sachs expects global growth for 2017 to be 3.5%. US has led the improvement by growing at 2-3% growth, Fiscal easing is also likely under the Trump organisation, Europe's growth forecast is 1.5%, it is consistent with the gradual labour market improvement, Japan's growth rate is in the range of 1%, cause of the weakness in the demographics, and decline in the working age population. China is expected to grow by 6.5 percent, long term concerns remain due to the continued rapid debt growth, which has a potential for financial weakness. Commodity producers saw a lot of economic pain in 2016-17 but there is some gradual recovery.

Growth is projected to pick up from 2017 onward, almost entirely on account of developments in emerging market and developing economies. This reflects primarily two factors: the gradual normalization of macroeconomic conditions in several countries experiencing deep recessions and the increasing weight of fast-growing countries in this group in the world economy. (Source : IMF)

### II. INDIAN ECONOMY OVERVIEW

India's economy is slowly gaining momentum, with an expected GDP growth of 7.3 and 7.5 per cent in 2016 and 2017, respectively. Despite some delays in domestic policy reforms and enduring fragilities in the banking system, investment demand is supported by the monetary easing cycle, rising FDI, and government efforts towards infrastructure investments and public-private partnerships. Economic activity is beginning to firm after demonetization shocked the economy that resulted in massive cash shortages and economic disruptions through the economy at the end of last year and growth is expected to have slowed to a multi-year low in Q3 FY 2016. The manufacturing PMI crossed into expansionary territory in January and imports rebounded. Despite the backdrop of more moderate growth, the government stuck to a market friendly budget for FY 2017. The budget pursued growth-supportive policies while targeting a narrower deficit of 3.2% of GDP and was met with a positive market reaction.

### III. GLOBAL TEXTILE INDUSTRY

The global textile & clothing industry is estimated to be worth about the US \$439.5 billion and currently, global trade in textiles & clothing stands around the US \$360 bn. According to the world trade organization forecast, Global trade is set to expand by 3.3% this year & 4% in next year. The success of the modern industry of world textiles is dependent largely upon continuing major investment in innovation and invention. The reason which forces

the textile business to the promotion is increasing the share of Technical Textiles.

Globally, the technical textiles contribute to about 25% to 30% of the textile industry, in some of the western countries its share is even 50 % while in India it is 11%. According to Industry sources, forecasts that the global technical textile market is growing with CAGR of 3.3% from 2012. In 2018, the global technical textiles market will reach a market value of US\$160.38 billion from US\$133.93 billion in 2012.

In terms of per capita spends on apparel within the top markets, there is a major distinction between developed countries and the emerging ones. The lowest per capita spend is on apparel among these markets is of India (US\$ 37). Australian per capita spend on apparel is highest one with US\$1,131. If we compare, then Indian people spends only 4% compare with Australian per capita spend on apparel. In years India will only have huge growing markets and the parity will narrow with time. (Source : TMR )

### IV. INDIAN TEXTILE INDUSTRY

Textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The Indian textiles industry, currently estimated at around US\$ 108 billion in 2017, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP). The Indian textile industry has the potential to reach US\$ 500 billion in size according to a study. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently. The textile and apparel industry can be broadly divided into two segments - yarn and fibre, and processed fabrics and apparel. India accounts for ~14 per cent of the world's production of textile fibres and yarns.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports. The government has extended the duty drawback facility on all textile products and increased rates in some cases for one year to boost exports in the sector. The government is also planning to conduct road shows to promote the country's textiles in non-traditional markets like South America, Russia and select countries in West Asia. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 2.41 billion during April 2000 to December 2016.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period. The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).

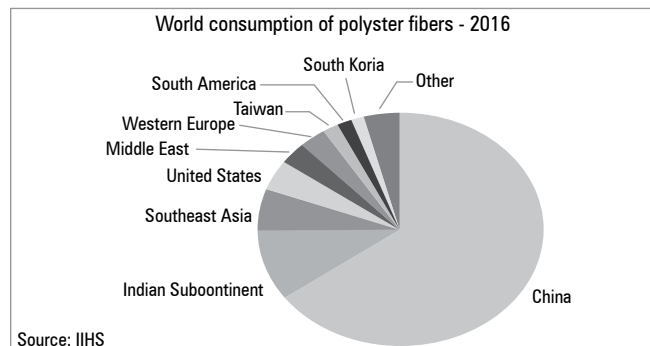
### POLYESTER INDUSTRY

The global demand for polyester fibres was dominated by polyester yarn, in 2016, which accounted for about 68 per cent of overall consumption. Currently, Asia is the largest consuming region globally, where the fast-



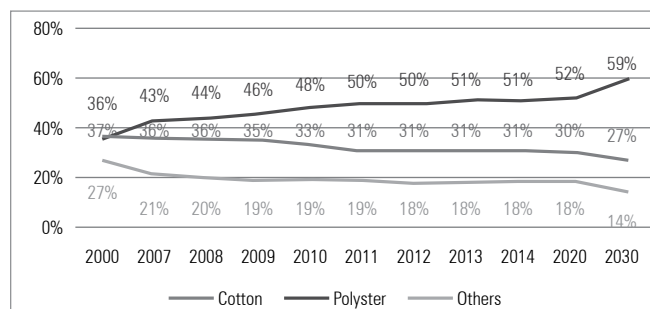
growing textile Industries (weaving, garment manufacturing, dyeing and finishing) have been consuming increasing amounts of polyester fibres. By far, China holds major proportion of overall polyester consumption in Asia region, followed by India and Southeast Asia.

The worldwide marketplace of polyester staple fibre as an important candidate of the group of manmade fibres seems to have taken command of the textiles industry lately. It is expected to expand at a healthy pace in the next few years. It is estimated that the global polyester staple fibre market, which was valued around US\$ 23,400 million in 2015 is expected to reach US\$ 42,400 million by 2024. In terms of volume, the market for polyester staple fibre is expected to increase at a CAGR of 4.0 per cent over the same period.



Over the next five years, the market for polyester fibres is expected to grow at an average rate of about 4% per year on average, broadly aligned with the GDP growth forecast for the emerging world. Current trends in energy, labour costs, freight, and raw material costs, are expected to further advantage polyester fibres over other fibres, further driving demand. In the short term, though, current lower cotton prices may somehow limit polyester fibre demand growth in applications where these products are interchangeable. Asia will remain the focal point of this growth as it will remain the manufacturing centre for textiles, clothing, and apparel globally. In all other regions, the polyester fibre market will continue to grow slowly in the range of 1-3% per year on average, particularly in segments that are less affected by inexpensive imports from Asia, such as tire cords or nonwoven fabrics. Textile filaments will remain the fastest growing product because of increasing textile requirements in the emerging world.

## GLOBAL FIBRE CONSUMPTION TRENDS



Source : JBF Internal Research

The Indian fibre industry demand was estimated at 9.14 million tonnes in 2015-16 whereas the estimated production was 10.4 million tonnes. In India, cotton fibre production is estimated at 6.0 million tonnes, registering a 9.5% decline whereas polyester fibre production is estimated at 3.87 million tonnes, up by 0.5%. The Indian textile industry is still cotton focused. However, consumption of polyester fibre is gaining momentum due to factors like fluctuation of cotton prices, increased presence & sourcing by global brands within India. Volatility and upward trend of cotton price has already pushed the fibre mix in favour of Polyester for major apparel and home textile products. Global cotton and man-made fibre production was

estimated to be 88.5 million tonnes in 2015. Man-made fibres accounted for 66.8 million tonnes, a growth of 6% over 2014 whereas cotton production declined by 16.6% from 26.0 million tonnes to 21.7 million tonnes. The man-made fibre production accounts for nearly 75% share. Globally polyester consumption and market share registered a 9% growth over 2014 and is expected to grow at a 4.4% CAGR till 2020. (Source : CMIE)

## PET DEMAND & SUPPLY

The global production of Polyethylene terephthalate (PET) was 46.25 MMT in 2016 and is estimated to reach 74.71 MMT by 2022, at a CAGR of 8.32% for the forecasted period. While, on the other hand, in terms of demand the market was USD 31.44 billion in 2016 and would reach USD 47.98 billion by 2022 growing at a rate of 7.3% compounded annually. PET resins are used for various applications that include plastic bottles for beverages, food containers, containers for house hold and chemical products, cosmetics, pharmaceutical, industrial applications, production of carpet fibers, and others. Of all the applications, packaging is the most dominant one and that leads the market. With regards to end use perspective, plastic bottles for CSDs dominate the market holding more than half of the market share in 2016. Factors like increasing demand for packaging for Carbonated Soft drinks, growing consumption of packaging, no better substitute are driving the market of PET resin. Also with the growth in population, urbanization in developing countries and increasing disposable income tends to drive the demand for bottled beverages. Moreover, PET is the only polyester which is recyclable among the competing thermosetting material available in the market. It is also replacing traditional packaging material such as glass, paper, metal, and aluminium due to its high strength, light weight, clarity and long-term durability. On the geographical segmentation, Asia-Pacific is the largest and the fastest developing PET market. While North America and Europe are other big markets.

The overall growth for PET industry in India new capacity addition and growing demand for consumer goods and Govt.'s various initiatives to encourage domestic manufacturing the demand is expected to grow double digits. India PET capacity to touch 1,815 KT by 2016-2017 from 1,140 KT in 2014-2015 this will significantly reduce imports and boost exports going forward.

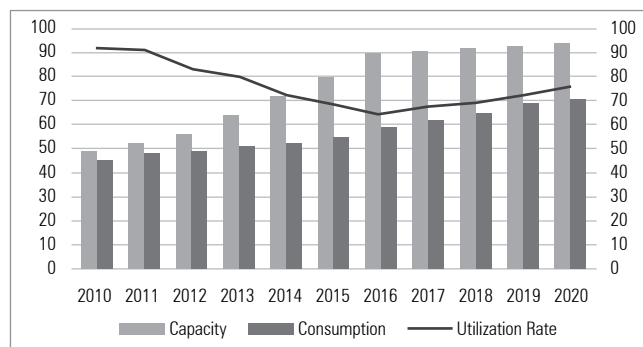
Table 15: PET Demand Supply

(KT)	2013-14A	2014-15A	2015-16E	2016-17E
PET				
Capacity	950	1140	1765	1815
Production	878	880	1280	1450
Imports	100	150	86	60
Exports	280	330	595	660
Apparent Demand	660	700	770	850
Demand Growth%	10%	6%	10%	10%

Source : Industry Estimates A: Actual E: Estimate

## V. RAW MATERIALS SCENARIO

### Global PTA Capacity & Utilization (2010-2020)

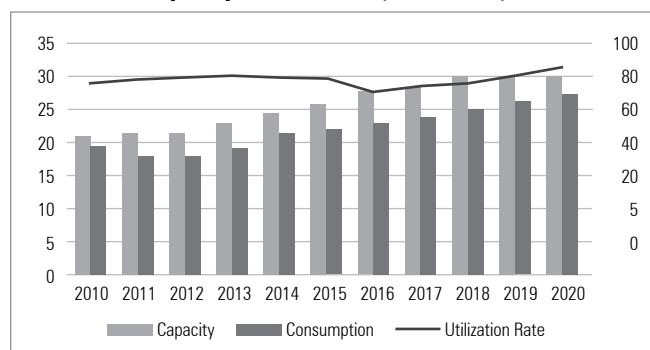


Source : JBF Internal Research

The global Purified Terephthalic Acid (PTA) market reached approximately 59 MMT in 2016 and is expected to grow at a CAGR of 5% for the forecast period of 2015-2020. The market is segmented on the basis of applications including textiles, bottling & packaging and furnishing. High consumption of PTA in polyester component and unsaturated polyester resins is expected to propel market growth. Textiles were the largest market followed by bottling & packaging and furnishing. Asia Pacific was the largest market on account of high concentration of manufacturing industries particularly in China and India. Moreover, Asia Pacific is expected to witness fastest growth over the forecast period owing to increasing disposable income and improving consumer standard of living. Europe and North America followed Asia Pacific in terms of market volume share.

JBF has recently finished its PTA plant set-up of 1.25 Million Tons in Mangalore Special Economic Zone. This plant is set up using technology provided by BP, supposed to be one of the world's best technology. This technology ensures low cost of production, considerably low greenhouse gas emissions and low per unit capital costs. With its latest capacity addition, India is expected to become Net Exporter of PTA.

### Global MEG Capacity & Utilisation (2010-2020)



In 2016 Global demand for monoethylene glycol (MEG) was an estimated 27.95 million MT and is likely to increase at 4% CAGR during the forecast period. India and China, being major consumer markets, which require significant amounts of MEG feedstock to produce polyester fibres and PET resins, will continue to be the main drivers of growth. China accounted for around 12.85 million mt. or about half of the 2015 global demand. Indian MEG scenario will continue to remain oversupplied with a capacity of over 5 MMT pa in 2016 and an estimated demand of 2.1 MMT pa in 2016.

Source : JBF Internal Research

### VI. FUTURE PROSPECTS

The man-made filaments & fibres industry has been going through a lean phase in the ongoing fiscal. Factors such as sluggish demand, sharp rise in imports, stiff competition from cotton yarn, fall in realisations and temporary loss of production plagued the industry. Demand for polyester and viscose is expected to improve in the coming months due to purchases made by fabric and apparel manufacturers. Furthermore, an anti-dumping duty imposed on polyester yarn originating from China and Thailand is expected to keep a check on imports. The domestic economy is on a revival path and will continue to improve in 2017-18. Rapid urbanization, increase in penetration of organised retail, rise of e-commerce, growth in income levels and favourable demographics is expected to increase the consumption of apparels and other textile products. The Goods & Service Tax (GST) bill in the parliament is likely to give boost to the synthetic filaments and fibres industry. The implementation of the GST is likely to create level playing field in all fibres whether it is cotton or manmade fibres. Instability and an upward trend of cotton fibre prices have already pushed the fibre blend in favour of polyester for major clothing and home textile products. To secure maximum benefit of the future scenario, India needs to concentrate on manufacturing of polyester-based textile products and as per recent research studies, the Indian textiles industry will consume more volume of polyester compared to cotton in the next five years.

### VII. CURRENT YEAR'S PERFORMANCE

Highlights		Year 2016-17	Year 2015-16	% Change
Production :				
Polyester Chips	MT	543,438	506,817	7.23
Polyester Filament Yarn(POY)	MT	218,205	213,344	2.28
Polyester Processed Yarn	MT	90,471	80,359	12.58
<b>Total Shipments</b>				
Polyester Chips	MT	321,448	291,058	10.44
Polyester Filament Yarn(POY)	MT	125,590	133,050	(5.61)
Polyester Processed Yarn	MT	90,843	79,435	14.36
<b>Total</b>		<b>537,881</b>	<b>503,543</b>	<b>6.82</b>
Turnover	₹ in Crore	4271.45	3939.94	8.41
Profit before Interest, Depreciation and Tax	₹ in Crore	389.67	433.5	(10.11)
Finance Costs	₹ in Crore	237.44	237.18	0.11
Depreciation	₹ in Crore	97.10	100.56	(3.44)
<b>Profit Before Exceptional Items and Tax</b>	<b>₹ in Crore</b>	<b>55.13</b>	<b>95.76</b>	<b>(42.43)</b>
Current Taxation	₹ in Crore	12.65	29.64	(57.32)
MAT Credit Entitlement	₹ in Crore	(0.63)	--	--
Deferred Tax	₹ in Crore	7.48	4.39	70.39
<b>Net Profit After Tax</b>	<b>₹ in Crore</b>	<b>35.63</b>	<b>61.73</b>	<b>(42.28)</b>
Earning per share (EPS) - Basic	₹	4.35	8.85	(50.85)
- Diluted	₹	4.35	8.85	(50.85)
Equity Shares- No. of Shares as on 31st March.	Nos.	81,874,849	81,874,849	--
No of Shares for Basic EPS	Nos.	81,874,849	69,747,657	
No of Shares for Diluted EPS	Nos.	81,874,849	69,747,657	

### VIII. CASH FLOW ANALYSIS

	(₹ in Crore)	
	2016-17	2015-16
<b>Sources of Cash</b>		
Cash from Operations	264.39	363.34
Income from Investing Activities	61.88	29.91
Income from Financing Activities	3.01	2.76
Proceeds from Equity	--	479.88
Proceeds from Term Borrowings (net of repayments)	--	6.62
Increase in Working Capital	166.34	--
Net gain on Foreign Currency Transactions	11.62	--
Sale of Investments (Net)	--	25.82
<b>Total</b>	<b>507.24</b>	<b>908.33</b>
<b>Uses of Cash</b>		
Net Capital Expenditure	90.99	22.11
Repayment of Term Borrowings (net of proceeds)	93.92	--
Increase in Working Capital	--	299.55
Finance Cost ( Including Currency & Interest Swap)	232.53	232.23
Dividend paid (Including Tax on Dividend)	9.85	15.77
Tax paid (net)	14.66	48.54
Net loss on Foreign Currency Transactions	--	1.98
Movement of Loan & Advance of Subsidiary (net)	61.30	279.35
Increase in Cash & Cash equivalent	3.99	8.80
<b>Total</b>	<b>507.24</b>	<b>908.33</b>

## I. HUMAN RESOURCES

JBF recognizes that its people are most valuable resources and therefore as a policy of nurturing talent and ensuring that there is growth and their capabilities grow in relation to the growth of the company. The human resources function takes into account the capability, commitment and sincerity while evaluating talent within the company and suitable reward structure is in place to ensure maximum employee satisfaction. Regular training programs have been in place to improve the work capability at various levels in order to improve the competencies and skills.

## II. SAFETY , HEALTH AND ENVIRONMENT (SHE)

JBF Industries Limited, manufacturers of Polyester Chips, Polyester Yarn and processed yarn from Polyester Chips, is responsible & committed to adequate steps and appropriate measures to ensure safety, health & environment.

The Company works as a team to ensure sustainable growth of business through quality assured production integrated with safety, health & environment; to ensure value added service to our esteemed customers; safe, secure & quality of life for the employees and for the community in which we work.

The company is certified for ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environment Management System) & OHSAS 18001:2007 (Occupational Health & Safety Assessment System). Company's objective does not end with the regulatory compliance in the SHE field goes beyond and adopt practices that are Safe, Healthy and Environment friendly, and to continuously improve on, which are considered to be the best in this sector specific industry.

The company has a well established policy & program for SHE & ensures its implementation through regular training, close monitoring, evaluation & audits and up gradation of various components that are detrimental.

### A. Safety

- No Fatal Accident occurred in the period FY'16-17
- Company provides a safe and healthy work environment and ensure that personnel are properly trained and have appropriate safety and emergency equipment.
- A periodic review of the safety system is carried out to ensure that the safety practices adopted are uniform & adequate to follow the well laid out policies & procedures.
- For all new contracts, safety briefing is being done before the job is carried out.
- Employees, including the contract workers are provided with necessary health & safety induction program/protocol & provided with appropriate training (including proper use of PPE's, safe working at height, electrical safety etc.).
- Company strives to instil a sense of duty/responsibility in every employee towards personal safety, as well as that of others who may be affected by the employee's actions.
- On regular basis interaction is done with the project team for cultivating/instilling safety culture.
- Employees are also trained for handling emergencies through periodic mock drill.
- Quarterly safety audit is being done through safety committee members & External Safety Audit is been done through National Safety Council.
- As a motivational effort, National Safety Day/week, and Fire Service Day are being celebrated on a large scale.
- First Aid Awareness Training being given to employees through ST. John's Ambulance.

- All fire Extinguishers are checked and inspected through external agencies.
- JSA & PSI is being done on regular basis with the involvement of Plant Executives.
- Safety training to employees is being imparted through internal faculty as well as External Agencies
- Company has installed CCTV cameras, fire alarm system.etc.

### B. Health

- All efforts are being done to prevent any occupational disease. So far no occupational disease observed.
- Pre-employment & Periodic Health Check up for all employees is being carried out regularly.
- Counselling for Health Check up is being followed by the medical officer at regular interval to keep the track record on occupational health
- Clean Drinking water facility provided and quality check done periodically. Toilets & urinals are being regularly inspected for cleanliness.

### C. Environment

- Environment conservation & sustainable development are the continuous focus point of the company. Continual and consistent improvement in the critical environmental parameters is an important aspect of the Company's policy objectives.
- All the environment protection & pollution abatement measures are undertaken by the company to ensure that all the relevant environmental standards are strictly complied with.
- Company believes in educating employees to be accountable for environmental stewardship and encourages them to seek innovative ways to improve the environmental aspects of our operations.
- There is continuous effort in reducing the energy and other natural resources consumption.
- Reviews are undertaken to reduce/eliminate waste, wherever possible through reuse & recycling. Dispose off all waste through safe & responsible methods.
- Third party Environment monitoring is being conducted quarterly through qualified & MoEF recognized External Agencies.
- The company is having efficient water management system which includes recycling of treated effluent.
- World Environment Day Celebration is being conducted on a large scale & tree plantation is been done to celebrate the occasion.
- Reduce Pollution & optimize production through judicious utilization of resources and process improvement
- Rainwater harvesting concept to supplement & improve the ground water table.

## III. RISK MANAGEMENT

The company identifies operational, strategic, regulatory and financial risks through analysis, pre-emptive compliance, proactive management & sound business management practices. The Risk Management Committee meets at prescribed intervals. A constant review of risks involved is being undertaken and Risk Mitigation activities are put in place and constant reviews undertaken.

## CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI LODR), a Report on Corporate Governance is given below:

### Company Philosophy on Corporate Governance

Corporate Governance is an essential element of JBF Industries Limited's business practices and value system. The major facets of company's corporate governance codes and policy are :

1. Highest level of transparency and accountability.
2. All operations and actions should serve the goal of enhancing share holder value.
3. Commitment to highest level of customer's satisfaction.
4. Total compliance towards statutory aspects including environmental standards.
5. Continuous activities towards sustained developments of the company.

The Company strongly believes that good corporate governance ultimately leads to growth and competitive strength and the corporate governance norms are the foundations of all procedures at the Board and operational levels.

### Board of Directors

#### Composition & Category of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Company had nine Directors as on 31st March, 2017 comprising of three Executive Directors holding offices of Executive Chairman, Managing Director and Director-Commercial respectively and six Non-Executive Directors, including Woman Director.

Since, the Company has an Executive Chairman, the Company has to have at least half of its Board comprising of independent directors in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2017, however after resignation of Mr. B. A. Prabhakar on 9th March, 2017, composition of Independent Directors is not in compliance of above regulation. The Company is in process to fill the vacancy created by such resignation in accordance with regulation 25 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The category and designation of the Directors is as follows:

Name of Director	Designation	Category
Mr. Bhagirath C Arya DIN : 00228665	Executive Chairman	Executive & Promoter
Mr. Rakesh Gothi DIN : 00229302	Managing Director	Executive
Mr. N. K. Shah DIN : 00232130	Director-Commercial	Executive
Mrs. Veena Arya DIN : 00228818	Director	Non Executive & Promoter
Mr. B. R. Gupta DIN : 00020066	Director	Non Executive & Independent
Mr. P. V. Mehta DIN : 00001366	Director	Non Executive & Independent
Mr. Sunil Diwakar DIN : 00089266	Director	Non Executive & Independent
Mr. B A Prabhakar DIN : 02101808 Upto 09.03.2017	Director	Non Executive & Independent
Mr. Nikhil Srivastava DIN : 07308617	Director	Non Executive Nominee
Mr. Vijay S Bapna DIN : 02599024	Director	Non Executive & Independent
Mr. Brij M Bansal DIN : 00142166 Upto 08.06.2016	Director	Non-Executive & Independent

### CEO & CFO

Mr. Rakesh Gothi, Managing Director, is designated as Chief Executive Officer (CEO) of the Company. Mr. Ajay Agrawal is designated as Chief Finance Officer (CFO) of the Company.

### Independent Directors

Mr. B. R. Gupta, Mr. P. V. Mehta, Mr. Sunil Diwakar and Mr. Vijay S. Bapna, are appointed as Independent Directors of the Company.

#### Formal Letter of Appointment to Independent Directors

On appointment, the concerned Independent Director is issued a letter of Appointment setting out the terms & conditions of appointment in detail.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independent as provided under the Companies Act, 2013 as on March 31, 2017.

### Performance Evaluation of Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and 19 read with part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The performance Evaluation of the Independent Directors of the Company based on the evaluation criteria laid down by the Nomination and Remuneration Committee was completed in the Board meeting held on 10th February, 2017.

### Separate Meeting of the Independent Directors

As per the code of Independent Directors under Schedule IV of the Companies Act, 2013 and the Regulation 25(3) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors was held during the year under the Chairmanship of Mr. B.R. Gupta, Independent Director, to review the performance of the Non- Independent Directors and the Board as a whole along with the Chairman of the Company. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform their duties.

### Familiarization Programme for Independent Directors

Every quarter presentation is given by Independent Directors about the business scenario, the information of the Industries and progress of the different projects of the Company along with the photograph and other details. Plant visits are also conducted by the Company as and when required.

A Familiarization program is conducted, if required, for Independent Directors to familiarize them with the Company, their roles, rights responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company so that they can contribute in a meaningful way to the Company. Familiarization Program for Independent Directors has been uploaded on the Company website at [https://www.jbfindia.com/CG/FAMILIARIZATION\\_PROGRAMME\\_FOR\\_INDEPENDENT\\_DIRECTORS.doc](https://www.jbfindia.com/CG/FAMILIARIZATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.doc)

### Non-Executive Directors' Compensation and Disclosures

The remuneration of Non-Executive Directors (NEDs) for attending Board and its Committees meetings of the Company has been decided by the Board of Directors of the Company which is within the limits prescribed under the Companies Act, 2013. The Company has not granted stock options to Directors during the year.

## Meeting of the Board of Directors

During the Financial Year 2016-2017 the Board of Directors met 6 times on 30th May, 2016, 6th July, 2016, 28th July, 2016, 26th August, 2016, 22nd November, 2016, and 10th February, 2017.

The gap between two board meetings did not exceed 120 days.

## Disclosure Of Relationship Between Directors Inter-Se

Mrs. Veena Arya is wife of Mr. Bhagirth C Arya, Executive Chairman of the Company.

## Attendance of Directors at the Board Meetings, last Annual General Meetings and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies.

Name of the Director	Attendance Particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	*Other Directorship	**Committee Membership	**Committee Chairmanships
Mr. Bhagirth C. Arya	6	No	1	Nil	Nil
Mr. Rakesh Gothi	6	Yes	1	Nil	Nil
Mr. N. K. Shah	4	Yes	Nil	Nil	Nil
Mrs. Veena Arya	4	No	Nil	Nil	Nil
Mr. Prakash Mehta	4	No	6	8	3
Mr. B. R. Gupta	6	Yes	9	8	3
Mr. Sunil Diwakar	4	No	5	3	Nil
Mr. B. A. Prabhakar Upto 09.03.2017	3	No	NA	NA	NA
Mr. Nikhil Srivastava	6	No	1	Nil	Nil
Mr. Vijay Bapna	5	No	2	Nil	Nil

Mr. Brij M Bansal resigned on 08.06.2016 and didnot attend meetings during 2016-17.

\* Other than Foreign and Private Limited Companies.

\*\* As prescribed in the explanation under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Membership/ Chairmanship of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited companies (Excluding JBF Industries Limited), has been considered.

None of the Directors is a Director in more than 10 Public Limited Companies or serves as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

## Procedures at the Board Meetings

The Board of Directors meet at least once in every quarter to review performance of the company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board member of developments that have taken place.

Apart from the quarterly meetings additional meetings are also convened, if required, for the specific needs of the Company, by giving appropriate notice. The Board may also approve urgent matters by passing resolutions by circulations, if permitted by law.

In the various meetings, the performance and financial highlights and project progress of subsidiaries are presented before the Board for their notification.

In the various meetings, the performance and financial highlights and project progress of subsidiaries JBF Global Pte Ltd., JBF RAK LLC, JBF Petrochemicals Limited, JBF Bahrain S.P.C., JBF Global Europe BVBA, JBF America Inc and JBF Glicols Industria Quimica Ltda are presented before the Board for their notification.

Board has ensured review of compliance reports of all laws applicable to the Company and reviewed quarterly compliance reports. There were no instances of non compliance noticed in such reviews.

The Board notes different risk factors involved in the business and analyses of the same. The different risks involved are mitigated by analysing existing controls and facilities.

The presentation is given to the Board, covering Finance and also Budget for quarter and for the year, Sales and Marketing & Operations of the Company, before taking the quarterly results of the Company on record.

The minimum information as specified in Part A of Schedule II read with Regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration.

## Recording minutes of proceedings at Board and Committee Meetings

The minutes of the proceedings of each Board and Committee Meetings are recorded by the Company Secretary. Draft Minutes are circulated to all the members of the Board/Committee for their comments. The minutes of the proceedings of the meetings are completed within 30 days from the date of the conclusion of meeting

## Board Committees

### i. Audit Committee

#### Composition and Meeting of the Audit Committee

During the Financial Year 2016-2017 the Audit Committee met 6 times on 25th April, 2016, 30th May, 2016, 6th July, 2016, 26th August, 2016, 22nd November, 2016 and 10th February, 2017.

Composition of the Audit Committee and attendance of each Member at the Audit Committee meetings held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. B. R. Gupta	Chairman	6	6
Mr. Sunil Diwakar	Member	6	5
Mr. B A Prabhakar Upto 09.03.2017	Member	6	4

The Company Secretary acted as the Secretary to the Committee.

Mr. Rakesh Gothi, Managing Director, Mr. N. K. Shah, Director-Commercial, Statutory Auditors, Internal Auditors and General Manager Accounts were invited to attend all the Audit Committee Meetings.

The Chairman of the Audit Committee attended last Annual General Meeting.

All members of the Audit Committee are capable of understanding financial statements and two member possesses financial management expertise in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors

## Powers of Audit Committee

The audit committee has following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

## Role of Audit Committee

The role of the audit committee includes the following :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;.



3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of any material nature and reporting the matter to the board;
16. Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Review of information by Audit Committee

The Audit Committee mandatorily reviews the following informations :

- Management discussion and analysis of financial condition and results of operations.

- Statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.
- Internal audit reports relating to internal control weakness.
- Management letters / letters of internal control weaknesses issued by the statutory auditors; and
- The appointment, removal and terms of remuneration of Internal Auditors is subject to review by the Audit Committee.
- Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### ii. Stakeholders Relationship Committee

#### Composition and Meeting of the Stakeholders Relationship Committee

During the Financial Year 2016-2017 the Stakeholders Relationship Committee met 4 times on 30th May, 2016, 26th August, 2016, 22nd November, 2016 and 10th February, 2017.

Composition of Stakeholders Relationship Committee and attendance of each Member at the Stakeholders Relationship Committee meetings held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. B. R. Gupta	Chairman	4	4
Mr. Sunil Diwakar	Member	4	3
Mr. Prakash Mehta	Member	4	3

The Company Secretary acted as the Secretary to the Committee

The total number of complaints received and replied to the satisfaction of the shareholders during the year was 10. Pending complaints as on 31st March, 2017, is Nil.

Company had received confirmation from BSE & NSE informing that no investor complaints pending as on 31st March, 2017 at their end.

### Terms of Reference of the Committee

The Stakeholders Relationship Committee meets once in every quarter to review and to take note of the Compliance Reports submitted to the Stock Exchanges and grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

### Compliance Officer

Mrs. Ujjwala Apte, Company Secretary of the Company, has been appointed as Chief Compliance Officer.

### iii. Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) has been constituted to recommend the increase / modifications in the Remunerations of the Managing Director, Whole-time / Executive Directors based on their performance and defined assessment criteria. NRC also approves the appointments of KMPs and Senior Management Personnel as required.

Nomination and Remuneration Committee met 3 times on 30th May, 2016, 6th July, 2016 and 21st March, 2017, during the financial year 2016 – 2017.

The Chairman of NRC attended last Annual General Meeting.

Composition of Nomination and Remuneration Committee and attendance of each Member at the Nomination and Remuneration Committee meeting held during the year:

Name	Position	Meetings Held	Meetings Attended
Mr. B. R. Gupta	Chairman	3	2
Mr. Sunil Diwakar	Member	3	3
Mr. Vijay S. Bapna	Member	3	2

The Company Secretary acted as the Secretary to the Committee.

### The salient features of Remuneration policy

The NR Committee be formulated as per the applicable provisions of The Act and listing regulations prevailing as on that date.

The Committee formulates the criteria for determining qualifications and identifies persons who are qualified to become Independent Directors, Director and persons who may be appointed in Key Managerial Personnel (KMP) and Senior Management positions. The Committee also recommends appointment and removal of Director, KMP and Senior Management Personnel.

As per policy the Company Executive Chairman, Managing Director or Executive Director is appointed for a term not exceeding five years at a time.

An Independent Director shall hold office for a term up to five consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company. No Independent Director shall hold office for more than two consecutive terms. The committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and compliance of the said Act, rules and regulations.

The remuneration, compensation, commission and increments in existing remuneration etc. of the Whole-time Director, KMP and Senior Management Personnel is determined by the Committee and recommended to the Board for approval.

Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

The Company shall not waive recovery of excess remuneration paid to wholetime Directors unless permitted by the shareholders by passing special resolution and approved by the Central Government.

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the slabs and conditions mentioned in the Articles of Association of the Company or such amount as may be prescribed by the Companies Act, 2013.

### Terms of Reference of the Committee

Laying down criteria, to identify persons who are qualified to become directors & who can be appointed in senior management;

Recommending to the Board, appointment & removal of directors & senior management;

Carrying out evaluation of every director's performance;

Formulating criteria for determining qualifications, positive attributes & independence of directors;

Recommending to Board, a policy relating to remuneration of directors, KMP & other employees;

The aggregate value of salary and perquisites paid to wholetime directors for the financial year 2016-17 are as follows :

Name of the Director	Salary (₹ In Lakh)	Commission (₹ In Lakh)	Perquisites (₹ In Lakh)	Total (₹ In Lakh)	Service Contract	
					Tenure*	Notice Period**
Mr. Bhagirath Arya	604.22	--	48.64	#652.87	5 years	3 months
Mr. Rakesh Gothi	104.95	--	6.88	111.83	5 years	3 months
Mr. N. K. Shah	46.67	--	3.73	50.40	3 years	3 months

Salary and Perquisites include house rent allowance, reimbursement of medical expenses, entertainment expenses, education, books & periodicals, telephone expenses, motor car expenses, card subscription, leave travel allowance, provident fund and leave encashment etc.

During the year the Company has not granted any fresh stock options to any of the Directors.

# Include ₹ 327.55 Lakh which was in excess of remuneration as prescribed under section 197 of the Companies Act, 2013. Necessary steps are being taken for requisite approvals from the Central Government.

\* From their respective dates of appointment.

\*\* There is no separate provision for payment of severance fees.

### Directors Sitting Fees

The Company has paid sitting fees for attending Board, Audit Committee, Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee, Corporate Social Responsibility Committee, Risk Management Committee and Finance Committee Meetings at ₹ 50,000, ₹ 20,000, ₹ 10,000, ₹ 10,000, ₹ 10,000, ₹ 10,000 and ₹ 10,000 per meeting respectively to all the Non-Executive Directors. The details of sitting fees paid during financial year 2016-17 are mentioned below.

Mr. B. R. Gupta	--	₹ 5,40,000
Mr. Prakash Mehta	--	₹ 2,30,000
Mr. Sunil Diwakar	--	₹ 4,10,000
Mrs. Veena Arya	--	₹ 2,00,000
Mr. B A Prabhakar (upto 09.03.2017)	--	₹ 2,30,000
Mr. Vijay S Bapna	--	₹ 3,10,000

The criteria for making payments to Non-Executive Directors of the Company are uploaded on the website of the Company.

None of the above mentioned Directors is related to any other Director on the Board in terms of the definition of "relative" given under Companies Act, 2013, except Mrs. Veena Arya, who is wife of Mr. Bhagirath C. Arya.

Number of shares and convertible instruments held by Non-Executive Directors

Sr.No	Name of Directors	No of Shares
1	Mr. Sunil Diwakar	25,000
2	Mr. Prakash Mehta	45,000
3	Mr. B R Gupta	12,000

### IV. Corporate Social Responsibility Committee (CSR)

The Committee has been constituted to administer CSR activities as per The Companies Act, 2013.

The CSR Committee comprises of One Independent & Non-Executive Director and Two Executive Directors namely Mr. Rakesh Gothi (Chairman) Mr. B. R. Gupta and Mr N K Shah as members.

Composition of Corporate Social Responsibility Committee and attendance of each Member at the Corporate Social Responsibility Committee meeting held during the year

Name	Position	Meetings Held	Meetings Attended
Mr. Rakesh Gothi	Chairman	4	4
Mr. B.R. Gupta	Member	4	4
Mr. N K Shah	Member	4	4

The Company Secretary acted as the Secretary to the Committee.

CSR programmes and projects of the Company are aimed at serving the deserving, socio-economically backward and disadvantaged communities to improve quality of their lives. The Company had also taken initiatives such as girl child education, construction of toilets and sanitation facilities and rural development projects under its CSR programs.

## V. Risk Management Committee

The Committee has been constituted to assess the risks and its minimisation as per The Companies Act, 2013.

The Risk Management Committee comprises of Two Independent & Non-Executive Director and Two Executive Directors namely Mr. Rakesh Gothi Mr. B. R. Gupta, Mr. Sunil Diwakar and Mr. N K Shah.

Composition of Risk Management Committee and attendance of each Member at the Risk Management Committee meeting held during the year

Name	Position	Meetings Held	Meetings Attended
Mr. Rakesh Gothi	Chairman	2	2
Mr. B R Gupta	Member	2	2
Mr. Sunil Diwakar	Member	2	1
Mr. N K Shah	Member	2	2

The Company Secretary acted as the Secretary to the Committee. Mr. S.N.Shetty is designated as Chief Risk Officer of the Company

The Company takes all necessary steps to identify, monitor and mitigate various risks. The Company has developed and implemented a Risk Management Policy to identify elements of risks and to take precautionary and corrective measures. Major risks identified are systematically addressed through mitigating actions on a regular basis. The Board supervises the overall process of risk management in the organisation.

## CEO/CFO Certification

The Managing Director & CEO and the Chief Financial Officer of the Company has issued a certificate pursuant to the provisions of Regulation 17(8) in terms of Schedule II Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was taken on record by the Board at its meeting held on 30th May, 2017.

## Prevention of Insider Trading

The Company ensures that the Code of Conduct for prevention of Insider Trading adopted in terms of the SEBI [Prohibition of Insider Trading] Regulations is strictly adhered to.

## Code of Business Conduct and Ethics for Board of Directors, Senior Management and Employees

The Company has formulated and implemented a Code of Conduct (the 'Code') for the Board of Directors, Senior Management and Employees of the Company. Annual affirmation of compliance with the Code has been made by the Board of Directors, Senior Management and employees of the Company. The said Code is posted on the Company's website <https://www.jbfindia.com/company.htm>. The necessary declaration by the Chief Executive Officer of the Company regarding compliance of the above mentioned Code by Directors, Senior Management and the employees forms part of the Corporate Governance Report. The code of conduct was modified from time to time as and when required as per the guidelines.

## Management Discussion and Analysis

A Management Discussion and Analysis Report containing discussion on the matters specified in Schedule V of SEBI (LODR) Regulations 2015 forms part of the annual report.

## Annual General Meetings

DATE	VENUE	TIME	SPECIAL RESOLUTIONS PASSED
29th September, 2016	Daman Ganga Resort	11.30 a.m.	There were no special resolution passed.
25th September, 2015	Daman Ganga Resort	11.30 a.m.	1. To adopt new Articles of Association. 2. To increase the limit of foreign investment.

27th September, 2014	Daman Ganga Resort	11.30 a.m.	1.To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2015. 2.To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013. 3. To increase the investment limit pursuant to Section 186 of the Companies Act, 2013. 4. To obtain approval for waiver of excess remuneration paid to Mr. Bhagirath C Arya, Executive Chairman for the Financial Year 2013-14. 5. To approve the offer or invitation to subscribe to Non-Convertible Debentures on a private placement basis.
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No resolution was passed through postal ballot during the year.

## Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required.

During the Financial year 2016-17 no material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company. The details of related party transactions have been given in the Notes to the Financial Statements. The Company has formulated a policy on dealing with related party transactions and has been uploaded on the website of the Company at [https://www.jbfindia.com/CG/Materiality\\_of\\_related\\_party\\_transactions\\_policy.doc](https://www.jbfindia.com/CG/Materiality_of_related_party_transactions_policy.doc)

## Non-compliance / Strictures / Penalties imposed

There has been no instance of non compliance by the Company on any matter related to capital market during the last 3 years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

## Whistle Blower Policy

The Company has laid down a Whistle Blower Policy providing a platform to all the Directors/Employees to report about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The said Policy is posted on the website ([www.jbfindia.com](http://www.jbfindia.com)) of the Company

## Subsidiary Company

The Minutes of the Board Meetings of unlisted wholly owned subsidiary JBF Global Pte Ltd., with its subsidiaries JBF Petrochemicals Ltd., and JBF RAK LLC have been placed before the Board from time to time.

Financial statements, alongwith statement containing all significant transactions and arrangements entered into by them were reviewed and noted quarterly by the Audit Committee of the Company.

Audited Annual Financial Accounts of these Companies for the year ending 31st March, 2017, were placed before the Board of Directors of the Company.

The Company has formulated a policy for determining 'material' subsidiaries and has been uploaded on the website of the Company at [https://www.jbfindia.com/CG/POLICY\\_ON\\_MATERIAL\\_SUBSIDIARIES.doc](https://www.jbfindia.com/CG/POLICY_ON_MATERIAL_SUBSIDIARIES.doc)

## Secretarial Audit

In compliance with the circular received from Stock Exchange mandating all listed companies are required to get Secretarial Audit done at quarterly intervals for purposes of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital. The Company has confirmed that there exist no discrepancies with regard to its admitted



capital. A certified report to this effect issued by practising Company Secretary Mr. Jagdish Patel (CPNo.1782) partner of M/s Jagdish Patel & Co, has been submitted at close of each quarter to the Stock Exchanges. Secretarial Audit for the FY 2016-17 was carried out and the report is forming part of Annual Report.

## Means of Communication

The quarterly and half yearly unaudited and annual audited financial results were published in English and in local language in Financial Express circulated in Silvassa and Western Times at the place of the Corporate Office of the Company. Half-yearly results in addition to being published in newspapers were available to the shareholders on their request.

Results and Official News of the Company are displayed on the Company's Website: [www.jbfindia.com](http://www.jbfindia.com)

The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green Initiative in Corporate Governance that allows Companies to send notices / documents to shareholders electronically. Accordingly the Company has sent notice and annual report by way of electronic mode to the shareholders whose email address was registered with the Company.

The Annual Report is posted individually to all members, whose email address is not registered with the Company and is also available on the Company's website.

The shareholders who have not registered email address with the company, are requested to register the email address with company.

The presentations to the institutional investors and to the analysts are made as and when required.

The Management Discussion and Analysis Report is incorporated within the Directors' Report forming a part of the Annual Report.

## General Information For Shareholders

### Annual General Meeting

Day, Date & Time	Wednesday, 27 <sup>th</sup> September, 2017 at 11.30.
Venue	Daman Ganga Valley Resort, Silvassa.
Financial Calendar [Tentative]	
Results for the quarter ended June, 2017	End 2nd week of August '17
Results for the quarter ended September, 2017	End 2nd week of November '17
Results for the quarter ended December, 2017	End 2nd week of February '18
Results for the quarter ended March, 2018	End May '18
Annual General Meeting	End September '18

### Book Closure

The Register of Members will be kept closed from 18th September, 2017 to 27th September, 2017. [Both days inclusive] for the purposes of payment of dividend.

### Dividend

The dividend will be paid to the shareholders, whose names appear in the Register of Members on 16th September, 2017.

Dividend, if declared at the Annual General Meeting, will be paid on or after the date of Annual General Meeting through NECS mode, who have selected NECS mode and by way of dividend warrants to other shareholders.

Dividend of 1/- (Rupee One only) per share recommended by the Directors on 30th May, 2017 is subject to declaration by the shareholders at the ensuing Annual General Meeting.

The dividend warrants will be despatched to the shareholders address registered as per Register of Members.

Shareholders who have not en-cashed the dividend warrant(s) are requested to get their warrants revalidated by writing to the Company. Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter cannot be claimed by the investors. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors, before transfer of dividend to IEPF.

### Unclaimed Dividend

Unclaimed Dividend of ₹1,727,720 for the financial year 2008-2009 has been transferred to Investor Education and Protection Fund on 2nd November, 2016.

The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/ claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandates the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

Hence, the Company urges all the shareholders to encash/ claim their respective dividend during the prescribed period. The details of the unpaid/ unclaimed amounts lying with the Company as on 29th September, 2016 (date of last Annual General Meeting) are available on the website of the Company <http://www.jbfindia.com/> and on Ministry of Corporate Affairs' website. The shareholders whose dividend/ shares gets transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules after the due date of 31st May, 2017.

Members are requested to contact the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company.

### Listing of Equity Shares

The shares of the Company are listed on The Bombay Stock Exchange Ltd, National Stock Exchange of India Ltd.

### Listing Fees

The Annual Listing fees for the year 2017-18 has been paid to BSE Ltd. and National Stock Exchange of India Ltd.

### Registrar & Transfer Agents

Link Intime India Pvt. Ltd.,  
C 101, 247 Park, L B S Marg,  
Vikhroli (W), Mumbai – 400 083.  
Tel. No. +91 022 49186270. E-mail id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Share Transfer System

The Registrars and Transfer Agents process, inter-alia, the share transfer requests received in physical and electronic mode and confirm dematerialisation requests and extinguishment of shares and other share registry work.

The transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects.

**Dematerialisation of Shares : As on 31st March, 2017.**

Mode of Holding	No of shares held	Percentage to Total Capital
N S D L	50752591	61.99
C D S L	30123823	36.79
<b>Total Demat Holding</b>	<b>80876414</b>	<b>98.78</b>
Physical Holding	995435	1.22
<b>Total Shareholding</b>	<b>81871849</b>	<b>100.00</b>

**Distribution of Shareholding : As on 31st March, 2017.**

Shareholding of Shares	No of Share holders	Number of Shares held	Percentage to Total Capital
1 - 500	23476	2592508	3.17
501 - 1000	924	745591	0.91
1001 - 2000	403	622017	0.76
2001 - 3000	162	415573	0.50
3001 - 4000	90	322433	0.40
4001 - 5000	64	298438	0.37
5001 - 10000	116	879354	1.07
10001 and above	157	75995935	92.82
<b>TOTAL</b>	<b>25392</b>	<b>81871849</b>	<b>100.00</b>

**The Shareholding Pattern : As on 31st March, 2017.**

Group	No of Share holders	No. of Shares held	% held
Indian Promoters	10	35346617	43.17
Directors / Relatives	8	113170	0.14
Body Corporates	391	21934201	26.79
Financial Institutions, Insurance Cos., & Banks	13	2177815	2.66
Trusts & Mutual funds	8	14054	0.01
FCs, FPIs, NRIs & NRNs	320	12429061	15.19
Indian Public	24642	9856931	12.04
<b>TOTAL</b>	<b>25392</b>	<b>81871849</b>	<b>100.00</b>

**DEMAT ISIN Number in NSDL & CDSL****INE187A01017**

Share Code on BSE

514034

Share Code on NSE

JBFIND

**Trading in Equity Shares of the Company is permitted only in Dematerialised Form.**

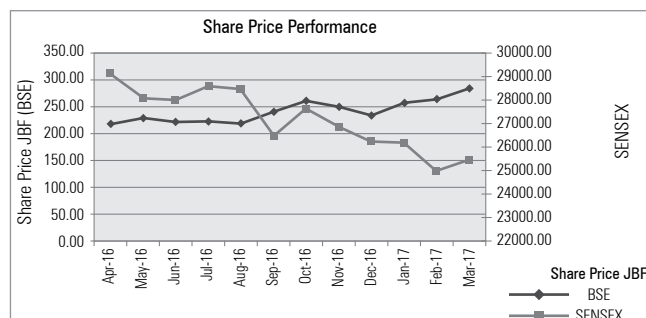
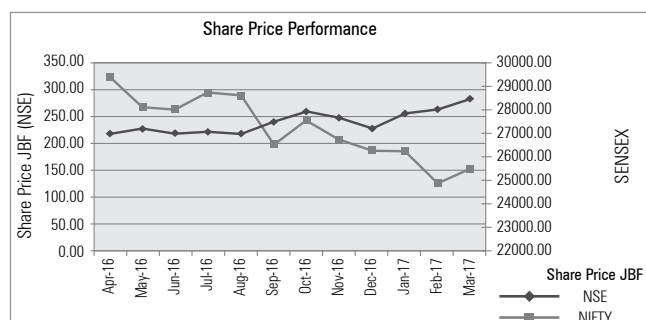
Index of Share Prices [ High & Low ] of the Company during the Year on the BSE & NSE :

Month	BSE		NSE	
	High	Low	High	Low
April 2016	220.00	183.00	219.80	183.00
May 2016	228.50	201.50	229.00	201.30
June 2016	220.90	195.80	220.70	193.85
July 2016	222.90	190.50	223.45	190.00
August 2016	219.45	195.95	219.70	196.10
September 2016	241.00	195.90	241.35	197.55
October 2016	260.10	223.55	260.75	223.00
November 2016	250.00	185.90	250.00	185.00
December 2016	234.00	191.00	228.90	195.10
January 2017	257.00	207.00	257.30	205.30
February 2017	264.05	218.75	264.90	218.70
March 2017	283.75	239.65	284.00	238.80

Source : website of BSE &amp; NSE

**Stock performance:**

The average daily turnover of the equity shares of the company during the financial year 2016-2017 is as follows:

**BSE : 35778****NSE : 122553****JBF Share Price at BSE****JBF Share Price at NSE****Outstanding Adrs/ Gdrs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:**

Not applicable.

**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Board of Directors of the Company had formulated Risk Management Plan. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which is subject to review by the Management and is required to be placed before the Board on an annual basis. In line with the requirements of the Regulation 17(9) of the SEBI (LODR) Regulations, 2015, the Audit Committee and the Board of Directors reviewed the Management perception of the risks faced by the Company and measures taken to minimize the same. The details of Hedged and Unhedged Foreign Currency exposure as on 31st March, 2017 are disclosed in Financial Statements.

**Plant Location**

- Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa.
- 156/2, Village Saily, Saily-Rakholi Road, Dadra & Nagar Haveli, Silvassa.
- Plot No. 11 and 215 to 231, Sarigam GIDC Indl. Area, Tal : Umbergaon, Sarigam, Vapi, Gujarat

**Address for Correspondence****Corporate Office :**

8th Floor Express Towers  
Nariman Point, Mumbai – 400 021.  
Tel Nos : 22 88 59 59 Fax No : 22 88 63 93

**E-mail Address for Investor Grievance & Correspondence:**

sec.shares@jbfmail.com

Website : [www.jbfindia.com](http://www.jbfindia.com)

**Compliance with mandatory requirements**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**DISCRETIONARY REQUIREMENTS- PART E OF SCHEDULE II****1. The Board**

The Company has an Executive Chairman whose office is maintained by the Company at its expenses. The travelling and other expenses of the Chairman for office purposes are paid / reimbursed by the Company.

**2. Shareholder Rights**

The quarterly and half yearly financial performance results are published in the newspapers and are also posted on the website (www.jbfindia.com) of the Company and hence, it is not being sent to the shareholders separately.

**3. Audit qualifications**

The Company's Standalone Financial Statement for the year ended 31st March, 2017 does not contain any audit qualification.

**4. Separate posts of Chairman and CEO**

The Company has an Executive Chairman whose position is separate from that of the Managing Director & CEO of the Company.

**5. Reporting of Internal Auditor**

The Internal Auditor presents his report to the Audit Committee on quarterly basis.

**Compliance Certificate**

A Certificate from the Auditors of the Company regarding compliance of condition of corporate governance for the year ended on 31st March, 2017, as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the Directors' report.

**Declaration on Compliance with the Company's code of conduct**

I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company, for the financial year ended 31st March, 2017.

**Rakesh Gothi**  
CEO & Managing Director  
DIN : 00229302

Place: Mumbai

Dated: 30th May, 2017

**AUDITOR'S CERTIFICATE OF CORPORATE GOVERNANCE**

To, The Members,  
JBF Industries Limited

We have examined the compliance of conditions of Corporate Governance by JBF Industries Limited ('the Company'), for the year ended 31st March 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

**MANAGEMENTS' RESPONSIBILITY**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**OPINION**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2017 other than having four independent directors as against minimum five directors due to the resignation of one of the independent directors and the Company is in the process of filling the vacancy as per regulation 25(6) of Listing Regulations.

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.

**For CHATURVEDI & SHAH**  
Chartered Accountants  
(Firm Registration No.: 101720W)

**R.KORIA**  
Partner  
Membership No. 35629

Place: Mumbai

Dated: 30th May, 2017

## ANNEXURE NO - I

### BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2017

**[Pursuant to Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, as amended]**

JBF Industries Limited (JBFIL) is having a core business in Polyester Yarn with backward and forward integration with a legacy of over Three decades. Among the Indian corporates, JBFIL believes in inclusive growth with adopted philosophy of growth touching broad aspects of environment and life. JBFIL is having its own strength in polyester business to create value for the nation and quality life and environment across the socio-economic band.

The Business Responsibility disclosures in this Report illustrate our efforts towards creating value for all stakeholders in a responsible manner. This Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs, and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Report provides an overview of the activities carried out by JBFIL under each of the nine principles as outlined in NVG.

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) : L99999DN1982PLC000128
2. Name of the Company : JBF Industries Limited
3. Registered Address : Survey No. 273, Village Athola, Silvassa – 396 230 Dadra and Nagar Haveli
4. Website : www.jbfindia.com
5. E-mail id : sec.shares@jbfmail.com
6. Financial Year reported : April 1, 2016 to March 31, 2017
7. Sector(s) that the Company is engaged in (industrial activity code wise):

NIC Code	Description
201	Manufacture of Plastic in primary forms
203	Manufacture of Man made fibers

8. List three key product/services that the Company manufactures/provides (as in balance sheet):

(a) Polyester Chips (b) Polyester Yarn (c) Polyester Processed Yarn

9. Total number of locations where business activity is undertaken by the Company

(a) Number of International Locations (Provide details of major 5)

On standalone basis, the Company does not have any manufacturing unit outside India.

(b) Number of National Locations :

JBFIL has business activity carried out in Five domestic locations. The manufacturing plants are situated at Athola and Saily (at Silvassa, Union Territory of Dadra and Nagar Haveli) and GIDC Sarigam (Gujarat). The Company has its Corporate Office at Mumbai (Maharashtra) and Marketing Office at Surat (Gujarat).

10. Markets served by the Company – Local/State/National/International

JBFIL is serving 72% of its sale in Local/State/National market and remaining 28 % of its sale is in international market covering 36 Countries Worldwide as on 31st March 2017.

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital (INR) : ₹ 81.87 Crore
2. Total turnover (INR) : ₹ 4,271.45 Crore
3. Total profit after taxes (INR) : ₹ 35.63 Crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

JBFIL has given commitment after assessment and coordination with respective agency of 2% of Net profit as per CSR norms covered under the Companies Act, 2013. During the year under review, the Company has spent an amount of ₹ 101.90 Lakh (out of earlier brought forward amount of earlier CSR budget) on CSR activities.

5. List of activities in which expenditure in 4 above has been incurred:-

The company is focusing on Toilet Construction in Backward area under Swachh Bharat Abhiyan, Rural Development, Healthcare, Education, and Environment etc. and incurred major expenditure in above area.

#### SECTION C : OTHER DETAILS

1. Does the Company have any Subsidiary Company / Companies?

Yes, the Company has one direct subsidiary, viz JBF Global Pte Ltd which has Seven (7) subsidiaries (including step-down subsidiaries) as follows:

- a. JBF Petrochemicals Limited
- b. JBF RAK LLC
- c. JBF Bahrain S.P.C
- d. JBF Global Europe BVBA
- e. JBF Trade Invest Pte Ltd
- f. JBF America INC
- g. JBF Bio Glicols Industria Quimica Ltda

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes. The Company encourages its subsidiary companies to participate in the BR Initiatives of the parent company to the extent practicable.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No. Other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, do not participate in the BR initiatives of the Company.

## SECTION D: BR INFORMATION

**1. Details of Director/Directors responsible for BR**

**(a) Details of the Director/Director responsible for implementation of the BR policy/policies**

<b>DIN Number</b>	<b>00229302</b>	<b>00232130</b>
<b>Name</b>	Mr. Rakesh Gothi	Mr. Nilesh Kantil Shah
<b>Designation</b>	CEO & Managing Director	Director-Commercial

**(b) Details of the BR head :**

<b>No.</b>	<b>Particulars</b>	<b>Details</b>	
1	DIN Number (if applicable)	00229302	00232130
2	Name	Mr. Rakesh Gothi	Mr. Nilesh Kantil Shah
3	Designation	CEO & Managing Director	Director-Commercial
4	Telephone number	022-22885959	0260-2642745
5	e-mail id	sec.shares@jbffmail.com	sec.shares@jbffmail.com

**2. Principle-wise (as per NVGs) BR Policy/policies**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the wellbeing of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: Businesses should respect and promote human rights

Principle 6: Business should respect, protect, and make efforts to restore the environment

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

**(a) Details of compliance (Reply in Y/N)**

<b>Sr. No.</b>	<b>Questions</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
1	Do you have a policy/ policies for....	Yes	No	No	Yes	No	Yes	No	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	No	No	Yes	No	Yes	No	Yes	Yes
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Yes	No	No	Yes	No	Yes	No	Yes	Yes
		The policies conform to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, to name a few. These policies reflects JBF group's commitment to improve the quality of life of the communities it serves and practice of returning to the society what it earns. The Company believes that these policies are adequately addressing the respective principles under NVG, as far as practicable and the policies are open for amendments as and when felt necessary.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	No	No	Yes	No	Yes	No	Yes	Yes
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	No	No	Yes	No	Yes	No	Yes	Yes
6	Indicate the link for the policy to be viewed online?	These policies are for internal circulation to JBF Employees.								

7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an on-going process to cover all the internal and external stakeholders based on their relevance.								
8	Does the Company have in-house structure to implement the policy/ policies.	Yes	No	No	Yes	No	Yes	No	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Yes	No	No	Yes	No	Yes	No	Yes	Yes
		The whistle blower and vigil mechanism provides a platform to the employees to report any concerns or grievances pertaining to any potential or actual violation of declared policies and principles of the Company. Investor Grievance Mechanism is in place to respond to investor grievances. Ongoing communication with the customers, suppliers, vendors, dealers captures and resolves their concerns and grievances on product and service quality and other issues of interest to them.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	No	No	Yes	No	Yes	No	Yes	Yes
		The implementation of the policies are reviewed internally and externally. Internally, the Company has CSR Committee and Risk Management Committee to evaluate working and implementation and externally, the Internal Auditors assesses the Quality, Safety & Health and Environmental policies and HR/Personnel practices as part of certification process.								

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task		✓			✓				
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify) *Need for a written policy was not felt. Suitable decision for a written policy will be taken at appropriate time. **Not Applicable. The Company is not engaged in influencing public and regulatory policy.			*✓				**✓		

### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year : Quarterly

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Company is publishing Business Responsibility Report (BRR) as a part of Annual Report, since BRR being applicable to the Company. BRR is published on annual basis. It is also available on the Company's website <http://www.jbfindia.com>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

Anti-Corruption Compliance Policy of the Company is applicable to all directors, officers, employees, agents, representatives and other associated persons of the Company. The Company encourages its Suppliers, Contractors, Vendors and other associates to govern themselves with ethics, transparency and accountability.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No stakeholder complaints were received during the year on the conduct of business involving ethics, transparency and accountability.

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

JBFIL is a leading manufacturer of Polyester Chips, POY, FDY & Processed Polyester Yarns in India and has played a significant role over the years in contributing to the economic growth of the communities surrounding its operations and in general the nation also. The Company is fully aware of its responsibility as a growth promoter and is continuously engaged with all the stakeholders for the growth of all concerned. The Company is also aware of the environmental impacts caused during production and lifecycle of its products and continually strives to innovate to reduce and minimize the adverse impacts.

The company has adopted technology for minimizing the waste generation to reduce the adverse impact on social and environmental components.



**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

JBFIL is conscious of its resources requirements and continuous effort is being made to reduce the resources inputs like water electricity/fuel and raw material in all the three manufacturing locations. To reduce water consumption the company is recycling part of its treated waste water for manufacturing purpose.

JBFIL works continuously with its suppliers and vendors to reduce the environmental impacts in the sourcing stage. Use of returnable and recyclable packing solutions for most of the components has been a key initiative to manage cost and quality, reduce material use and avoid waste generation.

**(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The company is manufacturing industrial products hence it is not feasible to measure the usage of water and energy by consumers. The company is having a technical team to support the customer to improve the efficiency and runability as and when required.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

**(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

All the manufacturing activity are in compliance with ISO 14001 (Environment Management Systems). All the manufacturing is continuous to reduce Raw Material Wastage and improve product yield. The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing. Significant measures have been taken to reduce the packaging impacts in the supply chain by using recycled/returnable packaging solutions for various components sourced. Transportation and logistics optimization is an ongoing activity to reduce the related environmental impacts..

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

**(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company is procuring most of its packing and consumable related resource requirement from the local and small producers. Many of the services are also outsourced to local small scale enterprises at all the three locations. The company has initiated and engaged local villagers and small businesses around its plant in productive employment through vehicle hiring, material handling, house-keeping etc. since the inception. Today such villagers are owner of more than one vehicle and also the some of the small enterprises now becomes the entrepreneur. Thus company has promoted entrepreneurship for the local and small producer including communities.

**5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

It is ongoing process to have a mechanism to reduce, to recycle and to reuse the available resources. JBFIL is adopting the process technology and operational control measures which leads to minimize the generation of process waste. In spite of control, the nature of operation is generating some amount of waste which is unavoidable. Such process waste and waste oil is recycled through authorized re-processors.

The company is generating water during the process of polymerization as waste water which has been treated and recycled for makeup of cooling tower as well as green belt development. The company is having primary, secondary and tertiary treatment facilities at all the three locations and ensuring that quality of the effluent meets or is better than the prescribe standard .The company is reducing 25% of its fresh water requirement by recycling.

**Principle 3: Businesses should promote the well-being of all employees.**

1. Please indicate total number of employees: 4644

2. Please indicate total number of employees hired on temporary / contractual / casual basis: 1416

3. Please indicate the Number of permanent women employees: 20

4. Please indicate the Number of permanent employees with disabilities : 2

5. Do you have an employee association that is recognized by the Management? No

6. What percentage of permanent employees is members of this recognized employee association? Not Applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees – 65 %

(b) Permanent Women Employees – 100 % (the women employees are employed at Corporate Office of the Company)

(c) Casual/Temporary/Contractual Employees – 65%

(d) Employees with Disabilities – 100 %

**Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its internal as well as external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes , through JBFIL Stakeholder engagement the disadvantaged, vulnerable & marginalized stakeholders are identified.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Our CSR programmes and projects are aimed at serving the deserving, socio-economically backward and disadvantaged communities aimed at improving the quality of their lives. JBFIL goes beyond its business activities to create societal impact through its CSR activities and is working towards disadvantaged, marginalized and vulnerable communities. The company is pursuing and promoting educations in institutions located at backward/tribal dominant populations/area. The company has also taken initiatives to empower some of the differentially enabled members of community. The Company has taken several initiatives designed to benefit disadvantaged, vulnerable and marginalised stakeholders such as elderly persons, differently abled persons, mentally challenged children. Further, the Company had also taken initiatives such as girl child education, construction of toilets and sanitation facilities and rural development projects under its CSR programs.

**Principle 5: Businesses should respect and promote human rights.**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

Although the Company does not have a policy on human rights, the Company respects the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups. The Company encourages its subsidiaries and its Suppliers, Contractors, Vendors and other associates for the same, to the extent practicable.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During the financial year 2016-17, the Company did not receive complaints from any stakeholders other than its shareholders, all of which were resolved by the management. The Company has a grievance redressal mechanism to respond to any complaints/grievances from the investors and other stakeholders in a timely and appropriate manner.

**Principle 6: Businesses should respect, protect and make efforts to restore the environment.**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.**

The Company's Policy on Safety, Health and Environment extends to the Company and its subsidiaries to the extent practicable. The Company encourages its Suppliers, Contractors, Vendors and other associates to respect, protect and make efforts to restore the environment.

**2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyper-link for webpage etc.**

No.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes. JBFIL has an Environmental Policy which guides the Company's efforts to manage its environmental impacts and continually improve its environmental performance. All manufacturing plants in India are certified to ISO 14001 Environmental Management Systems (EMS) standard. As part of EMS implementation potential environmental risks are identified and appropriate mitigation strategies are planned. For any new and upcoming project potential environment risk are identified while preparing environment assessment and also mitigated through incorporation of environment management plan. There is regular provision of environmental audit which help further in identification of risk and corrective actions are taken to mitigate the same. The company is having environment management system and integrated quality and safety management system.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No.

**5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

No.

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. The Company is in compliance within the prescribed permissible limits as per CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

**1. Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.**

The Company is a Member of :

- (a) Indian Merchant Chamber
- (b) Association of Synthetic Fibre Industry

**2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No. The Company is not engaged in influencing public and regulatory policies.

**Principle 8: Businesses should support inclusive growth and equitable development.**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, the Company has formulated a well-defined CSR policy, which focuses on Education, Health care, Swachh Bharat Abhiyan and conserving environment. JBFIL under took CSR activities like toilet construction, promoting education, rural development, conserving environment etc. JBFIL believes in creating opportunities of the people around there operation enable a sustainable future and ensure inclusive growth.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

CSR Programmes and Projects are deployed by company directly through its in house team.



**3. Have you done any impact assessment of your initiative?**

Yes. The impact assessment for CSR Initiatives is been carried out through external agencies to evaluate the impact made on the lives of beneficiary and also to facilitate the decision making process.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

During the year under review, the Company has spent an amount of ₹ 101.90 Lakh (out of earlier brought forward amount of earlier CSR budget) on CSR activities mainly on education, health care, toilets construction, vocational training like skill enhancement activity, computer education etc. for rural woman, senior citizen and school children. During the F.Y.2014-15 the company had allocated and committed ₹ 52 Lakh and in the F.Y. 2015-16 ₹ 223 Lakhs on CSR activities. During F.Y. 2016-17, the Company has made a commitment of ₹ 234 Lakhs.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, the Company has taken steps to ensure that the community initiatives benefit the community. Projects such as toilets construction and supporting Swachh Bharat Abhiyan, vocational training like skill enhancement activity, computer education etc. for rural woman, senior citizen and school children evolve out of the felt needs of the communities. The Communities actively work together with the Company and derives valuable benefits.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.****1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

The Company has a separate technical team to attend customer complaint. The company has received 281 nos of customer complaint during the F.Y.2016-17, out of which 272 Nos. of complaints were successfully resolved at the end of FY 2016-17. Subsequently, most of this complaint have been resolved.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A. /Remarks (additional information)**

JBFIL adheres to all the statutory Product labeling requirement and display the product information.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior against JBFIL in the last five years.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

JBFIL organized the customer meet along with the managers/plant personnel of the customer and create the open form discussions for the further improvisation in products and services. Technical team of JBFIL regularly visiting and interacting with the plant personnel of the customers for direct feedback on customer requirement and satisfaction.

## ANNEXURE NO - II

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017.

[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 :

i) CIN : -	: L99999DN1982PLC000128
ii) Registration Date	: 12 <sup>th</sup> July, 1982
iii) Name of the Company	: JBF Industries Limited
vi) Category/Sub-Category of the Company	: Company limited by Shares / Non-govt company
v) Address of the Registered office and contact details	: Survey No. 273, Village Athola Silvassa-396 23. (India). Tel. : +91-0260-2642745/46 Fax : +91-0260-2642297 E-mail : sec.shares@jbfmail.com
vi) Whether listed Company	: Yes / <del>No</del>
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: Link Intime India Pvt. Ltd., C 101, 247 Park, L B S Marg, Vikhroli (W), Mumbai – 400 083 Tel. No. +91 022 49186270. E-mail id: rnt.helpdesk@linkintime.co.in

#### 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	Polyester Chips	302.90	52.47
2	Partially Oriented Yarn / Fully Drawn Yarn / Polyester Texturised Yarn / Flat Yarn	247.10	47.17

#### III. Particulars of holding, subsidiary and associate companies –

Sl. No.	Name and Address of the Company	CIN /GLN	Holding/ Subsidiary/ Associate	% of shares held	Application Section
1	JBF Global Pte Ltd 112 Robinson Road #05-01 Singapore 068902.  With its Subsidiaries JBF Trade Invest Pte Ltd JBF Petrochemicals Ltd JBF Bio Glicols Industria Quimica Ltda JBF RAK LLC JBF Global Europe BVBA JBF Bahrain S.P.C JBF America INC	201435082W	Subsidiary	85.50%	2(87)ii

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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
a) Individual/HUF	31420313	0	31420313	38.38	31440313	0	31440313	38.40	+ 20000
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corp.	3906304	0	3906304	4.77	3906304	0	3906304	4.77	0
e) Banks /FI	0	0	0	0.00	0	0	0	0.00	0
f) Any Other	0	0	0	0.00	0	0	0	0.00	0
<b>Sub-Total (A) (1):-</b>	<b>35326617</b>	<b>0</b>	<b>35326617</b>	<b>43.15</b>	<b>35346617</b>	<b>0</b>	<b>35346617</b>	<b>43.17</b>	
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter</b>									
<b>(A) = (A)(1) + (A)(2)</b>	<b>35326617</b>	<b>0</b>	<b>35326617</b>	<b>43.15</b>	<b>35346617</b>	<b>0</b>	<b>35346617</b>	<b>43.17</b>	

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	667	13500	14167	0.02	0	13500	13500	0.02	-667
b) Banks / FI	54909	712	55621	0.07	56616	712	57328	0.07	+1707
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance	2120487	0	2120487	2.56	2120487	0	2120487	2.59	0
g) FIs	7554997	0	7554997	9.18	236234	0	236234	0.29	-7318763
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
<b>Sub-Total (B)(1) :-</b>	<b>9731060</b>	<b>14212</b>	<b>9745272</b>	<b>11.83</b>	<b>2413337</b>	<b>14212</b>	<b>2427549</b>	<b>2.97</b>	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	21172031	190702	21362733	26.09	21751249	182952	21934201	26.79	+571468
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	5191249	815333	6006582	7.28	4379226	795933	5175159	6.32	-831423
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2660022	0	2660022	3.21	3244339	0	3244339	3.96	+584317
c) Qualified Foreign Inst.	0	0	0	0.00	0	0	0	0.00	0
d) Any Other									
i) N R I (Repat)	997112	1938	999050	1.20	1089827	1938	1091765	1.33	+92715
ii) N R N (Non Repat)	243260	0	243260	0.26	190833	0	190833	0.23	0
iii) Foreign Company	0	200	200	0.00	0	200	200	0.00	0
iv) Foreign Portfolio Inv.	4123326	0	4123326	5.31	10910029	0	10910029	13.33	+6786703
v) Clearing Members	367576	0	367576	0.45	563226	0	563226	0.69	+195650
vi) Hindu Undivided Fly	905987	0	905987	1.10	874207	0	874207	1.07	-31780
vii) Directors / Relatives	130970	200	131170	0.12	112970	200	113170	0.14	-18000
viii) Office Bearers	0	0	0	0.00	0	0	0	0.00	0
viii) Trusts	54	0	54	0.00	554	0	554	0.00	0
<b>Sub-Total (B)(2) :-</b>	<b>35791587</b>	<b>1008373</b>	<b>36799960</b>	<b>45.02</b>	<b>43116460</b>	<b>981223</b>	<b>44097683</b>	<b>53.86</b>	
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>45522647</b>	<b>1022585</b>	<b>46545232</b>	<b>56.85</b>	<b>45529797</b>	<b>995435</b>	<b>46525232</b>	<b>56.83</b>	
<b>Total (A) + (B)</b>	<b>80849264</b>	<b>1022585</b>	<b>81871849</b>	<b>100.00</b>	<b>80876414</b>	<b>995435</b>	<b>81871849</b>	<b>100.00</b>	
C. Shares held by Custodian for GDRs & ADRs									
1. Promoters	0	0	0	0.00	0	0	0	0.00	
2. Public	0	0	0	0.00	0	0	0	0.00	
<b>Sub-Total ( C )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	
<b>Grand Total (A + B + C)</b>	<b>80849264</b>	<b>1022585</b>	<b>81871849</b>	<b>100.00</b>	<b>80876414</b>	<b>995435</b>	<b>81871849</b>	<b>100.00</b>	

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of the total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of the total Shares of the Company	% of Shares Pledged / encumbered to total shares	%Change share holding during the year
1	Bhagirath Arya	27731175	33.87	8.30	27751175	33.90	93.14	0
2	Chinar Arya Mittal	1800000	2.20	0.00	1800000	2.20	0.00	0
3	Vaidic Resources Private Ltd	3906304	4.77	0.00	3906304	4.77	93.44	0
4	Cheerag Bhagirath Arya	1875060	2.29	0.00	1875060	2.29	0.00	0
5	Veena B Arya	14078	0.02	0.00	14078	0.02	0.00	0

## iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sr no	Shareholder's Name	Shareholding at the beginning of the year		Transaction Details			Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	Sales	Purchases	Date	No. of Shares	% of total shares of the Company
1	Bhagirath C. Arya	27731175	33.87	--	20000	17.10.2016 18.10.2016 21.10.2016 28.10.2016	27751175	33.90
2	Vaidic Resources Pvt Ltd	3906304	4.77	--	--	--	3906304	4.77
3	Cheerag B. Arya	1875060	2.29	--	--	--	1875060	2.29
4	Chinar Arya Mittal	1800000	2.20	--	--	--	1800000	2.20
5	Veena Arya	14078	0.02	--	*	*	14078	0.02

## iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	KKR JUPITER INVESTORS PTE LTD.	16374370	20.00	16374370	20.00
2	NEW HORIZON OPPORTUNITIES MASTER FUND	0.00	0.00	3225000	3.94
3	LIFE INSURANCE CORPORATION OF INDIA	2120487	2.59	2120487	2.59
4	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND	1798541	2.19	1798541	2.19
5	CRESTA FUND LTD	1781212	2.17	1658060	2.02
6	AADI FINANCIAL ADVISORS LLP	1519342	1.85	1603951	1.95
7	ERISKA INVESTMENT FUND LTD	1270000	1.55	1270000	1.55
8	RAJBHUSHAN BUDDHIRAJU	700000	0.85	955134	1.16
9	VALLABH ROOPCHAND BHANSALI	871400	1.06	871400	1.06
10	JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED – SOUTH ASIA ACCESS FUND	763336	0.93	763336	0.93

## (iv) INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2016)				
i) Principal Amount	1,453.43	302.98	--	1,756.41
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	6.97	--	--	6.97
<b>TOTAL (i + ii + iii)</b>	<b>1,460.40</b>	<b>302.98</b>	<b>--</b>	<b>1,763.38</b>
<b>Change in Indebtedness during the financial year</b>				
Addition in long term	125.10	181.73	--	306.83
Reduction in long term	(266.29)	(37.58)	--	(303.87)
Exchange Difference	(4.94)	--	--	(4.94)
Net changes in working capital	103.36	(206.73)	--	(103.37)
<b>Net Change</b>	<b>(42.77)</b>	<b>(62.58)</b>	<b>--</b>	<b>(105.35)</b>
<b>Indebtedness at the end of the financial year (31.03.2017)</b>				
i) Principal Amount	1,410.66	240.40	--	1,651.06
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	8.25	--	--	8.25
<b>TOTAL (i + ii + iii)</b>	<b>1,418.91</b>	<b>240.40</b>	<b>--</b>	<b>1,659.31</b>

## vi) Shareholding of Directors and Key Managerial Personnel

Sr no	Shareholder's Name	Shareholding at the beginning of the year		Transaction Details	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	Bhagirath Arya	27731175	33.87	--	27751175	33.90
2	Rakesh Gothi	40770	0.04	--	22700	0.02
3	Veena Arya	14078	0.02	--	14078	0.02
4	Nilesh Kantil Shah	7700	0.00	--	7700	0.00
5	Sunil Diwakar	25000	0.03	--	25000	0.03
6	Baldev Raj Gupta	12000	0.01	--	12000	0.01
7	Prakash Mehta	45000	0.05	--	45000	0.05
8	Nikhil Srivastava	0	0.00	--	0	0.00
9	Vijay S Bapna	0	0.00	--	0	0.00
10	Ujjwala G. Apte, Company Secretary & Compliance Officer	54456	0.06	--	54456	0.06

## vii). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A ) Remuneration of Directors and KEY Managerial person

No.	Particulars of Remuneration	Name of MD /WTD /Manager			Total Amount (₹ in Lakh)
		Mr. B.C.Arya	Mr. Rakesh Gothi	Mr. N.K.Shah	
1	Gross Salary Salary as per provisions contained in sec.17(1) of the Income Tax Act 1961 Value of perquisites u/s 17(2) of the Income Tax Act 1961 Profits in lieu of salary under section 17(3) of the Income Tax Act 1961	520.59 48.64 --	90.49 6.73 --	46.44 3.73 --	657.52 59.10 --
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission as % of profit others, specify	--	--	--	--
5	others, please specify	--	--	--	--
	<b>Total</b>	<b>569.23</b>	<b>97.22</b>	<b>50.17</b>	<b>716.62</b>

## B. Remuneration to Other Directors;

## 1. Independent Directors

No.	Particulars of Remuneration	Name of Directors					Total Amount (₹ )
		MR. Gupta	Mr. Mehta	Mr. Diwakar	Mr. Prabhakar	Mr. Bapna	
	Fee for attending Board/ Committee meetings	540,000	230,000	410,000	230,000	310,000	1,720,000
	Commission	--	--	--	--	--	--
	Others	--	--	--	--	--	--
	<b>Total</b>	<b>540,000</b>	<b>230,000</b>	<b>410,000</b>	<b>230,000</b>	<b>310,000</b>	<b>1,720,000</b>

## 2. Other Non Executive Director

No.	Particulars of Remuneration	Name of Director	Total Amount (₹ )
		Mrs. Arya	
	Fee for attending Board/ Committee meetings	200,000	200,000
	Commission	--	--
	Others	--	--
	<b>Total</b>	<b>200,000</b>	<b>200,000</b>

**C. Remuneration To Key Managerial Personnel Other Than MD/MANAGER/WTD**

No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Kiran C. Vaidya CFO (upto 31.05.2016)	Mr. Ajay Agarwal CFO (w.e.f 01.06.2016)	Mrs. Ujjwala Apte Company Secretary	
1	Gross Salary Salary as per provisions contained in sec.17(1) of the Income Tax Act 1961 Value of perquisites u/s 17(2) of the Income Tax Act 1961 Profits in lieu of salary under section 17(3) of the Income Tax Act 1961	10.94 0.33 --	31.37 0.18 --	33.96 0.14 --	76.27 0.65 --
2	Stock Option	--	--	--	--
3	Sweat Equity				
4	Commission	--	--	--	--
	as % of profit				
	others, specify				
5	others, please specify	--	--	--	--
	<b>Total</b>	<b>11.27</b>	<b>31.55</b>	<b>34.10</b>	<b>76.92</b>

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**ANNEXURE B TO THE DIRECTORS REPORT****DISCLOSURES UNDER RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014 (AS AMENDED)**

A. PARTICULARS OF TOP TEN EMPLOYEES EMPLOYED THROUGHOUT THE FINANCIAL YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION FOR FINANCIAL YEAR IN THE AGGREGATE OF NOT LESS THAN RS. 1,02,00,000/-

Sr.no	Name	Designation	Nature Of Employment	Age (Years)	Qualification	Experience (Years)	Last Employment Held & Designation	Date Of Commencement Of Employment	Remuneration (Gross)
1	MR. BHAGIRATH ARYA	EXECUTIVE CHAIRMAN	PERMANENT	67	B.E. ELECTRICAL	44	NOT APPLICABLE	8/10/1983	65,286,827
2	MR. RAKESH GOTH	MANAGING DIRECTOR & CEO	PERMANENT	68	B.TECH,MS, MBA	37	J.K. SYNTHETICS LTD	1/1/1997	11,182,729

**NOTES :**

1. REMUNERATION AS SHOWN ABOVE INCLUDES SALARY,ALLOWANCES,MEDICAL BENEFITS,CONTRIBUTION TO PROVIDENT FUND, SUPERANNUATION SCHEME AND OTHER PERQUISITES.

### Annexure No - III

#### Annexure To The Director's Report

The disclosures under section 135 of the Companies Act, 2013, read with the rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure to the Directors' Report.

In line with the requirements of the Companies Act, 2013, the Board on 15th May, 2014 has constituted a CSR Committee. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be under taken by the Company, monitoring the implementation of the framework of CSR Policy and recommending the amount to be spent on CSR activities.

The Company's CSR Policy framework formulates the mechanism for undertaking various programs in accordance with Section 135 of The Companies Act, 2013 for the benefits of community.

#### The Composition of the CSR Committee:

The CSR Committee of the Board consists Mr. Rakesh Gothi, Mr. N. K. Shah, who are wholetime Directors of the Company and Mr. B R Gupta, an Independent Director of the Company. The Chairman of the Committee is Mr. Rakesh Gothi.

Average net profit of the Company for last three financial years : ₹ 116.83 Crore

Total Budget for CSR expenditure for the Financial Year is ₹ 234.00 lakh.

Already committed for various CSR activities as above ₹ 234.00 lakh.

Expenditure made from April, 2016 to March, 2017 is Nil.

Balance to be spent ₹ 299.32 lakh.

#### Details CSR expenditure / spent during the financial year:

- Promoting preventive health care
- Rural Sanitation project under Prime Minister Swatcha Bharat Abhiyan constructing toilets.
- Promotion education.
- Donating for hostel for women.
- Rural development projects by creating community crematorium.
- Manner in which the amount contributed / spent during the financial year is detailed below:

Sr. No.	PROJECT DESCRIPTION	GEOGRAPHICAL AREAS WHERE PROJECT WAS IMPLEMENTED	OUTLAY # (PROGRAMME/ PROJECT WISE)	EXPENDITURE ON PROGRAMME OR PROJECT	UNUTILISED AMOUNT	MODE OF IMPLEMENTATION (DIRECT OR THROUGH IMPLEMENTING AGENCIES)
1	Promoting Health Care, sanitation and making available safe drinking water.	Athola, Silvaasa Dadra and Nagar Haveli	₹ 1,00,000	Nil	₹ 1,00,000	Direct Expenditure
2	Rural sanitation project under Prime Ministers Swachh Bharat Abhiyan (180 Toilets to be constructed in rural area)	Athola, Silvaasa Dadra and Nagar Haveli	₹ 41,50,000	Nil	₹ 41,50,000	Direct Expenditure
3	Promoting education, including special education and employment enhancing vocation skilld especially among children, women, elderly and differently abled and livelihood enhancement projects.	Sarigam, Umbergaon Taluk, Valsad District, Gujarat.	₹ 15,000,000	Nil	₹ 15,000,000	SSR Memorial Trust.To School Trust. Lions Club of Silvassa. Dayanand Vidyapeeth Multipurpose vocational/ education centre at Sarigam.
4	Promoting gender equality empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Silvaasa Dadra and Nagar Haveli	₹100,000	Nil	₹ 100,000	Samarvarni Gram Panchayat
5	Rural development projects Community crematorium in Silvassa. (Operation and Maintaince)	Silvaasa Dadra and Nagar Haveli	₹ 3,00,000	Nil	₹ 3,00,000	Village Crematorium
6	Environment sustainability and ecological balance	Silvaasa Dadra and Nagar Haveli	₹ 30,00,000	Nil	₹ 30,00,000	Environment Sustainbilty
7	Audit Fees and Salary of Personnel	--	₹ 750,000	Nil	₹ 750,000	--
	<b>Total</b>		<b>₹ 23,400,000</b>	<b>Nil</b>	<b>₹ 23,400,000</b>	<b>--</b>

#### Reasons for not spending the stipulated CSR expenditure:

The balance amount to be spent is ₹ 299.32 lakh. The Company was not able to spend the amount due to adverse market conditions and reduced margins in addition to the effects of demonetization. Cash flow of the Company was also affected. Hence, the management proposed to defer the CSR expenditure.

The Company has already committed the expenses towards CSR activities like promoting health care, sanitation work and also for the implementation of multipurpose vocational/education centre. This payment would be done in the financial year 2017-18 as and when required with the progress of the project.

#### Responsibility Statements :

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company"

**Rakesh Gothi**  
Managing Director  
Chairman, CSR Committee

**FORM NO.MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year ended 31st March, 2017**

To,  
 The Members,  
 JBF Industries Limited  
 Survey No. 273,  
 Village Athola, Silvasa,  
 Dadar Nagar Haveli - 396230.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JBF Industries Limited (CIN: L99999DN1982PLC000128) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the Financial year ended 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, Statutory Register and returns filed and other records maintained by Company as given in Annexure I, for the period ended on as stated above 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) 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable to the Company during the Audit period.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (- Not applicable to the Company during the Audit period.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the Audit period.
  - (f) 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 -
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the Audit period.
  - (i) The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015,

- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines. Annexure II.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, entered into by the Company with BSE Limited and National Stock Exchange India Limited;

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

**We further report that,** having regard to the Compliance system prevailing in the Company and examination of relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Company:

1. Factory License Act, 1948 – The application for renewal was filed on 31st August, 2016 and the same is under process

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

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

All decisions at Board Meetings and Committee Meeting are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that during the F.Y. 2016-17, a separate meeting of Independent Directors was held, as per the provisions of Schedule IV to the Companies Act, 2013, however the meeting being confidential the minutes of the same were not placed before us for the audit.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines. We do not report on financial transactions, defaults in repayment of any loan/ debts or deposits/ interest thereon, if any, as the same is either carried out by the Statutory Auditors/ Internal Auditors and other designated professional/s.

**FOR JAGDISH PATEL & CO.**  
 Unique Code No.: P1991GJ052300  
 Company Secretaries,

Partner  
 Place: Mumbai  
 Date : 30th May, 2017

This Report to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.



**'Annexure A'**

To,  
The Members,  
JBF Industries Limited  
Survey No. 273,  
Village Athola, Silvassa,  
Dadar Nagar Haveli 396230

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

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

**FOR JAGDISH PATEL & CO.**  
Unique Code No.: P1991GJ052300  
Company Secretaries,

Partner  
Place: Mumbai  
Date : 30th May, 2017

**Annexure -I****List of documents Verified**

- 1 Memorandum & Articles of Association of the Company.
- 2 Annual Report for the Financial year ended 2016.
- 3 Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, finance Committee and CSR Committee, Investment Committee along with Attendance Register held during the financial year under report.
- 4 Minutes of General Body Meetings held during the financial year under report.
- 5 Statutory Registers.
- 6 Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings
- 7 Declarations received from the Directors of the Company pursuant to the provisions of Section 149,164 & 184 of the Companies Act, 2013.
- 8 Intimations received from directors under the prohibition of Insider Trading Code.
- 9 e-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report
- 10 Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the Regulations of SEBI(LODR) Regulations, 2015 during the financial year under report.
- 11 Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines and for Overseas Direct Investments made by the Company.
- 12 Documents related to payments of dividend made to its shareholders during the financial year under report.
- 13 Applicability of provisions of Section 188 & 189 of Companies Act, 2013 related to Related Party Transactions.

**Annexure -II****• Registered office:**

Survey No. 273, Village Athola, Silvassa, Dadar Nagar Haveli 396230

**• Corporate office:**

8th Floor, Express Tower, Nariman Point, Mumbai 400021

**• Plants:**

1. Saily Plant: Plot No 156/2, Saily Rakholi Road, Village Saily, Silvassa Dadar Nagar Haveli 396230
2. Athola Plant: Survey No 273, Umerkuin Road, Village Athola, Dadar Nagar Haveli 396230
3. Sarigam Plant: Plot No 11&215 to 231, GIDC Industrial Estate, Sarigam, Dist Valsad 396155

**List of applicable laws to the Company:**

1. Income tax Act, 1961
2. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013
3. Foreign Exchange Management act, 1999
4. Maternity Benefit Act, 1961
5. Workmen's Compensation Act,
6. Payment of Gratuity Act,
7. Payment of Bonus act, 1965
8. Provident Fund Act, 1975
9. Industrial Disputes Act, 1947
10. Air (Prevention and control of Pollution) & Water (Prevention and control of Pollution)
11. Apprentices Act, 1961
12. Contract Labour (Regulation and Abolition) Act, 1970
13. Factories Act, 1948
14. Shops & Establishments Act
15. Minimum Wages act, 1948
16. Payment of Wages Act. 1936
17. Employees' State Insurance Act, 1948
18. Industrial Employment (Standing Orders) Act, 1946
19. Equal Remuneration Act, 1976
20. Employment Exchange (Compulsory Notification of Vacations) Act, 1956
21. Acts prescribed under Environmental Protection
22. Profession Tax Act, 1975
23. Value Added Tax (VAT)/ Central Sales Tax (CST)
24. Services Tax Act
25. Central Excise Act, 1944

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under

(₹ In Lakh)

Sl. No	Name of Director/KMP	Designation	Remuneration of Director/KMP for the financial year 2016-17	% increase/(Decrease) in remuneration in the financial year 2016-17	Ratio of remuneration of each Director/to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. Bhagirath Arya	Executive Chairman	652.87	8.14%	256.03	Profit before tax decreased by 42.43 % and Profit after tax decreased by 42.28 % in the financial year 2016-17 as compared to previous year
2	Mr. Rakesh Gothi	Managing Director	111.83	13.63%	43.85	
3	Mr. N.K. Shah	Director- Commercial	50.40	26.16%	19.76	
4	Mrs. Veena Arya	Non-Executive and Promoter	**	**	**	**
5	Mr. B.R. Gupta	Non-Executive Independent Director	**	**	**	**
6	Mr. Prakash Mehta	Non-Executive Independent Director	**	**	**	**
7	Mr. Sunil Diwakar	Non-Executive Independent Director	**	**	**	**
8	Mr. Brij Mohan Bansal	Non-Executive Independent Director	**	**	**	**
9	Mr. B.A Prabhakar	Non-Executive Independent Director	**	**	**	**
10	Mr. Nikhil Kumar Srivastava (From-28.12.2015)	Additional Director	**	**	**	**
11	Mr. Vijay S Bapna (From-28.12.2015)	Additional Independent Director	**	**	**	**
12	Mr. Kiran Vaidya (till 31.05.2016)	Chief Financial Officer	11.30	**	**	**
13	Mr. Ajay Agrawal ( From 01.06.2016)	Chief Financial Officer	36.52	--	--	
14	Mrs. Ujjwala Apte	Company Secretary	34.48	27.51%	11.51	Profit before tax decreased by 42.43 % and Profit after tax decreased by 42.28 % in the financial year 2016-17 as compared to previous year

\*\* Only sitting fee paid Non-Executive Independent Director and detail are given in Corporate Governance.

**ii) Percentage increase in the median remuneration of all employees in the financial year 2016-17**

The median remuneration of employees of the Company during the financial year was Rs 2.55 lakh. In the financial year, there was an increase of 10% in the median remuneration of employees

**iii) Number of permanent employees on the rolls of Company as on 31st March 2017:**

There were 3188 permanent employees on the rolls of Company as on 31 March 2017.

**iv) Relationship between average increase in remuneration and company performance:**

Average percentage increase in the salaries of the employees was about 10 % for the year 2016-17 .The profit before Tax for the financial year ended 31 March 2017 decreased by 42.43% . The remuneration was in line with the performance of the Company and linked to the individual performance apart from the performance of the Company.

**v) The Key parameters for the variable component of remuneration:**

The Key parameters for the variable component of remuneration availed by the Key Managerial Personnels (KMP) are the overall financial performance of the Company, initiative taken by the KMPs, the responsibility accepted and their performance during the year. These parameters are approved by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and subject to the limit prescribed in the resolution passed by the shareholders in their meeting.

The Company pays only sitting fees to the Non Executive and Independent Directors. The commission is paid only to the Executive Chairman depending upon the performance of the Company, subject to a limit exceeding 1 % p.a of the profit of the Company calculated as per the norms prescribed in the Companies Act, 2013, and the limit approved by the shareholders in their meeting.

vi) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.

Particular	As on 31st March,2017	As on 31st March,2016	As on last Offer as on 10/06/2005	Percentage Increased
Market Captlization	227480.93 Lakh	149620.80 Lakh		52.04%
PE	63.87	20.65	**	209.30%
Market Quotation of Equity Share	₹ 277.85	₹ 182.75	₹ 157.15	52.04%

## INDEPENDENT AUDITOR'S REPORT (STANDALONE)

TO

THE MEMBERS OF JBF INDUSTRIES LIMITED

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of JBF Industries Limited ("the Company"), which comprise the Balance sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS financial statements").

### Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued there under.

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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS 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 of the Standalone Ind AS financial statements 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 Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Standalone Ind AS 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 Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to the

- (i) Note 12.1 to the Standalone Ind AS financial statements regarding trade receivables amounting to ₹ 42.26 Crore due from parties in respect of which Company has initiated legal proceedings and a provision of ₹ 31.99 Crore has been considered sufficient by the management.

- (ii) Note 15.3 to the Standalone Ind AS financial statements regarding Inter-Corporate Deposits and interest accrued and due thereon aggregating to ₹ 96.93 Crore due from certain parties in respect of which Company has initiated legal proceedings (including winding up petitions against few of them) and has considered the same good for recovery and no provisions for doubtful debts has been considered necessary, by the management, for the reasons stated therein.
- (iii) Note 33.1 to the Standalone Ind AS financial statements regarding managerial remuneration paid to the executive chairman which is in excess of the limits prescribed in the Act, is subject to central Government approval.

The matters described in paragraph (i) & (ii) above have uncertainty related to the outcome of the legal proceedings. Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our Information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31st March, 2017 on its financial position in its Standalone Ind AS financial statements as referred to in Note 12.1, 15.3 & 38 to the Standalone Ind AS financial statements;
  - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2017.
  - iv. The Company has provided requisite disclosures in its Standalone Ind AS financial statements as regards to its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedure performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" hereto, a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

For Chaturvedi & Shah

Chartered Accountants  
(Firm Registration No. 101720W)

R. Korla

Partner

Membership No.: 35629

Place: Mumbai

Date: 30th May, 2017

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date on the Standalone Ind AS financial statements of JBF Industries Limited for the year ended 31st March 2017)**

**Report on the Internal Financial Controls Over Financial Reporting 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 **JBF Industries Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of the Standalone Ind AS 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 ("the Guidance Note") 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.

### Auditor's 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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Standalone Ind AS 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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 31st March 2017, 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.

For Chaturvedi & Shah

Chartered Accountants

(Firm Registration No. 101720W)

R. Koria

Partner

Place: Mumbai

Date: 30th May, 2017

Membership No.: 35629

## ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

**(Referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Standalone Ind AS financial statements to the members of JBF Industries Limited for the year ended 31st March, 2017)**

i. In respect of its fixed assets:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- As explained to us, the fixed assets have been physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable, considering the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- According to the information and explanations given to us and based on the examination of the registered sale deeds and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:-

Particulars of land and building	Cost of the Property as at 31st March, 2017 (₹ In Crore)	Net Block as at 31st March, 2017 (₹ In Crore)
Building in Mumbai	0.09	0.07
Land at Silvassa	0.54	0.54

In respect of 9 immovable properties having the aggregate cost of Rs. 39.56 Crore, the original documents have been deposited with the lenders, we have been produced photocopy of documents for those immovable properties and based on such documents, the title deeds are held in the name of the Company.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company.

- As explained to us, inventories have been physically verified during the year by the management except material in transit and in our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.

iii. In respect of loans, secured or unsecured, granted by the Company to Companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. According to the information and explanation given to us:

- The Company has granted unsecured loans to two such Companies and in our opinion, the rate of interest as applicable and other terms and conditions on which the loans had been granted were not, prima facie, prejudicial to the interest of the Company.
  - The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and /or receipts of interest have been regular as per stipulations.
  - There are no overdue amounts as at the year-end in respect of both principal and interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 & 186 of the Act as applicable, in respect of grant of loans, making investments and security provided and guarantee given.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of paragraph 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to Companies (Cost Records & Audit) Rules 2014 prescribed by Central Government under section 148 (1) (d) of the Act as applicable and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate and complete
- vii. According to the information and explanations given to us in respect of statutory dues:
- 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 as applicable during the year except few cases in respect of tax deduction at source and value added tax. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable
  - According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 12.89 Crore that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the statute	Nature of the dues	₹ in Crore	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.64*	2005-06	Supreme Court
		0.01*	2005-06	Custom Excise & Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.00#	2007-08	Income Tax Appellate Tribunal
		0.00#	2008-09	Income Tax Appellate Tribunal
		0.00#	2008-09	Commissioner Of Income Tax (Appeals)
		0.00#	2009-10	Income Tax Appellate Tribunal
		0.00#	2009-10	Commissioner Of Income Tax (Appeals)
		10.37	2010-11	Income Tax Appellate Tribunal
		1.87	2011-12	Commissioner Of Income Tax (Appeals)
<b>Total</b>		<b>12.89</b>		

(\*) Net of ₹ 1.11 Crore deposited under protest.

(#) Net of ₹ 17.79 Crore adjusted against refund.

viii. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks as on 31st March, 2017 except ₹ 19.84 Crore, as detailed below, which were overdue for a period of less than 90 days and have since been paid.

(₹ In Crore)

S.No.	Name of Bank	Amount of overdue as at the balance sheet date
1.	Indian Overseas Bank	4.00
2.	ICICI Bank	15.84
<b>Total</b>		<b>19.84</b>

The Company did not have any outstanding debentures as at the year end.

- ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loans raised during the year have prima facie been applied for the purposes for which they were raised.
- x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations give to us and based on our examination of the records, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act except amount paid to Executive chairman of the Company which was in excess of remuneration by ₹ 3.28 Crore. Necessary steps are being taken for requisite approvals from the Central Government.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, Company's transactions with the related parties are in compliance with sections 177 and 188 of the Act as applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares during the year under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of paragraph 3 (xv) of the Order are not applicable to the Company.
- xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Chaturvedi & Shah**  
Chartered Accountants  
(Firm Registration No. 101720W)  
**R. Korla**  
Partner  
Membership No.: 35629

Place: Mumbai  
Date: 30th May, 2017



## BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in Crore)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>I. ASSETS</b>				
<b>1 Non-Current Assets</b>				
(a) Property, Plant and Equipment	5	1,520.84	1,546.52	1,621.87
(b) Capital Work-In-Progress	5	11.61	2.60	1.41
(c) Investment Properties	6	0.23	0.23	0.23
(d) Other Intangible Assets	5	1.58	2.19	2.86
(e) Financial Assets				
(i) Investments	7	409.12	399.31	422.41
(iii) Others	8	102.13	76.84	91.25
(f) Other Non-Current Assets	9	79.76	64.15	69.34
		<b>2,125.27</b>	<b>2,091.84</b>	<b>2,209.37</b>
<b>2 Current Assets</b>				
(a) Inventories	10	449.66	363.34	335.29
(b) Financial Assets				
(i) Investments	11	0.21	0.17	0.23
(ii) Trade Receivable	12	893.64	904.79	580.89
(iii) Cash and Cash Equivalents	13	29.82	25.83	17.03
(iv) Bank Balances Other Than (iii) above	14	354.93	298.36	155.28
(v) Loans	15	476.62	416.24	137.01
(vi) Others	16	91.28	77.53	45.53
(c) Current Tax Assets (Net)	17	38.75	36.73	15.62
(d) Other Current Assets	18	75.76	53.80	31.52
		<b>2,410.67</b>	<b>2,176.79</b>	<b>1,318.40</b>
<b>TOTAL ASSETS</b>		<b>4,535.94</b>	<b>4,268.63</b>	<b>3,527.77</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	19	81.87	81.87	65.50
(b) Other Equity	20	1,509.86	1,477.08	974.81
		<b>1,591.73</b>	<b>1,558.95</b>	<b>1,040.31</b>
<b>LIABILITIES</b>				
<b>1 Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	21	608.50	588.42	817.37
(ii) Other Financial Liabilities	22	95.93	92.05	88.91
(b) Provisions	23	7.94	6.23	5.35
(c) Deferred Tax Liabilities (Net)	24	230.90	223.08	222.46
		<b>943.27</b>	<b>909.78</b>	<b>1,134.09</b>
<b>2 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	25	809.08	899.97	720.95
(ii) Trade Payable	26	877.62	480.14	308.76
(iii) Other Financial Liabilities	27	277.16	303.62	236.20
(b) Other Current Liabilities	28	12.32	98.30	73.04
(c) Provisions	29	24.76	17.87	14.42
		<b>2,000.94</b>	<b>1,799.90</b>	<b>1,353.37</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,535.94</b>	<b>4,268.63</b>	<b>3,527.77</b>

Significant accounting policies and notes to standalone financial statements 1 to 47

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants  
Firm Registration No-101720W

**R. KORIA**

Partner  
Membership No-35629

Place : Mumbai  
Date : 30.05.2017

**For & on behalf of the Board of Directors**

**B.C. ARYA**

Chairman  
(DIN-00228665)

**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTH**

Managing Director  
DIN-00229302

**UJJWALA APTE**

Company Secretary  
Membership No. A3330

**B. R. GUPTA**

Director  
(DIN-00020066)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Crore)

Particulars	Note	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
I. Revenue from Operations	30	4,271.45	3,939.94
II. Other Income	31	136.42	85.92
III. <b>Total Income (III)</b>		<b>4,407.87</b>	<b>4,025.86</b>
IV. <b>Expenses:</b>			
Cost of Material Consumed		3,189.48	2,767.12
Purchases of Stock-in-Trade		10.42	0.40
Changes in Inventories of Finished Goods and Work -in- Progress	32	(78.77)	(43.97)
Excise Duty Expense		358.13	322.27
Employee Benefits Expense	33	86.40	78.53
Finance Costs	34	237.44	237.18
Depreciation and Amortisation Expense	35	97.10	100.56
Other Expenses	36	452.54	468.01
<b>Total Expenses (IV)</b>		<b>4,352.74</b>	<b>3,930.10</b>
V. <b>Profit Before Tax (III - IV)</b>		<b>55.13</b>	<b>95.76</b>
VI. <b>Tax Expense:</b>	24		
(1) Current Tax		12.65	29.64
(2) MAT Credit Entitlement		(0.63)	—
(3) Deferred Tax		7.48	4.39
VII. <b>Net profit After Tax (V-VI)</b>		<b>35.63</b>	<b>61.73</b>
VIII. <b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement gains / (losses) on defined benefit plans		(1.34)	(1.82)
Income tax effect on above		0.46	0.63
<b>Total Other Comprehensive Income</b>		<b>(0.88)</b>	<b>(1.19)</b>
IX. <b>Total Comprehensive Income for the year (VII + VIII)</b>		<b>34.75</b>	<b>60.54</b>
X. <b>Earnings per Equity Share of ₹ 10 each (Basic and Diluted)</b>	37	<b>4.35</b>	<b>8.85</b>
<b>Face Value per Share</b>		<b>10.00</b>	<b>10.00</b>
Significant accounting policies and notes to standalone financial statements	1 to 47		

As per our report of even date

**For CHATURVEDI & SHAH**Chartered Accountants  
Firm Registration No-101720W**R. KORJA**Partner  
Membership No-35629  
Place : Mumbai  
Date : 30.05.2017**For & on behalf of the Board of Directors****B.C. ARYA**Chairman  
(DIN-00228665)**RAKESH GOTH**Managing Director  
DIN-00229302**B. R. GUPTA**Director  
(DIN-00020066)**AJAY AGRAWAL**

Chief Financial Officer

**UJJWALA APTE**Company Secretary  
Membership No. A3330

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

## A. Equity Share Capital

(₹ in Crore)

Particulars	As at 1st April, 2015	Changes during 2015 -16	As at 31st March, 2016	Changes during 2016-17	As at 31st March, 2017
Equity Share Capital	65.50	16.37	81.87	--	81.87

## B. Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus					Foreign Currency Monetary Item Translation Differences Account	Items of Other Comprehensive Income-Remeasurements of defined benefit plans	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as at 1st April, 2015	10.62	7.50	344.43	77.94	546.79	(12.47)	--	974.81
Total Comprehensive Income for the year	--	--	--	--	61.73	--	(1.19)	60.54
Final dividend payment (Dividend per share ₹ 2.00)	--	--	--	--	(13.10)	--	--	(13.10)
Dividend Distribution Tax	--	--	--	--	(2.67)	--	--	(2.67)
Securities premium on issue of equity shares	--	--	474.86	--	--	--	--	474.86
Share Issue Expenses (Net of Deferred tax)	-	--	(8.21)	--	-	--	--	(8.21)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	(9.15)	--	(9.15)
Balance as at 31st March, 2016	10.62	7.50	811.08	77.94	592.75	(21.62)	(1.19)	1,477.08
Total Comprehensive Income for the year	--	--	--	--	35.63	--	(0.88)	34.75
Final dividend payment (Dividend per share ₹ 1.00)	--	--	--	--	(8.18)	--	--	(8.18)
Dividend Distribution Tax	--	--	--	--	(1.67)	--	--	(1.67)
Share Issue Expenses (Net of Deferred tax)	--	--	(0.80)	--	--	--	--	(0.80)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	8.68	--	8.68
Balance as at 31st March, 2017	10.62	7.50	810.28	77.94	618.53	(12.94)	(2.07)	1,509.86

As per our report of even date

## For CHATURVEDI &amp; SHAH

Chartered Accountants  
Firm Registration No-101720W

## R. KORIA

Partner  
Membership No-35629Place : Mumbai  
Date : 30.05.2017

## For &amp; on behalf of the Board of Directors

## B.C. ARYA

Chairman  
(DIN-00228665)

## AJAY AGRAWAL

Chief Financial Officer

## RAKESH GOTHI

Managing Director  
DIN-00229302

## UJJWALA APTE

Company Secretary  
Membership No. A3330

## B. R. GUPTA

Director  
(DIN-00020066)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### Note 1 CORPORATE INFORMATION:

JBF Industries Limited ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), in India. The registered office of the Company is situated at Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa - 396230, India.

Company is engaged in the manufacturing business of Polyester Chips, Polyester Yarn and Processed Yarn.

The financial statements for the year ended 31st March, 2017 were approved and adopted by board of directors in their meeting held on 30th May, 2017.

### Note 2 BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

For all periods up to year ended 31st March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the first financial statement, the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all values are rounded to the nearest crore with two decimal, except when otherwise indicated.

### Note 3 SIGNIFICANT ACCOUNTING POLICIES:

#### 3.1 Property, Plant and Equipment:

Property, plant and equipment are carried at cost of acquisition or construction, net of Cenvat/Value added tax less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013. Depreciation on property, plant and equipment which are added during the year, is provided on pro-rata basis succeeding to the month of addition. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate. Capital work-in-progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

#### 3.2 Investment Properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Company measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

#### 3.3 Intangible Assets :

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

#### 3.4 Leases:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**3.5 Inventories:**

In general, all inventories are measured at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw Materials are valued on weighted average basis and Stores & Spares are determined on FIFO Basis. Waste, by products and trial run products are valued at net realisable value. Finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

**3.6 Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**3.7 Impairment of assets:**

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

**3.8 Non-current assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

**3.9 Financial instruments – initial recognition, subsequent measurement and impairment:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I) Financial assets - Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

**Financial assets - Subsequent measurement:**

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured **at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

**Financial assets - Equity Investment in subsidiaries, associates and joint venture:**

The Company has accounted for its equity investment in subsidiaries, associates and joint venture at cost.

**Financial assets - Derecognition**

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flow from the asset.

**II) Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial liabilities - Subsequent measurement:**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Financial Liabilities - Financial guarantee contracts:**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

**Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**III) Derivative financial instruments**

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards and options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss.

**3.10 Provisions, Contingent Liabilities, Contingent Assets and Commitments:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**3.11 Dividend Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

**3.12 Revenue recognition and Export Incentive****Revenue recognition**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer as per the terms of the contracts, usually on delivery of the goods, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from Operations is measured at the fair value of the consideration received or receivable and includes sale of products, waste, services, export Incentives and excise duty and are net of sales tax, value added tax, discounts and claims.

**Other Operating Income:**

Export Incentives other than advance licence are recognised at the time of exports and the benefits in respect of advance licence received by the Company against export made by it is recognised as and when goods are imported against them.

**Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**3.13 Foreign currency reinstatement and translation:**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction. Monetary Items denominated in foreign currencies at the year end are restated at year end rates.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition or construction of qualifying assets is adjusted to the carrying cost of such assets, in other cases such difference are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long term monetary item, however that the period of amortisation does not extend beyond 31st March, 2020.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, as finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**3.14 Employee Benefits:**

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered. Leave encashment being a defined benefit plan is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in the statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

**3.15 Taxes on Income:**

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**3.16 Borrowing Cost**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

**3.17 Earnings per share:**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**3.18 Current and non-current classification:**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

**An asset is classified as current when it is:**

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading & manufacturing.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading, & manufacturing.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

**3.19 Fair value measurement:**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

**3.20 Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

**Note 4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**4.1 Property, plant and equipment, Investment Properties and Intangible Assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**4.2 Income Tax:**

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the standalone financial statements.

**4.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**4.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**4.5 Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**4.6 Defined benefits plans:**

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**4.7 Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.



**4.8 Provisions:**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**4.9 Fair value measurement of financial instruments :**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Note 5 - Property, Plant and Equipment, Intangible Assets and Capital Work-in-Progress**

(₹ in Crore)

Particulars	Land-Leasehold	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Computer	Office Equipment	Total	Intangible Assets
<b>COST</b>										
<b>As at 1st April, 2015</b>	<b>1.44</b>	<b>36.13</b>	<b>240.00</b>	<b>1,339.16</b>	<b>2.33</b>	<b>1.24</b>	<b>1.18</b>	<b>0.39</b>	<b>1,621.87</b>	<b>2.86</b>
Additions	--	0.09	1.95	23.57	0.04	0.14	0.12	0.12	26.03	0.04
Disposals / transfers	0.44	--	--	1.18	--	0.05	--	0.01	1.68	--
<b>As at 31st March, 2016</b>	<b>1.00</b>	<b>36.22</b>	<b>241.95</b>	<b>1,361.55</b>	<b>2.37</b>	<b>1.33</b>	<b>1.30</b>	<b>0.50</b>	<b>1,646.22</b>	<b>2.90</b>
Additions	--	--	24.74	46.32	0.04	0.13	0.35	0.18	71.76	0.04
Disposals / transfers	--	--	--	0.89	--	0.32	--	0.03	1.24	--
<b>As at 31st March, 2017</b>	<b>1.00</b>	<b>36.22</b>	<b>266.69</b>	<b>1,406.98</b>	<b>2.41</b>	<b>1.14</b>	<b>1.65</b>	<b>0.65</b>	<b>1,716.74</b>	<b>2.94</b>
<b>DEPRECIATION AND AMORTISATION</b>										
<b>As at 1st April, 2015</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Depreciation for the year	0.02	--	10.42	87.82	0.65	0.37	0.42	0.15	99.85	0.71
Disposals	0.00	--	--	0.13	--	0.01	--	0.01	0.15	--
	(₹ 47,159)									
<b>As at 31st March, 2016</b>	<b>0.02</b>	<b>--</b>	<b>10.42</b>	<b>87.69</b>	<b>0.65</b>	<b>0.36</b>	<b>0.42</b>	<b>0.14</b>	<b>99.70</b>	<b>0.71</b>
Depreciation for the year	0.01	--	9.89	85.30	0.46	0.25	0.42	0.12	96.45	0.65
Disposals	--	--	--	0.14	--	0.09	--	0.02	0.25	--
<b>As at 31st March, 2017</b>	<b>0.03</b>	<b>--</b>	<b>20.31</b>	<b>172.85</b>	<b>1.11</b>	<b>0.52</b>	<b>0.84</b>	<b>0.24</b>	<b>195.90</b>	<b>1.36</b>
<b>NET BOOK VALUE:</b>										
<b>As at 1st April, 2015</b>	<b>1.44</b>	<b>36.13</b>	<b>240.00</b>	<b>1,339.16</b>	<b>2.33</b>	<b>1.24</b>	<b>1.18</b>	<b>0.39</b>	<b>1,621.87</b>	<b>2.86</b>
<b>As at 31st March, 2016</b>	<b>0.98</b>	<b>36.22</b>	<b>231.53</b>	<b>1,273.86</b>	<b>1.72</b>	<b>0.97</b>	<b>0.88</b>	<b>0.36</b>	<b>1,546.52</b>	<b>2.19</b>
<b>As at 31st March, 2017</b>	<b>0.97</b>	<b>36.22</b>	<b>246.38</b>	<b>1,234.13</b>	<b>1.30</b>	<b>0.62</b>	<b>0.81</b>	<b>0.41</b>	<b>1,520.84</b>	<b>1.58</b>
<b>Capital Work in Progress</b>										
<b>As at 1st April, 2015</b>									<b>1.41</b>	
<b>As at 31st March, 2016</b>									<b>2.60</b>	
<b>As at 31st March, 2017</b>									<b>11.61</b>	

**5.1** Buildings include cost of shares in Co-operative Societies ₹ 8000 (As at 31st March, 2016 ₹ 8000 and as at 1st April, 2015 ₹ 8000).

**5.2** Property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 21 and 25.

**5.3** In accordance with the Indian Accounting Standard (Ind AS -36) on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2017.

**5.4** In accordance with the exemption given under Ind AS 101, which has been exercised by the Company, a first time adopter can continue its previous GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 1st April, 2016. (Refer note 46 first time adoption of Ind AS). Accordingly, foreign currency exchange differences arising on translation/settlement of long-term foreign currency monetary items acquired before 1st April, 2016 pertaining to the acquisition of a depreciable asset amounting to ₹ 0.06 Crore gain (31st March, 2016 ₹ 8.03 Crore loss) are adjusted to the cost of respective item of property, plant and equipment which is included in foreign exchange difference above.

**5.5** The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment and Intangible Assets is considered as a deemed cost on the date of transition.

**5.6** Other intangible assets represents Computer software other than self generated.

## Note 6 - Investment Properties

(₹ in Crore)

Particulars	Investment Properties
<b>COST:</b>	
<b>As at 1st April, 2015</b>	<b>0.23</b>
Additions	—
Disposals / transfers	—
<b>As at 31st March, 2016</b>	<b>0.23</b>
Additions	—
Disposals / transfers	—
<b>As at 31st March, 2017</b>	<b>0.23</b>
<b>DEPRECIATION AND AMORTISATION:</b>	
<b>As at 1st April, 2015</b>	<b>—</b>
Depreciation and Amortisation during the year	—
Disposals / transfers	—
<b>As at 31st March, 2016</b>	<b>—</b>
Depreciation and Amortisation during the year	—
Disposals / transfers	—
<b>As at 31st March, 2017</b>	<b>—</b>
<b>NET BOOK VALUE:</b>	
<b>As at 1st April, 2015</b>	<b>0.23</b>
<b>As at 31st March, 2016</b>	<b>0.23</b>
<b>As at 31st March, 2017</b>	<b>0.23</b>

- 6.1 The Company's investment properties as at 31st March, 2017 consists of land held for undetermined future use.
- 6.2 As at 31st March, 2017 and 31st March, 2016, the fair values of the properties are ₹ 2.99 Crore and ₹ 3.37 Crore respectively. These valuations are based on valuations performed by an independent valuer, who is a specialist in valuing these types of investment properties. The fair value of the assets is determined using residual technique of valuation. The fair value measurement is categorised in Level 3 fair value hierarchy. The above method consists of estimating and assessing the prevailing market value of a Residential unit after adjusting various factors.
- 6.3 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- 6.4 The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Investment Properties is considered as a deemed cost on the date of transition.

## Note 7 - Non-Current Investments

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore
<b>(a) In Equity Instruments:</b>									
<b>Unquoted Fully Paid-Up</b>									
<b>Subsidiary Company</b>									
<b>Carried at cost</b>									
JBF Global PTE. Ltd.	72,000,000	USD 1	396.17	72,000,000	USD 1	396.17	72,000,000	USD 1	396.17
JBF Global PTE. Ltd. (In ₹ 27)	1	S\$1	0.00	1	S\$1	0.00	1	S\$1	0.00
JBF Petrochemicals Ltd (Including 60 shares of ₹10 each fully paid up held jointly with nominees.)#	—	—	—	—	—	—	2500000	₹ 10	25.00
Deemed Equity Investment (Refer Note 7.3)	—	—	12.27	—	—	2.41	—	—	—

**Others****Carried at fair value through profit and loss**

Planet 41 Mobi Venture Ltd	360,000	10	0.54	360,000	10	0.54	360,000	10	0.54
Ansal Hi-Tech Townships Ltd *	--	--	--	--	--	--	2,936	10	0.04
Nitesh Housing Developers Pvt Ltd * (As at 1st April, 2015 ₹ 25,129)	--	--	--	--	--	--	282	10	0.00
BCC Infrastructures Pvt Ltd * (As at 1st April, 2015 ₹ 590)	--	--	--	--	--	--	59	10	0.00
Sumex Overseas Ltd.	15,000	10	--	15,000	10	--	15,000	10	--

**Quoted Fully Paid-Up****Carried at fair value through profit and loss**

Allied Digital Services Ltd.	48,000	5	0.14	48,000	5	0.19	48,000	5	0.09
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**Total Equity Instruments (a)****409.12****399.31****421.84****(b) In Preference Shares\*:****Unquoted Fully Paid-Up****Carried at fair value through profit and loss**

BCC Infrastructures Pvt Ltd	--	--	--	--	--	--	172	10	0.01
Runwal Township Pvt Ltd Class A	--	--	--	--	--	--	53	1	0.01
Runwal Township Pvt Ltd Class B	--	--	--	--	--	--	78	1	0.01
Runwal Township Pvt Ltd Class C	--	--	--	--	--	--	53	1	0.02

**Total Preference Shares (b)****--****--****0.05****(c) In Debentures\*:****Unquoted Fully Paid-Up****Carried at fair value through profit and loss**

Aristo Realtors Private Ltd	--	--	--	--	--	--	313	1,000	0.07
Atithi Building Commodities Pvt Ltd	--	--	--	--	--	--	637	1,000	0.15
BCC Infrastructures Pvt Ltd Class A	--	--	--	--	--	--	3,878	100	0.07
Marvel Realtors Developers Series I (As at 1st April, 2015 ₹ 20,200)	--	--	--	--	--	--	202	100	0.00
Marvel Realtors Developers Series II	--	--	--	--	--	--	488	100	0.01
Nitesh Land Holding Pvt Ltd	--	--	--	--	--	--	1,104	100	0.01
Runwal Township Pvt Ltd - Class B	--	--	--	--	--	--	2,975	100	0.06
Total Environment Habitat Pvt. Ltd OCD	--	--	--	--	--	--	6,766	100	0.14
Total Environment Projects	--	--	--	--	--	--	1,131	100	0.01

**Total Debentures (c)****--****--****0.52****Total Non Current Investments (a) + (b) + (c)****409.12****399.31****422.41**

\* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the Company (Refer note - 7.2)

# 12,750,000 Equity Shares have been pledged against loan taken by JBF Petrochemicals Limited from a bank.

**7.1 Aggregate amount of Investments and Market value thereof**

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	0.14	0.14	0.19	0.19	0.09	0.09
Unquoted Investments	408.98	--	399.12	--	422.32	--
	<b>409.12</b>	<b>0.14</b>	<b>399.31</b>	<b>0.19</b>	<b>422.41</b>	<b>0.09</b>

**7.2** As at 31st March, 2017 ₹ Nil (As at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 0.34 Crore) paid to HDFC Asset Management company Limited (the Portfolio Manager) for providing Discretionary Portfolio Management Services which is in the nature of investment administrative management services and include the responsibility to manage, invest and operate the assets under the HDFC AMC PMS -Real Estate Portfolio -1 ("Real Estate Portfolio"), as per the agreement dated 1st January, 2008. The securities representing the outstanding balance of ₹ Nil as at 31st March, 2017 (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 0.34 Crore) have been accounted as investment.

**7.3** Deemed equity investment is on account of fair valuation of fixed deposits pledged for the credit facilities availed by JBF Petrochemical Ltd, a subsidiary Company.

**7.4** Category-wise Non-current Investments

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets measured at cost	408.44	398.58	421.17
Financial Assets measured at fair value through Profit and Loss	0.68	0.73	1.24
<b>Total</b>	<b>409.12</b>	<b>399.31</b>	<b>422.41</b>

## Note 8 - Non-Current Financial Assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank Deposits with more than 12 months maturity (Refer Note 8.1)	1.20	2.77	42.42
Security Deposits (Unsecured considered good)	2.74	2.96	2.56
Guarantee Commission Receivable from related party (Unsecured considered good) (Refer note - 41)	98.19	71.11	46.27
<b>Total</b>	<b>102.13</b>	<b>76.84</b>	<b>91.25</b>

**8.1** Bank Deposits with more than 12 months maturity includes ₹ Nil (As at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 40.86 Crore) pledged as security with a bank for the credit facilities availed by JBF Petrochemical Ltd, a Subsidiary Company.

## Note 9 - Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated :</b>			
Capital Advances	15.39	0.51	0.33
MAT Credit Entitlement	64.09	63.46	68.73
Prepaid Expenses	0.28	0.18	0.28
<b>Total</b>	<b>79.76</b>	<b>64.15</b>	<b>69.34</b>

**9.1** During the year the company was liable to pay MAT under section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT was allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next Ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, ₹ 0.63 Crore (for the year ended 31st March, 2016 ₹ Nil) being the excess of tax payable u/s 115JB of the Act over tax payable as per the provisions other than section 115 JB of the Act has been considered as MAT credit entitlement and credited to statement of profit and loss during the year.

## Note 10 - Inventories

(₹ in Crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
<b>Raw Materials :</b>					
Goods-in-Transit	120.21		127.40		139.79
Others	33.73	153.94	22.29	149.69	27.66
					167.45
<b>Work in Progress</b>		26.73		25.24	20.83
<b>Finished Goods :</b>					
Goods-in-Transit	22.68		14.73		13.41
Others	219.08	241.76	149.75	164.48	111.51
					124.92
<b>Stores and Spares :</b>					
Goods-in-Transit	3.07		1.89		0.47
Others	24.16	27.23	22.04	23.93	21.62
					22.09
<b>Total</b>		<b>449.66</b>		<b>363.34</b>	<b>335.29</b>

**10.1** Inventories are pledged/hypothecated as collateral against borrowings, the details related to which have been described in note 21 and 25.

**Note 11 - Current Investments**

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore
<b>In Mutual Funds</b>									
<b>Unquoted Fully Paid-up</b>									
<b>Carried at fair value through profit and loss</b>									
HDFC- Cash Management Fund -Saving Plan Growth - Direct Plan*	--	--	--	--	--	--	7782	10	0.02
Baroda Pioneer PSU Equity Fund- Dividend Reinvestment Plan	250,000	10	0.21	250,000	10	0.17	250,000	10	0.21
<b>Total Mutual Funds</b>			<b>0.21</b>			<b>0.17</b>			<b>0.23</b>
<b>Total Current Investments</b>			<b>0.21</b>			<b>0.17</b>			<b>0.23</b>

\* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the Company. (Refer note 7.2)

**11.1 Aggregate amount of Current Investments and Market value thereof**

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	--	--	--	--	--	--
Unquoted Investments	0.21	--	0.17	--	0.23	--
	<b>0.21</b>	<b>--</b>	<b>0.17</b>	<b>--</b>	<b>0.23</b>	<b>--</b>

**11.2 Category-wise Current Investments**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets measured at fair value through Profit and Loss	0.21	0.17	0.23
	<b>0.21</b>	<b>0.17</b>	<b>0.23</b>

**Note 12 - Current Financial Assets - Trade Receivable**

(₹ in Crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Considered Good	893.64		904.79		580.89	
Considered Doubtful	32.23		31.49		21.49	
	925.87		936.28		602.38	
Less : Provision for Doubtful Debts	32.23	893.64	31.49	904.79	21.49	580.89
<b>Total</b>		<b>893.64</b>		<b>904.79</b>		<b>580.89</b>

**12.1** Debts includes ₹ 42.26 Crore (As at 31st March, 2016 ₹ 51.52 Crore and as at 1st April, 2015 ₹ 51.52 Crore), which are overdue and against which the Company has initiated legal proceedings. The Company is of the view that this amount is recoverable. As a matter of prudence and based on the best estimate a provision of ₹ 31.99 Crore (As at 31st March, 2016 ₹ 31.25 Crore and as at 1st April, 2015 ₹ 21.25 Crore) has been made and which has been considered sufficient.

**12.2** Debts includes due from related party ₹ 20.08 Crore (As at 31st March, 2016 ₹ 0.08 Crore and 1st April, 2015 ₹ Nil (Refer note 41)

**Note 13 - Cash and Cash Equivalents**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks in Current Accounts	29.77	25.16	16.94
Cheques, Drafts on Hand	--	0.58	--
Cash on Hand	0.05	0.09	0.09
<b>Total</b>	<b>29.82</b>	<b>25.83</b>	<b>17.03</b>

13.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks in Current Accounts	29.77	25.16	--
Cheques, Drafts on Hand	--	0.58	--
Cash on Hand	0.05	0.09	17.03
<b>Total</b>	<b>29.82</b>	<b>25.83</b>	<b>17.03</b>

13.2 Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as under:-

(Amount in ₹)

	SBNs	Other denomination notes	Total
<b>Closing cash in hand as on 08.11.2016</b>	<b>916,000</b>	<b>495,907</b>	<b>1,411,907</b>
(+) Permitted receipts	--	1,927,001	1,927,001
(-) Permitted payments	21,500	1,689,577	1,711,077
(-) Amount deposited in Banks	894,500	29,287	923,787
<b>Closing cash in hand as on 30.12.2016</b>	<b>--</b>	<b>704,044</b>	<b>704,044</b>

#### Note 14 - Bank Balances Other than Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
For Unpaid Dividend Accounts	1.18	1.32	1.30
Fixed Deposits with remaining maturity of less than 12 months	--	--	6.62
Deposit lien with banks (Refer Note 14.1)	353.75	297.04	147.36
<b>Total</b>	<b>354.93</b>	<b>298.36</b>	<b>155.28</b>

14.1 Deposit lien with banks includes ₹ 276.00 Crore (As at 31st March, 2016 ₹ 276.00 Crore and as at 1st April, 2015 ₹ 127.11 Crore) pledged as security with a bank for the credit facilities availed by JBF Petrochemical Ltd, a Subsidiary Company.

#### Note 15 - Current Financial Assets - Loans

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Secured, Considered Good</b>			
Inter Corporate Deposits	55.00	55.00	55.00
<b>Unsecured, Considered Good</b>			
Inter Corporate Deposit to Related Party (Refer Note 41)	416.62	356.24	77.01
Inter Corporate Deposits to Others	5.00	5.00	5.00
<b>Total</b>	<b>476.62</b>	<b>416.24</b>	<b>137.01</b>

15.1 Unsecured inter-corporate Deposits includes ₹ 5.00 Crore (As at 31st March, 2016 ₹ 5.00 Crore and as at 01st April, 2015 ₹ 5.00 Crore) backed by personal guarantee of a promoter of a borrower.

15.2 Secured Inter Corporate Deposits (ICD) Includes:-

(i) Loan of ₹ 9.00 Crore given in earlier years to TVC Sky Shop Limited (TVC) against the pledge of 2,500,000 equity shares of ₹ 10 each representing 25.73% of the paid up equity share capital of TVC.

(ii) Loan of ₹ 11.00 Crore given in earlier years to Suryachakra Power Corporation Limited (SPCL) against the pledge of 2,431,434 equity shares of ₹ 10.00 each representing 1.62% of the paid up equity share capital of SPCL.

As TVC and SPCL failed to meet its commitments for repayment, the Company invoked the pledge and got transferred above mentioned equity shares in its own Demat account. As the Company does not intends to hold these shares as investment to acquire control of TVC and SPCL but as a security till the above loans are repaid, it continue to disclose the above loans as ICD as against the investment. Further TVC has not been considered as an associate within the meaning of Indian Accounting Standards 28 "Accounting for investment in associates & Joint Venture in Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

15.3 Inter Corporate Deposit (ICD) of ₹ 60.00 Crore (As at 31st March, 2016 ₹ 60.00 Crore and as at 01st April, 2015 ₹ 60.00 Crore) to various parties given in earlier year along with interest accrued and due on the same amounting to ₹ 36.93 Crore (As at 31st March, 2016 ₹ 36.93 Crore and 01st April, 2015 ₹ 39.93 Crore) recoverable are overdue and Company has initiated legal proceedings (including winding up petitions against few of them). In view of the pending litigations and based on principle of prudence, Company has discontinued recognition of interest income on the same w. e. f. 1st January, 2015. Management of the Company is of the view that entire amount is good for recovery in view of securities wherever available, personal guarantee of promoters of borrowers company etc and hence no provision for above receivables is necessary at this stage.

**15.4** In accordance with the regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a) Loans &amp; Advances given in the nature of loans :

(₹ in Crore)

Name of the Company	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
JBF Petrochemicals Ltd (Subsidiary)	359.71	326.19	76.99
JBF Global Pte Ltd. (Subsidiary)	56.91	30.05	--
JBF Trade Finvest Pte. Ltd (Subsidiary)	--	--	0.02
<b>Total</b>	<b>416.62</b>	<b>356.24</b>	<b>77.01</b>

b) Above loan maximum outstanding during the year.

(₹ in Crore)

Name of Company	Maximum amount outstanding during the year
JBF Petrochemicals Ltd	436.94
JBF Global PTE Ltd	64.92

Note:- As per Company policy, Loans given to employees are not considered under this clause.

c) Investment by the loanee in the share of the Company : Nil

d) Investment in subsidiaries by : JBF Global Pte Ltd.

Name of the Company	No of Equity Shares as at 31st March, 2017	No of Equity Shares as at 31st March, 2016	No of Equity Shares as at 31st March, 2015
JBF Rak LLC	329,034	237,159	237,159
JBF Petrochemicals Ltd	1,086,641,691	1,000,000,000	809,274,850
JBF Trade Finvest Pte. Ltd	100	100	100
JBF Bio Glicols Industria Quimica Ltda	6,831,328	6,831,328	6,831,328
<b>Total</b>	<b>1,093,802,153</b>	<b>1,007,068,587</b>	<b>816,343,437</b>

**15.5** The Company has granted Inter Corporate Deposits to related parties for setting up project and for its business purpose.**15.6** The Company has granted Inter Corporate Deposits to others for the purpose of utilising this amount in their business.**Note 16 - Current Financial Assets - Others**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated:</b>			
Interest Receivables	88.86	71.67	44.95
Others	2.42	5.86	0.58
<b>Total</b>	<b>91.28</b>	<b>77.53</b>	<b>45.53</b>

**16.1** Interest Receivable includes ₹ 47.64 Crore (As at 31st March, 2016 ₹ 31.27 Crore, as on 1st April, 2015 ₹ 0.07 Crore) due from a related party. (Refer note -41)**16.2** Others Includes mainly derivative receivable.**Note 17 - Current Tax Assets (Net)**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income Tax-Advance Tax & TDS (Net)	38.75	36.73	15.62
<b>Total</b>	<b>38.75</b>	<b>36.73</b>	<b>15.62</b>

**Note 18 - Other Current Assets**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated:</b>			
Assets held for sale (Refer Note 18.2)	0.59	1.15	0.71
Export Incentives Receivable	14.37	10.76	10.58
Balance with Customs & Excise Authorities	19.94	18.88	3.30
Advances to suppliers	11.92	1.90	1.80
Excise and Service Tax Receivable	6.45	5.18	6.78
Claims and Refund Receivable	16.09	7.40	0.81
Others	6.40	8.53	7.54
<b>Total</b>	<b>75.76</b>	<b>53.80</b>	<b>31.52</b>



18.1 Others Includes prepaid expenses and excise deposit.

18.2 Assets held for sale represents plant and machineries discarded in earlier years and not in use and are carried at estimated net realisable value as determined by the management.

## Note19 - Equity Share Capital

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Authorised</b>			
100,000,000 (As at 31st March, 2016: 100,000,000 and As at 1st April, 2015: 100,000,000) Equity Shares of ₹ 10/- each	100.00	100.00	100.00
12,500,000 (As at 31st March, 2016: 12,500,000 and As at 1st April, 2015: 12,500,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	125.00	125.00	125.00
<b>Issued, Subscribed &amp; Fully Paid up</b>			
81,871,849 (As at 31st March, 2016: 81,871,849 and As at 1st April, 2015: 65,497,479) Equity Shares of ₹ 10 each fully paid up	81.87	81.87	65.50
<b>Total</b>	<b>81.87</b>	<b>81.87</b>	<b>65.50</b>

### 19.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)
Shares outstanding at the beginning of the year	81,871,849	81.87	65,497,479	65.50	65,324,847	65.32
Add:- Shares Issued On exercise of option by ESOS holders during the year	--	--	--	--	172,632	0.18
Add:- Shares Issued on Preferential allotment during the year (Refer Note No 19.5)	--	--	16,374,370	16.37	--	--
Shares outstanding at the end of the year	81,871,849	81.87	81,871,849	81.87	65,497,479	65.50

### 19.2 Terms/Rights attached to Equity Shares :

The holder of equity shares of ₹ 10 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

### 19.3 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagirath Arya	27,751,175	33.90	27,731,175	33.87	27,731,175	42.34
Vaidic Resources Private Limited	*	*	*	*	3,906,304	5.96
Cresta Fund Ltd	*	*	*	*	3,900,000	5.95
Copthall Mauritius Investment Limited	--	--	*	*	3,545,000	5.41
KKR Jupiter Investors Pte. Ltd	16,374,370	20.00	16,374,370	20.00	--	--

\* below 5%, hence not disclosed.

19.4 75,00,000 Equity share of ₹ 10 each were bought back and extinguished in the Financial Year 2013-14.

19.5 As approved by the Shareholders, the Board of Directors at its meeting held on 28th December, 2015 has allotted 16,374,370 equity shares of ₹ 10 each at a premium of ₹ 290/- per share on preferential basis aggregating to ₹ 491.23 Crore to KKR Jupiter Investors Pte Ltd. (Investor) and out of the amount raised ₹ 306.38 Crore has been utilised for the prepayment of term loans, ₹ 11.35 Crore spent as share issue expenses and balance ₹ 173.50 Crore used for Investment in a subsidiary company.

### 19.6 Dividend paid and proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Dividend declared and paid</b>		
Final dividend declared and paid for the year ended on 31st March, 2016 at ₹ 1.00 per share and for the year ended 31st March, 2015 at ₹ 2.00 per share.	8.18	13.10
Dividend Distribution Tax on final dividend	1.67	2.67
<b>Proposed Dividends</b>		
Final dividend proposed for the year ended on 31st March, 2017 at ₹ 1.00 per share and for the year ended 31st March, 2016 at ₹ 1.00 per share.	8.19	8.18
Dividend Distribution Tax on proposed dividend	1.68	1.67

## Note - 20 Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus					Foreign Currency Monetary Item Translation Differences Account	Items of Other Comprehensive Income-Remeasurements of defined benefit plans	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
<b>Balance as at 1st April, 2015</b>	<b>10.62</b>	<b>7.50</b>	<b>344.43</b>	<b>77.94</b>	<b>546.79</b>	<b>(12.47)</b>	<b>--</b>	<b>974.81</b>
Total Comprehensive Income for the year	--	--	--	--	61.73	--	(1.19)	60.54
Final dividend payment (Dividend per share ₹ 2.00)	--	--	--	--	(13.10)	--	--	(13.10)
Dividend Distribution Tax	--	--	--	--	(2.67)	--	--	(2.67)
Securities premium on issue of equity shares	--	--	474.86	--	--	--	--	474.86
Share Issue Expenses (Net of Deferred tax)	--	--	(8.21)	--	--	--	--	(8.21)
Changes in Foreign Currency Monetary Items Translation Differences	--	--	--	--	--	(9.15)	--	(9.15)
<b>Balance as at 31st March, 2016</b>	<b>10.62</b>	<b>7.50</b>	<b>811.08</b>	<b>77.94</b>	<b>592.75</b>	<b>(21.62)</b>	<b>(1.19)</b>	<b>1,477.08</b>
Total Comprehensive Income for the year	--	--	--	--	35.63	--	(0.88)	34.75
Final dividend payment (Dividend per share ₹ 1.00)	--	--	--	--	(8.18)	--	--	(8.18)
Dividend Distribution Tax	--	--	--	--	(1.67)	--	--	(1.67)
Share Issue Expenses (Net of Deferred tax)	--	--	(0.80)	--	--	--	--	(0.80)
Changes in Foreign Currency Monetary Items Translation Differences	--	--	--	--	--	8.68	--	8.68
<b>Balance as at 31st March, 2017</b>	<b>10.62</b>	<b>7.50</b>	<b>810.28</b>	<b>77.94</b>	<b>618.53</b>	<b>(12.94)</b>	<b>(2.07)</b>	<b>1,509.86</b>

## 20.1 Nature and Purpose of Reserve

## 1. Capital Redemption Reserve:

Capital redemption reserve was created against buy back of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 2. Capital Reserve

Capital reserve was created upon on forfeiture of share warrants. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 3. Securities Premium Account:

Securities premium was created when share are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 4. Foreign Currency Monetary Items Translation Difference Account :

The reserve pertains to exchange difference relating to long term monetary items in so far as they do not relate to acquisition of depreciable capital assets which are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised in the Statement of Profit and Loss over the balance period of such long term monetary items.

## 5. Remeasurements of defined benefit plans:

Other comprehensive income comprises of re-measurements of defined benefit obligations.

## Note 21 - Non- Current Financial Liabilities - Borrowings

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Secured Loans:</b>			
<b>(a) Term loans</b>			
from banks	188.26	254.69	237.44
from Financial Institution	64.17	52.06	110.29
from Corporate Body	--	--	107.50
<b>(b) External Commercial Borrowings</b>	181.60	236.58	291.42
<b>(c) Vehicle Loans</b>	0.05	--	0.05
<b>Unsecured Loans</b>			
<b>(d) Term loans</b>			
from banks	22.03	45.09	70.67
from Corporate Body	152.39	--	--
<b>Total</b>	<b>608.50</b>	<b>588.42</b>	<b>817.37</b>

**21.1 Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 27:-**

- i) ₹ 178.97 Crore (as at 31st March, 2016 ₹ 56.56 Crore and as at 1st April, 2015 ₹ 94.19 Crore) carrying interest at the rate of 11.40% to 14.45 % are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are further secured by Second charge on current assets of the Company, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 122.21 Crore (as at 31st March, 2016 ₹ 241.18 Crore and as at 1st April, 2015 ₹ 130.00 Crore) carrying interest at the rate of 13.00% are to be secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are further to be secured by Second charge on current assets of the Company, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ii) ₹ 18.75 Crore (as at 31st March, 2016 ₹ 37.50 Crore and as at 1st April, 2015 ₹ 56.25 Crore) carrying interest at the rate of 12.90% is secured by way of second pari passu charge on the immovable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and the movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 30.00 Crore (as at 31st March, 2016 ₹ 40.00 Crore and 1st April, 2015 ₹ 50.00 Crore) carrying interest at the rate of 12.30% is secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- iii) ₹ 50.00 Crore (as at 31st March, 2016 ₹ 75.00 Crore and as at 1st April, 2015 ₹ 170.00 Crore) carrying interest at the rate of 13.15% are secured by way of first pari passu charge on all the immovable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- iv) ₹ Nil (as at 31st March, 2016 ₹ Nil and 1st April, 2015 ₹ 45.00 Crore) carrying interest at the rate of 13.25% were secured by way of first pari passu charge on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

**21.2 External Commercial Borrowings referred to in (b) above and current maturities of long term borrowings referred in Note 27:-**

₹ 231.87 Crore (as at 31st March, 2016 ₹ 315.99 Crore and 1st April, 2015 ₹ 378.69 Crore) carrying interest at the rate of LIBOR plus 2.5 percentage to 5 percentage are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

**21.3 Vehicle loans referred to in (c) above and current maturities of long term borrowings referred in Note 27:-**

₹ 0.08 Crore (2016: ₹ 0.05 Crore, 2015: ₹ 0.15 Crore) carrying interest at the rate of 8.18-8.88% are secured by specific charge on the vehicles covered under the said loans.

**21.4 Unsecured Term loans referred to in (d) above and current maturities of long term borrowings referred in Note 27:-**

- i) ₹ 44.11 Crore (as at 31st March, 2016 ₹ 66.19 Crore and 1st April, 2015 ₹ 88.27 Crore) carrying interest at the rate of 3.50% is secured by pledge of fixed deposits with banks of ₹ 8.36 Crore (as at 31st March, 2016 ₹ 7.81 Crore and 1st April, 2015 ₹ 7.24 Crore)
- ii) ₹ 149.73 Crore (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.
- iii) ₹ 20.00 Crore (as at 31st March, 2016 ₹ Nil and 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.
- iv) ₹ Nil (as at 31st March, 2016 ₹ 25.00 Crore and 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.

**21.5 Terms of Repayment****i) Secured Term Loans from Banks**

Loan of ₹ 20.00 Crore is repayable in 8 equal quarterly installments of ₹ 2.50 Crore starting from June 2018 and ending on March 2020, Loan of ₹ 14.99 Crore is repayable in 8 equal quarterly installments of ₹ 1.87 Crore starting on May 2018 and ending on February 2020. Loan of ₹ 22.21 Crore is repayable in 8 equal quarterly installments of ₹ 2.78 Crore starting on April 2018 and ending on January 2020, Loan of ₹ 39.26 Crore is repayable in 9 equal quarterly installments of ₹ 4.37 Crore starting on May 2018 and ending on May 2020, Loan of ₹ 30.88 Crore is repayable in 13 equal quarterly installments of ₹ 2.38 Crore starting on April 2018 and ending on April 2021. Loan of ₹ 65.64 Crore is repayable in 17 quarterly installments starting from May 2018 and ending on May 2022 of which first installment is of ₹ 1.87 Crore each, Next 4 installments are of ₹ 2.81 Crore each, next 4 installments are of ₹ 3.75 Crore each, remaining 8 installments are of ₹ 4.68 Crore each.

**ii) Secured Term Loans from Financial Institutions**

Loan of ₹ 16.67 Crore is repayable in 2 equal quarterly installments of ₹ 8.33 Crore starting from June 2018 and ending on September 2018. Loan of ₹ 47.50 Crore is repayable in 19 equal quarterly installments of ₹ 2.50 Crore starting from May 2018 and ending on November 2022.

**iii) Secured External Commercial Borrowings**

Loan of ₹ 181.60 Crore is repayable in 8 six monthly - first 4 installment of ₹ 19.46 Crore (USD 3000000 each) starting from September 2018 and ending March 2020, and next 4 installment of ₹ 25.94 Crore (USD 4000000 each) starting from September 2020 and ending March 2022.

**iv) Secured Vehicle Loan**

Loan of ₹ 0.04 Crore is repayable in financial year 2018-19 and balance ₹ 0.01 Crore in financial year 2019-20.

**v) Unsecured Term Loans From a Banks**

Loan of ₹ 22.03 Crore is repayable in 1 half yearly installments of ₹ 11.04 Crore in April 2018 and one half yearly installment of ₹ 10.99 Crore in October 2018.

**vi) Unsecured Term Loans from Body Corporate**

Loan of ₹ 132.39 Crore is repayable in first 3 installments of ₹ 8.67 Crore starting from April 2018 and ending October 2018, next 1 installment of ₹ 8.65 Crore in January 2019 and balance ₹ 97.73 Crore in December 2019. Loan of 20 Crore is repayable in August 2018.

**21.6** Term loans from banks (including current maturities of long term borrowings of ₹ 64.73 Crore) aggregating to ₹ 284.80 Crore (as at 31st March, 2016 ₹ 150.57 Crore and as at 1st April, 2015 ₹ 194.53 Crore) is guaranteed by one of the Directors of the company in his personal capacity.

## Note 22 - Non-current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cumulative Redeemable Preference Shares	95.57	88.45	81.83
Derivative Financial Liability	0.36	3.60	7.08
	<b>95.93</b>	<b>92.05</b>	<b>88.91</b>

### 22.1 Terms/rights attached to Cumulative Redeemable Preference Shares (CRPS)

The holder of Preference Share of the Company have a right to vote at a General Meeting of the Company only in accordance with limitations and provisions laid down in Section 47 (2) of the Companies Act, 2013. The preference share holders will be entitled to receive out of the remaining assets of the company after distribution to lenders. 75,709 2.5% CRPS are redeemable at par as : 36,509 shares on 30th September, 2020, 17,837 shares on 30th September, 2019 and 21,363 shares on 30th September, 2018. 1,415,000 20% CRPS are redeemable at a premium of ₹ 700 per share as : 315,000 shares on 30th September, 2020, 770,000 shares on 30th September, 2019 and 330,000 shares on 30th September, 2018. The Preference Shares shall carry dividend at the rate of 2.5% and 20.00% per annum payable annually.

### 22.2 The details of Cumulative Redeemable Preference Shares (CRPS) shareholders holding :

Name of Preference Shareholder of 2.5% CRPS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank of India	75,709	75,709	75,709
Percentage	100%	100%	100%
Name of Preference Shareholder of 20% CRPS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank of India	1,415,000	1,415,000	1,415,000
Percentage	100%	100%	100%

### 22.3 Dividend paid and proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Dividend Declared and Paid</b>		
Final dividend declared and paid for the year ended on 31st March, 2016 at ₹ 1 per share and for the year ended 31st March, 2015 at ₹ 2 per share.	2.85	2.85
Dividend Distribution Tax on final dividend	0.58	0.58
<b>Proposed Dividends</b>		
Final dividend proposed for the year ended on 31st March, 2017 at ₹ 1.00 per share and for the year ended 31st March, 2016 at ₹ 1.00 per share.	2.85	2.85
Dividend Distribution Tax on proposed dividend	0.58	0.58

## Note 23 - Non-current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits			
Gratuity (Refer note 39)	7.94	6.23	5.35
<b>Total</b>	<b>7.94</b>	<b>6.23</b>	<b>5.35</b>

## Note 24 - Income Tax

**24.1** The major components of Income Tax Expenses for the year ended 31st March, 2017 and 31st March, 2016 are as follows:

(₹ in Crore)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>Recognised in Statement of Profit and Loss:</b>		
Current Income Tax	12.65	29.64
Deferred Tax - Relating to origination and reversal of temporary differences	7.48	4.39
MAT Credit Entitlement	(0.63)	--
<b>Total Tax Expenses</b>	<b>19.50</b>	<b>34.03</b>

**24.2** Reconciliation between tax expenses (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2017 and 31st March, 2016:

(₹ in Crore)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Accounting profit before tax	55.13	95.76
Applicable tax rate	34.608%	34.608%
<b>Computed Tax Expenses</b>	<b>19.08</b>	<b>33.14</b>
<b>Tax effect on account of:</b>		
Lower tax rate and indexation benefits etc.	(0.96)	(1.22)
Allowed on payment basis	0.67	0.67
Expenses not allowed	0.37	1.13
Deduction under section 35D of the Income Tax Act	(0.79)	(0.79)
Others	1.13	1.10
<b>Income tax expenses recognised in statement of profit and loss</b>	<b>19.50</b>	<b>34.03</b>

**24.3** Deferred tax relates to the following:

(₹ in Crore)

Particulars	Balance Sheet			Statement of profit and loss	
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Property Plant and Equipment and Investment Property	239.18	231.85	222.71	7.33	9.14
Redeemable preference share liability	6.36	8.83	11.12	(2.47)	(2.29)
Financial Assets	4.25	0.83	--	3.42	0.83
Disallowance Under the Income-tax Act, 1961	(2.13)	(1.79)	(1.68)	(0.34)	(0.11)
Others	(14.42)	(13.50)	(9.69)	(0.92)	(3.81)
Deduction under section 35D of the Income Tax Act*	(2.34)	(3.14)	--	--	--
	<b>230.90</b>	<b>223.08</b>	<b>222.46</b>	<b>7.02</b>	<b>3.76</b>

\*Recognised in other equity

**24.4** Reconciliation of deferred tax liabilities (net):

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance as at 1st April	223.08	222.46
Deferred Tax Expenses Recognised in Statement of Profit and Loss	7.48	4.39
Deferred Tax (Income) Recognised in OCI	(0.46)	(0.63)
Deferred Tax Expenses Recognised Other Equity	0.80	(3.14)
Closing Balance as at 31st March	<b>230.90</b>	<b>223.08</b>

**Note 25 - Current Financial Liabilities - Borrowings**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>(a) Secured Loans</b>			
from Banks	618.02	320.34	299.51
<b>(b) Buyer's Credit</b>	165.48	333.32	323.42
<b>(c) From Body Corporate</b>	--	14.00	--
	<b>783.50</b>	<b>667.66</b>	<b>622.93</b>
<b>Unsecured Loans</b>			
<b>(d) Working Capital Loans</b>			
from Banks	0.82	--	24.93
<b>(e) Supplier's Credit (backed by letter of Credit)</b>	24.76	222.31	44.29
<b>(f) From Body Corporate</b>	--	10.00	28.80
	<b>25.58</b>	<b>232.31</b>	<b>98.02</b>
<b>TOTAL</b>	<b>809.08</b>	<b>899.97</b>	<b>720.95</b>

- 25.1** Working Capital Loans as referred to in (a) above of ₹ 618.02 Crore (as at 31st March, 2016 ₹ 320.34 Crore and as at 1st April, 2015 ₹ 299.51 Crore) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 25.2** Buyers Credit referred to in (b) above of ₹ 165.48 Crore, (as at 31st March, 2016 ₹ 333.32 Crore and 1st April, 2015 ₹ 323.42 Crore) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- 25.3** Body Corporate Loan as referred to in (c) above of ₹ Nil (as at 31st March, 2016 ₹ 14.00 Crore and as at 1st April, 2015 ₹ Nil) was to be secured by a subservient charge on the present and future current assets of the Company and pledged of equity shares of the Company by the Promoter.
- 25.4** As at 31st March, 2017, the Company has overdue loans of ₹ 19.84 Crore (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ Nil) for a period of less than 90 days, which have since been paid.

**Note 26 - Current Financial Liabilities - Trade Payables**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro, Small and Medium Enterprises	9.35	5.94	6.89
Others	868.27	474.20	301.87
<b>Total</b>	<b>877.62</b>	<b>480.14</b>	<b>308.76</b>

- 26.1** Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Principal amount outstanding	9.35	5.94	6.89
b) Interest due thereon	--	--	--
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, alongwith amount of the payment made to the suppliers beyond the appointed day during the year .	--	--	--
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	--	--	--
e) Interest accrued and remaining unpaid	--	--	--
f) Further interest remaining due and payable in the succeeding years.	--	--	--

**Note 27 - Current Financial Liabilities - Others**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Current Maturities of long-term Borrowings</b>			
- Term Loans	183.18	188.56	107.76
- External Commercial Borrowings	50.27	79.41	87.27
- Vehicle Loans	0.03	0.05	0.10
Unpaid Dividends	1.18	1.32	1.30
Creditors for Capital Expenditure	10.40	6.24	9.79
Derivative Financial Liability	7.60	7.90	7.88
Interest accrued but not due on borrowings	8.25	6.97	6.41
<b>Other Payables</b>			
Salary, Wages and Bonus Payable	7.06	6.17	5.62
Provision for Expenses	9.19	7.00	10.07
<b>Total</b>	<b>277.16</b>	<b>303.62</b>	<b>236.20</b>

- 27.1** Unpaid dividends does not include any amounts, due & outstanding, to be credited to Investor Education & Protection Fund.

**27.2** Interest accrued on borrowings includes interest of ₹ Nil (As at 31st March, 2016 ₹ 0.39 crore and as at 1st April, 2015 ₹ Nil) due as on 31st March, 2017 for delay in creation of charge, which since has been paid by the Company.

## Note 28 - Other Current Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposit from Customers	0.13	0.13	0.21
Deposit Against Excise Liabilities	1.30	1.30	1.30
Advances from Customers	6.96	92.16	65.32
Advance Against Sale of Fixed Assets	--	0.75	--
Statutory Dues & Other Liabilities	3.93	3.96	6.21
<b>Total</b>	<b>12.32</b>	<b>98.30</b>	<b>73.04</b>

## Note 29 - Current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Provision for Employee Benefits</b>			
Gratuity Obligations (Refer note 39)	1.49	1.28	1.15
Leave Obligations	4.49	3.73	3.53
<b>Others</b>			
Provision for Excise Duty (Refer note 40)	18.78	12.86	9.74
<b>Total</b>	<b>24.76</b>	<b>17.87</b>	<b>14.42</b>

## Note 30 - Revenues from Operations

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Sale of Products	4,252.18	3,929.33
Other Operating Revenue	19.27	10.61
<b>Revenue from Operations</b>	<b>4,271.45</b>	<b>3,939.94</b>

## Note 31 - Other Income

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Income from financial assets measured at fair value through profit or loss		
- Long Term Investments	--	0.18
Interest Income from financial assets measured at amortised cost		
- Inter Corporate Deposits	53.41	34.70
- Fixed Deposits with Banks	25.51	14.06
- Others	5.78	5.39
Gain on Sale of Investments (Net)		
- Long Term Investments	--	0.48
Gain on financial instruments measured at fair value through profit or loss (Net)	9.86	2.19
Gain on foreign currency transactions (Net)	11.74	--
Guarantee Commission	30.09	27.60
Sundry Credit Balances Written Back (Net)	0.03	1.06
Miscellaneous Income	--	0.26
<b>Total</b>	<b>136.42</b>	<b>85.92</b>



**Note 32 - Changes in Inventories of Finished Goods and Work -in- Progress**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
<b>At the end of the Year</b>		
Finished Goods	241.76	164.48
Work-In-Progress	26.73	25.24
	<b>268.49</b>	<b>189.72</b>
<b>At the beginning of the Year</b>		
Finished Goods	164.48	124.92
Work-In-Progress	25.24	20.83
	<b>189.72</b>	<b>145.75</b>
<b>Total</b>	<b>(78.77)</b>	<b>(43.97)</b>

**Note 33 - Employee Benefits Expense**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Salaries, Wages & Allowances	78.45	71.45
Contribution to Provident Fund, ESIC and Other Fund (Refer note 39)	4.51	4.08
Gratuity (Refer note 39)	1.70	1.41
Employees Welfare and Other Amenities	1.74	1.59
<b>Total</b>	<b>86.40</b>	<b>78.53</b>

**33.1** During the year Company paid an amount of ₹ 6.53 Crore to the executive chairman which was in excess of remuneration as prescribed under section 197 of the Companies Act, 2013 by ₹ 3.28 Crore. Necessary steps are being taken by the Company for requisite approvals from the Central Government.

**Note 34 - Finance Costs**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Expenses on financial liabilities measured at amortised cost*	203.92	194.00
Other Borrowing Costs	20.60	21.11
Applicable Net loss on foreign currency transaction and translation	12.92	22.07
<b>Total</b>	<b>237.44</b>	<b>237.18</b>

\* include dividend on redeemable preference shares and dividend distribution tax of ₹ 2.85 Crore and ₹ 0.58 Crore (for the year ended 31st March, 2016 ₹ 2.85 Crore and ₹ 0.58 Crore) respectively.

**34.1** Interest expenses includes ₹ Nil (Previous year ₹ 2.22 Crore) on account of short payment of advance tax.

**Note 35 - Depreciation and Amortisation Expenses**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Depreciation of Tangible Assets (Note-5)	96.45	99.85
Amortisation of Intangible Assets (Note -5)	0.65	0.71
<b>Total</b>	<b>97.10</b>	<b>100.56</b>

**Note 36 - Other Expenses**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
<b>Manufacturing Expenses</b>		
Stores & Spares Consumed	9.21	10.75
Power & Fuel	203.37	208.73
Repairs to Building	0.58	0.49
Repairs to Plant & Machinery	3.89	4.31
Security Charges	2.47	2.44

Labour Charges	16.17	16.10
Other Manufacturing Expenses	13.09	9.01
<b>Selling and Distribution Expenses</b>		
Packing Material Consumed	92.30	90.29
Freight & Forwarding Charges (Net)	53.62	51.43
Sales Promotion, & Advertising Expenses	0.14	0.18
Brokerage & Commission	9.68	12.69
<b>Administrative and General Expenses</b>		
Rent	7.29	7.55
Rates & Taxes (Net)	1.97	0.49
Insurance	1.88	1.61
Payment to Auditors	0.57	0.55
Repairs & Maintenance - Others	2.89	2.44
Travelling & Conveyance Expenses	3.48	3.09
Legal, Professional & Consultancy Charges	6.63	2.63
Provision for Doubtful Debts	0.74	10.00
Bad debts Written Off	9.26	--
Donation	0.12	0.27
Net Loss on Foreign Currency Transaction	--	18.62
Currency & Interest Rate Swap Loss (Net)	0.81	2.96
Loss on sale of Property, Plant and Equipment (Net)	0.20	0.98
Bank Charges	5.14	3.56
Corporate social responsibility Expenses	0.94	0.72
General Expenses	6.10	6.12
<b>Total</b>	<b>452.54</b>	<b>468.01</b>

**36.1 Details of Payment to Auditors**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
a) Auditors:		
Audit Fees	0.41	0.41
Tax Audit Fees	0.09	0.09
Certification Charges*	0.02	0.09
Reimbursement of expenses	0.01	0.01
b) Cost Audit Fees	0.04	0.02
<b>Total</b>	<b>0.57</b>	<b>*0.62</b>

\* includes ₹ 0.07 Crore considered as share issue expenses.

**36.2 Notes related to Corporate Social Responsibility expenditure:**

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 2.34 Crore (Previous Year ₹ 2.23 Crore).

(b) Expenditure related to Corporate Social Responsibility is ₹ 0.94 Crore (for the year ended 31st March, 2016 ₹ 0.72 Crore) and ₹ 1.40 Crore (for the year ended 31st March, 2016 ₹ 1.51 Crore) remained unspent.

**Details of expenditure towards CSR given below:**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
(i) Rural Sanitation	0.25	0.32
(ii) Rural Community Crematorium	0.02	0.01
(iii) Education	0.64	0.38
(iv) Others	0.03	0.01
<b>Total</b>	<b>0.94</b>	<b>0.72</b>

**Note 37 - Earnings Per Equity Share**

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Net profit for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (₹ In Crore)	35.63	61.73
Weighted average number of equity shares outstanding during the year for Basic EPS and Diluted EPS (in Nos.)	81,871,849	69,747,657
Basic and Diluted Earnings per share of ₹ 10 each (in ₹)	4.35	8.85
Face value per equity share (in ₹)	10.00	10.00

**Note 38- Contingent Liabilities and Commitments****38.1 Contingent Liabilities (To the extent not provided for)  
Claims against the Company not acknowledged as debts**

(₹ in Crore)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April, 2015
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>			
Income Tax (amount paid under protest of ₹ 17.79 Crore, ₹ 17.79 Crore and ₹ 17.79 Crore as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	30.03	28.16	17.79
Excise Duty/ Service Tax (amount paid under protest of ₹ 1.11 Crore, ₹ 1.11 Crore and ₹ 1.11 Crore as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	1.76	1.76	1.76
Others (amount paid under protest of ₹ 1.06 Crore, ₹ 0.66 Crore and ₹ Nil as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	2.95	4.15	0.09
<b>Guarantees</b>			
- Bank Guarantees	37.48	80.15	112.09
(Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.)			
<b>Others</b>			
Corporate Guarantee and pledge of Equity shares of a subsidiary company to a bank against the credit facility to that subsidiary Company (No Cash outflow is expected) (To the extent of credit facility availed and outstanding as on 31st March, 2017)	2,768.89	2,305.69	2,290.83
Letter of Credits-includes ₹ Nil (As at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 14.39 Crore) extended for Subsidiary Company. (These are established in favour of vendors but cargo/material under the aforesaid Letter of Credit are yet to be received as on end of the year. Cash outflow is expected on the basis of payment terms as mentioned in Letter of Credit.)	282.98	298.81	341.15

**38.2 Commitments**

(₹ in Crore)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April, 2015
Estimated amount of Contracts remaining to be executed on Capital Account not provided for / Net of Advance paid (Cash outflow is expected on execution of such capital contracts, on progressive basis)			
Related to Property, Plant and Equipment	25.36	16.11	5.30
Related to Intangible Assets	1.49	0.07	--

**38.3** Management is of the view that above litigations will not have any material impact on the financial position of the company.

**Note 39- Employee Benefits****39.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:****(a) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized as expense for the years are as under:

(₹ in Crore)

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	1.79	1.64
Employer's Contribution to Pension Scheme	2.55	2.29
Employer's Contribution to Other Funds	0.17	0.15

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**(b) Defined Benefit Plan:**

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Unfunded)	
	As at 31st March, 2017	As at 31st March, 2016
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary Growth	4.00%	4.00%
Discount Rate	7.50%	8.00%
Withdrawal Rates	1.00%	1.00%
		(₹ in Crore)
Particulars	Gratuity (Unfunded)	
	2016-17	2015-16
<b>Movement in present value of defined benefit obligation</b>		
Obligation at the beginning of the year	7.51	6.50
Current service cost	1.10	0.90
Interest cost	0.60	0.51
Benefits paid	(0.42)	(1.17)
Actuarial loss on obligation	0.64	0.77
<b>Obligation at the end of the year</b>	<b>9.43</b>	<b>7.51</b>
<b>Amount recognised in the statement of profit and loss</b>		
Current service cost	1.10	0.90
Interest cost	0.60	0.51
<b>Total</b>	<b>1.70</b>	<b>1.41</b>
<b>Amount recognised in the other comprehensive income</b>		
<b>Components of actuarial gain/losses on obligations:</b>		
Due to Change in financial assumptions	0.38	(0.13)
Due to experience adjustments	0.26	0.90
<b>Total</b>	<b>0.64</b>	<b>0.77</b>

**(c) Net Liability recognised in the balance sheet**

(₹ in Crore)

Amount Recognised in the Balance Sheet	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Present value of obligations at the end of the year	9.43	7.51	6.50
Less: Fair value of plan assets at the end of the year	--	--	--
<b>Net liability recognized in the balance sheet</b>	<b>9.43</b>	<b>7.51</b>	<b>6.50</b>
- Current	1.49	1.28	1.15
- Non-Current	7.94	6.23	5.35

(d) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

**39.2 Sensitivity analysis:**

(₹ in Crore)

Particulars	Changes in assumptions	Effect on Gratuity obligation
<b>For the year ended 31st March, 2016</b>		
Salary growth rate	+ 1%	0.68
	- 1%	(0.70)
Discount rate	+ 1%	(0.69)
	- 1%	0.67
<b>For the year ended 31st March, 2017</b>		
Salary growth rate	+ 1%	0.97
	- 1%	(0.83)
Discount rate	+ 1%	(0.84)
	- 1%	1.00

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

### 39.3 Risk exposures

#### Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

#### Interest Risk

The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

#### Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

#### Salary Risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

#### Variability in withdrawal rates:

If actual withdrawal rates are higher than assumed withdrawal rate than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

### 39.4 The following payments are expected towards Gratuity in future years:

(₹ in Crore)

Year ended	Cash flow
31st March, 2018	1.71
31st March, 2019	0.13
31st March, 2020	0.38
31st March, 2021	0.74
31st March, 2022	0.63
31st March, 2023 to 31st March, 2028	7.46

39.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 18.71 years (as at 31st March 2016: 19.53 years).

### Note 40 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-

Movement in provisions:-

(₹ in Crore)

Nature of provision	Provision for Excise Duty	Provision for Doubtful Debts	Total
<b>As at 1st April, 2015</b>	<b>9.74</b>	<b>21.49</b>	<b>31.23</b>
Provision during the year	12.10	10.00	22.10
Payment during the year	(8.98)	—	(8.98)
<b>As at 31st March, 2016</b>	<b>12.86</b>	<b>31.49</b>	<b>44.35</b>
Provision during the year	17.90	10.00	27.90
Payment during the year	(11.98)	(9.26)	(21.24)
<b>As at 31st March, 2017</b>	<b>*18.78</b>	<b>32.23</b>	<b>51.01</b>

\* Actual outflow is expected in the next financial year.

### Note 41- Related Party Disclosure

In accordance with the requirements of Ind AS 24, the disclosure on related party transactions are given below:

#### 41.1 List of Related Parties :

Name of the related party	Country of incorporation	% of equity interest		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>(a) Subsidiary Companies</b>				
JBF Global PTE Ltd	Singapore	85.50%	85.50%	100.00%
JBF RAK LLC	UAE	85.50%	85.50%	100.00%
JBF Petrochemicals Ltd	India	85.50%	85.50%	100.00%
JBF Bahrain S.P.C.	Bahrain	85.50%	85.50%	100.00%
JBF Global Europe BVBA	Belgium	85.50%	85.50%	100.00%
JBF Bio Glicols Industria Quimica Ltda	Brazil	85.50%	85.50%	100.00%
JBF Trade Invest PTE Ltd	Singapore	85.50%	85.50%	100.00%
JBF America INC	USA	85.50%	85.50%	100.00%

**(b) Key Management Personnel****Name & Designation**

Mr. B. C.Arya – Chairman.

Mr. Rakesh Gothi – Managing Director

Mr. N.K.Shah - Director Commercial

Mr P. N. Thakore (up to 31st August, 2015)

**(c) Relative of Key Management Personnel**

Mrs. Veena Arya - Wife of Mr. B.C. Arya

Mr. Cheerag Arya - Son of Mr. B.C. Arya

Mrs. Chinar Arya Mittal - Daughter of Mr. B.C. Arya

**(d) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-**

Vaidic Resources Pvt. Ltd

**41.2 Transactions with Related Parties :****(₹ in Crore)**

Name of Transactions	Name of the Related Party	2016-17	2015-16
<b>Transactions with subsidiaries / associates</b>			
Sale of Goods	JBF RAK LLC	132.61	119.17
	JBF Bahrain SPC	37.86	79.44
	JBF Petrochemicals Ltd	5.87	0.08
Interest Income	JBF Petrochemicals Ltd	52.75	34.30
	JBF Global PTE Ltd	0.67	0.40
Guarantee Commission Income	JBF Petrochemicals Ltd	30.09	27.60
Purchase of Goods	JBF RAK LLC	8.98	7.48
Reimbursement of expenses to	JBF Petrochemicals Ltd	1.23	0.05
<b>Transactions with other related parties:</b>			
Directors Sitting Fees	Mrs. Veena Arya	0.02	0.03
Remuneration	Mrs. Chinar Arya Mittal	0.29	0.26
Other Borrowing cost	Vaidic Resources Pvt. Ltd	0.40	--
Interest Paid	Vaidic Resources Pvt. Ltd	2.03	--
Managerial Remuneration	Mr. B.C.Arya	6.53	6.04
	Mr. Rakesh Gothi	1.12	0.98
	Mr. N.K.Shah	0.50	0.40
	Mr. P. N. Thakore	--	0.83
Dividend paid	Mr. B. C.Arya	2.78	5.55
	Vaidic Resources Pvt. Ltd	0.39	0.78
	Mr. Rakesh Gothi	0.00	0.01
	(2016-17- ₹ 22,770)		
	Mr. N.K.Shah	0.00	0.00
	(2016-17- ₹ 7,700 and 2015 -16 ₹- 14,400)		
	Mr. P. N. Thakore	--	0.01
	Mr. Cheerag Arya	0.19	0.38
	Mrs. Chinar Arya Mittal	0.18	0.36
	Mrs. Veena Arya	0.00	0.00
	(2016-17- ₹ 14,078 and 2015-16 ₹- 28,156)		
Sale of Investment	JBF Petrochemicals Ltd	--	25.00
Sale of Fixed Assets	JBF Petrochemicals Ltd	0.18	--
Loan given	JBF Petrochemicals Ltd	153.58	801.43

	JBF Global PTE Ltd	61.28	83.02
Loan refunded	JBF Petrochemicals Ltd	120.06	552.22
	JBF Global PTE Ltd	34.42	52.97
	JBF Trade Invest PTE Ltd	--	0.02
Loan Taken	Vaidic Resources Pvt. Ltd	45.00	--
Loan Repaid	Vaidic Resources Pvt. Ltd	45.00	--

(₹ in Crore)

Name of Transactions	Name of the Related Party	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Transactions with subsidiaries / associates</b>				
Current Financial Assets - Interest receivable	JBF Petrochemicals Ltd	47.48	30.87	0.07
	JBF Global PTE Ltd	0.16	0.40	--
Investment -Non Current	JBF Global PTE Ltd	396.17	396.17	396.17
	JBF Petrochemicals Ltd	--	--	25.00
Current financial assets - Loans	JBF Petrochemicals Ltd	359.71	326.19	76.99
	JBF Global PTE Ltd	56.91	30.05	--
	JBF Trade Invest PTE Ltd	--	--	0.02
Non-current financial assets - Others	JBF Petrochemicals Ltd	98.19	71.11	46.27
Trade Receivables	JBF RAK LLC	12.87	--	--
	JBF Bahrain SPC	1.52	--	--
	JBF Petrochemicals Ltd	5.69	0.08	--
Trade Payable	JBF RAK LLC	8.71	3.97	--
Other Current Liabilities	JBF RAK LLC	--	89.97	58.51
Guarantee Given and Letter of Credit extended	JBF Petrochemicals Ltd	3,009.19	3,070.27	2,607.55
FDR Pledged with Bank	JBF Petrochemicals Ltd	276.00	276.00	167.97

**41.3 Compensation of key management personnel of the Company**

(₹ in Crore)

Nature of transaction	2016-17	2015-16
Short-term employee benefits	8.51	8.68
Post-employment benefits	--	0.40
<b>Total compensation paid to key management personnel</b>	<b>8.51</b>	<b>9.08</b>

**41.4** The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 42 - Fair Values****42.1 Financial Instruments by category:**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

**a) Financial Assets measured at fair value:**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Financial Assets designated at fair value through profit or loss:-</b>			
-Investments	0.89	0.90	1.47
<b>Financial Assets designated at fair value through profit or loss:-</b>			
-Derivative Financial Liabilities	7.96	11.50	14.96



## b) Financial Assets measured at amortised cost:

(₹ in Crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:-</b>						
- Trade Receivable	893.64	893.64	904.79	904.79	580.89	580.89
- Cash and cash equivalents	29.82	29.82	25.83	25.83	17.03	17.03
- Bank Balance other than cash and cash equivalents	354.93	354.93	298.36	298.36	155.28	155.28
- Loans	476.62	476.62	416.24	416.24	137.01	137.01
- Others	193.41	193.41	154.37	154.37	136.78	136.78
	<b>1,948.42</b>	<b>1,948.42</b>	<b>1,799.59</b>	<b>1,799.59</b>	<b>1,026.99</b>	<b>1,026.99</b>
<b>Financial Liabilities</b>						
<b>Financial Liabilities designated at amortised cost:-</b>						
- Borrowings (Including Current Maturity)	1,651.06	1,651.06	1,756.41	1,756.41	1,733.45	1,733.45
- Trade Payable	877.62	877.62	480.14	480.14	308.76	308.76
- Other Financial Liabilities	131.65	131.65	116.15	116.15	115.02	115.02
	<b>2660.33</b>	<b>2660.33</b>	<b>2352.70</b>	<b>2352.70</b>	<b>2157.23</b>	<b>2157.23</b>

## 42.2 Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, loans, borrowings, trade payables, other current financial assets and other current financial liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of other non-current financial assets and financial liabilities are calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value (a level 3 technique).
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- Equity Investments in subsidiaries are stated at cost.
- Fair value of forward contract, options and currency & interest rate swap are derived on the basis of mark-to-market as provided by the respective bank.
- Refer Note 12.1 and 15.3.

## 42.3 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- Level 1 :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2 :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3 :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

(₹ in Crore)

Particulars	31st March, 2017		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity investments	0.14	--	0.54
-- Mutual funds	0.21	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial liabilities	--	7.96	--
<b>Total</b>	<b>0.35</b>	<b>7.96</b>	<b>0.54</b>

(₹ in Crore)

Particulars	31st March, 2016		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity investments	0.19	--	0.54
-- Mutual funds	0.17	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial liabilities	--	11.50	--
<b>Total</b>	<b>0.36</b>	<b>11.50</b>	<b>0.54</b>

(₹ in Crore)

Particulars	1st April, 2015		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity investments	0.09	0.04	0.54
-- Preference shares	--	0.05	--
-- Debentures	--	0.52	--
-- Mutual funds	0.23	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial liabilities	--	14.96	--
<b>Total</b>	<b>0.32</b>	<b>15.57</b>	<b>0.54</b>

There was no transaction between Level 1 and Level 2 during the year.

#### 42.4 Description of the inputs used in the fair value measurement:

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively:

(₹ in Crore)

Particulars	As at 31st March, 2017	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

(₹ in Crore)

Particulars	As at 31st March, 2016	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

(₹ in Crore)

Particulars	As at 1st April, 2015	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

#### 42.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:-

##### a) Financial Assets designated at fair value through profit or loss - Investments :

Particulars	(₹ in Crore)
<b>Fair value as at 1st April, 2015</b>	<b>0.54</b>
Gain on financial instruments measured at fair value through profit or loss (net)	--
Purchase / Sale of financial instruments	--
Amount transferred to / from Level 3	--
<b>Fair value as at 31st March, 2016</b>	<b>0.54</b>
Gain on financial instruments measured at fair value through profit or loss (net)	--
Purchase / Sale of financial instruments	--
Amount transferred to / from Level 3	--
<b>Fair value as at 31st March, 2017</b>	<b>0.54</b>

**42.6 Description of the valuation processes used by the Company for fair value measurement categorised within level 3:-**

At each reporting date, the Company analyses the movements in the values of financial assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies.

The Company also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Company also discusses of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**Note 43 - Financial Risk Management Objective and Policies**

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. The Company's documented risk management policies are effective tool in mitigating the various financial risk to which the business is exposed to in the course of daily operations. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**43.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as commodity risk.

The sensitivity analyses is given relate to the position as at 31st March, 2017 and 31st March, 2016.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2017 and 31st March, 2016.

**(a) Foreign exchange risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD and Euro. The Company has obtained foreign currency loans and has foreign currency trade payables, derivative instruments and receivables and is therefore, exposed to foreign exchange risk. The Company is regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD, AED, YEN and EURO to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

<b>Unhedged Foreign currency exposure as at 31st March, 2016</b>	<b>Currency</b>	<b>Amount in FC</b>	<b>₹ In Crore</b>
Trade Receivables	USD	41,114,611	272.08
Loan given	USD	4,541,535	30.05
Interest on Loan	USD	59,840	0.40
Trade Payable	USD	26,789,312	177.28
Trade Payable	EURO	349,370	2.63
Trade Payable	YEN	17,796,800	1.05
Borrowings and interest thereon	USD	120,178,505	795.29
Borrowings and interest thereon	AED	6,143,667	11.07
Foreign Commission	USD	684,348	4.53
Foreign Commission	EURO	22,987	0.17
Investment in foreign subsidiary	USD	72,000,000	396.17
<b>Unhedged Foreign currency exposure as at 31st March, 2017</b>	<b>Currency</b>	<b>Amount in FC</b>	<b>₹ In Crore</b>
Trade Receivables	USD	47,892,926	310.62
Trade Receivables	EURO	1,458	0.01
Loan given	USD	8,774,655	56.91
Interest on Loan	USD	25,134	0.16
Trade Payable	USD	26,807,329	173.87
Trade Payable	AED	35,410,712	62.53
Trade Payable	EURO	107,002	0.74
Trade Payable	YEN	17,733,600	1.03

Borrowings and interest thereon	USD	80,291,943	520.76
Foreign Commission	USD	774,991	5.03
Foreign Commission	EURO	2,006	0.01
Investment in foreign subsidiary	USD	72,000,000	396.17

Investment in foreign subsidiary has not been considered for the purpose of above disclosure as it is non monetary item.

#### Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT) :-

(₹ in Crore)

Particulars	2016-17		2015-16	
	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT
USD	(3.32)	3.32	(6.75)	6.75
EURO	(0.01)	0.01	(0.03)	0.03
AED	(0.63)	0.63	(0.11)	0.11
YEN	(0.01)	0.01	(0.01)	0.01
<b>Increase / (Decrease) in profit before tax</b>	<b>(3.97)</b>	<b>3.97</b>	<b>(6.90)</b>	<b>6.90</b>

#### Derivative Contracts entered into by the Company and Outstanding as on 31st March, 2017: Notional Value

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Currency and Interest rate swap	14.63	24.39	34.15
Forward Contract -Export	--	21.18	56.10
Forward Contract -Import	97.29	--	125.92
Option	--	--	31.78

The Company has entered interest rate swap derivative contracts in respect of External Commercial borrowing of ₹ 24.32 Crore (In 2016 ₹ 57.90 Crore and in 2015 ₹ 85.71 Crore) outstanding as on 31st March, 2017.

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purpose and not as trading or speculative instruments.

#### b) Interest rate risk and sensitivity :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The table below illustrates the impact of a 0.5% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

#### Exposure to interest rate risk

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Borrowing	1,651.06	1,756.41	1,733.45
% of Borrowings out of above bearing variable rate of interest	71.00	54.74	61.27

#### Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	2016-17		2015-16	
	0.50% Increase - Decrease in PBT	0.50% Decrease - Increase in PBT	0.50% Increase - Decrease in PBT	0.50% Decrease - Increase in PBT
50 bp increase / decrease the profit before tax by	5.88	(5.88)	4.82	(4.82)

#### c) Commodity price risk:-

The Company's raw materials i.e. Purified Terephthalic Acid (PTA) & Monoethylene Glycol (MEG) and finished goods i.e. Polyester Chips, Partially Oriented Yarn (POY) and Texrising Yarn (TEX) are petrochemical products. Commodity price risk arises due to fluctuation in prices of petrochemical products. The Company mitigate the risk by natural hedge as any increase/decrease in raw materials price directly reflect the finished goods price.

**43.2 Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, other bank balances, loans, other financial assets and financial guarantees.

**a) Trade Receivables:-**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Sales made to customers on credit are secured through Letters of Credit in some cases to mitigate the credit risk to an extent.

**b) Bank Balances:-**

The Company seeks to limit its credit risk with respect to banks by only dealing with reputable banks.

**43.3 Liquidity risk.**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company limits its liquidity risk by ensuring funds from trade receivables and bank facilities are available.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

**(i) Maturity patterns of financial liabilities:**

(₹ in Crore)

Particulars	On Demand	As at 31st March, 2017			
		0-1 Years	1-5 Years	Above 5 Years	Total
Borrowings	493.26	549.30	596.32	12.18	1,651.06
Trade Payable	--	877.62	--	--	877.62
Other Financial Liability	1.18	42.50	95.93	--	139.61
<b>Total</b>	<b>494.44</b>	<b>1,469.42</b>	<b>692.25</b>	<b>12.18</b>	<b>2,668.29</b>

**(ii) Maturity patterns of financial liabilities:**

(₹ in Crore)

Particulars	On Demand	As at 31st March, 2016			
		0-1 Years	1-5 Years	Above 5 Years	Total
Borrowings	161.66	1,006.33	533.10	55.32	1,756.41
Trade Payable	--	480.14	--	--	480.14
Other Financial Liability	1.32	34.28	92.05	--	127.65
<b>Total</b>	<b>162.98</b>	<b>1,520.75</b>	<b>625.15</b>	<b>55.32</b>	<b>2,364.20</b>

**(iii) Maturity patterns of financial liabilities:**

(₹ in Crore)

Particulars	On Demand	As at 1st April, 2015			
		0-1 Years	1-5 Years	Above 5 Years	Total
Borrowings	215.27	700.81	717.65	99.72	1,733.45
Trade Payable	--	308.76	--	--	308.76
Other Financial Liability	1.30	39.77	88.91	--	129.98
<b>Total</b>	<b>216.57</b>	<b>1,049.34</b>	<b>806.56</b>	<b>99.72</b>	<b>2,172.19</b>

**43.4 Competition and price risk**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**Note 44 - Capital Management**

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt. Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances, current investments and fixed deposit more than 12 months. Equity comprises all components including other comprehensive income.

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Total Debt	1,746.63	1,844.86
Less:- Cash and cash equivalent	29.82	25.83
Less:- Current Investment	0.21	0.17
Less:- Other bank balance	354.93	298.36
Less:- Fixed Deposit more than 12 months	1.20	2.77
<b>Net Debt</b>	<b>1,360.47</b>	<b>1,517.73</b>
<b>Total Equity (Equity Share Capital plus Other Equity)</b>	<b>1,591.73</b>	<b>1,558.95</b>
<b>Total Capital (Total Equity plus Net Debt)</b>	<b>2,952.20</b>	<b>3,076.68</b>
<b>Gearing ratio</b>	<b>46.08%</b>	<b>49.33%</b>

#### Note 45 - Segment Reporting

In accordance with Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements, and therefore, no separate disclosure on segment information is given in these financial statements.

#### Note 46 - First Time Adoption of Ind AS

##### 46.1 Basis of preparation

For all period up to the year ended 31st March, 2016, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the Company's first annual Ind AS financial statements and have been prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements, which comply with Ind AS, applicable for periods beginning on or after 1st April, 2015 as described in the accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as at 1st April, 2015 and its previously published Indian GAAP financial statements for the year ended 31st March, 2016.

##### 46.2 Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

**1) Property, plant and equipment, intangible assets and investment properties:-** The Company has elected to apply previous GAAP carrying amount as deemed cost on the date of transition to Ind AS for its property, plant and equipment, intangible assets and investment properties.

**2) Equity Investments in subsidiaries :-** The Company has elected to apply Indian GAAP carrying amount as deemed cost on the date of transition to Ind AS for its equity investments in subsidiaries.

**3) Long Term Foreign Currency Monetary Items:-** Ind AS 101 allows a first-time adopter to continue the policy adopted for the accounting for exchange differences arising on translation of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per Indian GAAP. The Company has opted for this exemption and continued its Indian GAAP policy for accounting of exchange differences on long-term foreign currency monetary items recognized in the Indian GAAP financial statements for the year ended March 31, 2016. Accordingly, foreign currency differences on such items attributable to the acquisition of property plant and equipment are adjusted against their cost and depreciated prospectively over the remaining useful lives.

##### 46.3 Mandatory exceptions applied

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

**1) Estimates:-** The Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with Indian GAAP except where Ind AS required a different basis for estimates as compared to the Indian GAAP.

**2) Classification and measurement of financial assets and liabilities:-** The Company has classified the financial assets and liabilities in accordance with Ind AS 109 "Financial Instruments" on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**Note 47 - Disclosure as required by Ind AS 101 First Time Adoption of Indian Accounting Standard (Ind AS)****47.1 Balance Sheet as at 1st April, 2015 (date of transition to Ind AS)**

(₹ in Crore)

Particulars	Indian GAAP	Adjustments	Ind AS
<b>I. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property, Plant and Equipment	1,622.10	(0.23)	1,621.87
(b) Capital Work-In-Progress	1.41	--	1.41
(c) Investment Property	--	0.23	0.23
(d) Other Intangible Assets	2.86	--	2.86
(e) Financial Assets			
(i) Investments	423.54	(1.13)	422.41
(ii) Others	91.84	(0.59)	91.25
(f) Other non-current assets	74.44	(5.10)	69.34
	<b>2,216.19</b>	<b>(6.82)</b>	<b>2,209.37</b>
<b>2 Current Assets</b>			
(a) Inventories	335.29	--	335.29
(b) Financial Assets			
(i) Investments	0.23		0.23
(ii) Trade Receivable	580.89		580.89
(iii) Cash and Cash Equivalents	17.03	--	17.03
(iv) Bank Balances other than (iii) above	155.28		155.28
(v) Loans	137.01	--	137.01
(vi) Others	45.53	--	45.53
(c) Current Tax Assets (Net)	15.62	--	15.62
(d) Other Current Assets	34.83	(3.31)	31.52
	<b>1,321.71</b>	<b>(3.31)</b>	<b>1,318.40</b>
<b>TOTAL ASSETS</b>	<b>3,537.90</b>	<b>(10.13)</b>	<b>3,527.77</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	80.41	(14.91)	65.50
(b) Other Equity	1,021.84	(47.03)	974.81
	<b>1,102.25</b>	<b>(61.94)</b>	<b>1,040.31</b>
<b>LIABILITIES</b>			
<b>1 Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	825.02	(7.65)	817.37
(ii) Other Financial Liabilities	7.08	81.83	88.91
(b) Provisions	5.35	--	5.35
(c) Current Tax Liabilities (net)	224.20	(1.74)	222.46
	<b>1,061.65</b>	<b>72.44</b>	<b>1,134.09</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	720.95	--	720.95
(ii) Trade Payable	308.76	--	308.76
(iii) Other Financial Liabilities	235.58	0.62	236.20
(b) Other Current Liabilities	75.09	(2.05)	73.04
(c) Provisions	33.62	(19.20)	14.42
	<b>1,374.00</b>	<b>(20.63)</b>	<b>1,353.37</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,537.90</b>	<b>(10.13)</b>	<b>3,527.77</b>



## 47.2 Balance Sheet as at 31st March, 2016

(₹ in Crore)

	Particulars	Indian GAAP	Adjustments	Ind AS
<b>I.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current Assets</b>			
	(a) Property, Plant and Equipment	1,546.75	(0.23)	1,546.52
	(b) Capital Work-In-Progress	2.60	--	2.60
	(c) Investment Property	--	0.23	0.23
	(d) Other Intangible Assets	2.19	--	2.19
	(e) Financial Assets			
	(i) Investments	398.31	1.00	399.31
	(ii) Others	77.19	(0.35)	76.84
	(f) Other Non-current Assets	66.14	(1.99)	64.15
		<b>2,093.18</b>	<b>(1.34)</b>	<b>2,091.84</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	363.34	--	363.34
	(b) Financial Assets			
	(i) Investments	0.17	---	0.17
	(ii) Trade Receivable	904.79	--	904.79
	(iii) Cash and Cash Equivalents	25.83	--	25.83
	(iv) Bank Balances other than (iii) above	298.36	--	298.36
	(v) Loans	416.24	--	416.24
	(vi) Others	77.53	--	77.53
	(c) Current Tax Assets (Net)	36.73	--	36.73
	(d) Other Current Assets	57.00	(3.20)	53.80
		<b>2,179.99</b>	<b>(3.20)</b>	<b>2,176.79</b>
	<b>TOTAL ASSETS</b>	<b>4,273.17</b>	<b>(4.54)</b>	<b>4,268.63</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a) Equity Share Capital	96.78	(14.91)	81.87
	(b) Other Equity	1,531.54	(54.46)	1,477.08
		<b>1,628.32</b>	<b>(69.37)</b>	<b>1,558.95</b>
	<b>LIABILITIES</b>			
<b>1</b>	<b>Non current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	593.96	(5.54)	588.42
	(ii) Other Financial Liabilities	3.60	88.45	92.05
	(b) Provisions	6.23	--	6.23
	(c) Current Tax Liabilities (Net)	227.87	(4.79)	223.08
		<b>831.66</b>	<b>78.12</b>	<b>909.78</b>
<b>2</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	899.97	--	899.97
	(ii) Trade Payable	480.14	--	480.14
	(iii) Other Financial Liabilities	303.62	--	303.62
	(b) Other Current Liabilities	98.30	--	98.30
	(c) Provisions	31.16	(13.29)	17.87
		<b>1,813.19</b>	<b>(13.29)</b>	<b>1,799.90</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,273.17</b>	<b>(4.54)</b>	<b>4,268.63</b>

## 47.3 Reconciliation of profit or loss for the year ended 31st March, 2016

(₹ in Crore)

	Particulars	Indian GAAP	Adjustments	Ind AS
I.	Revenue From Operations	3,939.94	–	3,939.94
II.	Other Income	83.54	2.38	85.92
III.	<b>Total Income (III)</b>	<b>4,023.48</b>	<b>2.38</b>	<b>4,025.86</b>
IV.	<b>Expenses:</b>			
	Costs of Materials Consumed	2,767.12	–	2,767.12
	Purchases of Stock-in-Trade	0.40	–	0.40
	Changes in Inventories of Finished Goods, Stock-in-Trade, Work-In-Progress	(43.97)	–	(43.97)
	Excise Duty Expense	322.27	–	322.27
	Employee Benefits Expense	80.35	(1.82)	78.53
	Finance Costs	227.04	10.14	237.18
	Depreciation and Amortisation Expense	100.56	–	100.56
	Other Expenses	467.76	0.25	468.01
	<b>Total Expenses (IV)</b>	<b>3,921.53</b>	<b>8.57</b>	<b>3,930.10</b>
V.	<b>Profit Before Tax (III - IV)</b>	<b>101.95</b>	<b>(6.19)</b>	<b>95.76</b>
VI.	<b>Tax Expense:</b>			
	(1) Current Tax	29.64	–	29.64
	(2) Deferred Tax	6.82	(2.43)	4.39
VII.	<b>Net Profit For The Year (V-VI)</b>	<b>65.49</b>	<b>(3.76)</b>	<b>61.73</b>
VIII.	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss:			
	Re-measurement (losses) on defined benefit plans	–	(1.82)	(1.82)
	Income tax effect on above	–	0.63	0.63
	<b>Total Other Comprehensive Income (VIII)</b>	<b>–</b>	<b>(1.19)</b>	<b>(1.19)</b>
IX.	<b>Total Comprehensive Income for the year (VII + VIII)</b>	<b>65.49</b>	<b>(4.95)</b>	<b>60.54</b>

## 47.4 Reconciliation between profit and other equity as previously reported under previous GAAP and Ind AS for the Year ended 31st March, 2016 and 1st April, 2015:-

(₹ in Crore)

Sr. no.	Particulars		Profit for the year ended 31st March, 2016	Other Equity as at 31st March, 2016	Other Equity as at 1st April, 2015
1	<b>Net profit / other equity as per previous Indian GAAP</b>		<b>65.49</b>	<b>1,531.54</b>	<b>1,021.84</b>
2	Effect of measuring preference shares initially at fair value and subsequently at amortized cost-Finance Cost	1	(10.06)	(73.54)	(66.92)
3	Proposed dividends and related tax accounted for as non adjusting events under Ind AS	2	–	13.29	19.20
4	Fair Valuation for financial assets	3	2.05	1.00	(1.05)
5	Actuarial Loss on defined benefit plans considered as Other Comprehensive Income	4	1.82	1.82	–
6	Deferred Tax	5	2.43	4.16	1.74
7	<b>Net Profit after tax / Other Equity before Other Comprehensive Income as per Ind AS</b>		<b>61.73</b>	<b>1,478.27</b>	<b>974.81</b>
8	Actuarial Loss on defined benefit plans		(1.19)	(1.19)	–
9	<b>Total Comprehensive income / Other Equity as per Ind AS</b>		<b>60.54</b>	<b>1,477.08</b>	<b>974.81</b>

**47.5 Footnotes to the reconciliation of equity as at 1st April, 2015 and 31st March, 2016 and statement of profit and loss for the year ended 31st March, 2016.****1 Financial liabilities:-**

The preference share are classified as a financial liability. The liability initially recognised on fair value and subsequently, the liability is measured at amortised cost using the effective interest rate. The impact on this account has been recognised in the reserve on the transition date and the subsequent impact are recognised in the statement of profit and loss.

**2 Dividend and dividend distribution tax:-**

Under Indian GAAP, proposed dividends were recognised as an adjusting event occurring after the balance sheet date however under the Ind AS proposed dividend are non adjusting events after the balance sheet date and hence recognised as and when approved by the Shareholders.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for dividend of ₹ 19.20 Crore (including dividend distribution tax) for the year ended on 31st March, 2015 has been derecognised with corresponding impact in the reserve on 1st April, 2015.

**3 Financial assets:-**

The Company has valued all financial assets (other than Investment in subsidiaries which are accounted at cost), at fair value. The impact of the fair value changes on the date of transition, is recognised in the opening reserves and changes thereafter are recognised in the statement of profit and loss.

**4 Defined benefit liabilities**

Both under Indian GAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**5 Deferred Tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 "Income Taxes" approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. The impact of transitional adjustments for computation of deferred taxes has resulted in charge to reserve, on the date of transition, with consequential impact to the statement of Profit and Loss and OCI for the subsequent periods.

**6 Investment Properties:-**

The investment properties are reclassified from Property, plant and equipment and presented separately as on date of transition to Ind AS.

**7 Loan processing fees / transaction cost:**

Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

**8 Other comprehensive income**

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, Indian GAAP statement of profit or loss is reconciled with statement of profit or loss as per Ind AS.

**9 Reconciliation of cash flows for the year ended 31st March, 2016**

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the Indian GAAP.

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants  
Firm Registration No-101720W

**R. KORIA**

Partner  
Membership No-35629

Place : Mumbai  
Date : 30.05.2017

**For & on behalf of the Board of Directors****B.C. ARYA**

Chairman  
(DIN-00228665)

**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTH**

Managing Director  
DIN-00229302

**UJJWALA APTE**

Company Secretary  
Membership No. A3330

**B. R. GUPTA**

Director  
(DIN-00020066)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Crore)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax as per Statement of Profit and Loss</b>	<b>55.13</b>	<b>95.76</b>
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	97.10	100.56
Currency & Interest Rate Swap Loss (Net)	0.81	2.96
Unrealised Gain on Foreign Currency Transactions (Net)	(17.11)	(3.58)
Profit on Sale of Investments (Net)	--	(0.48)
Loss on Sale of Property, Plant and Equipment (Net)	0.20	0.98
Gain on Financial Instruments Measured at Fair Value through Profit or Loss (Net)	(9.86)	(2.19)
Finance Costs	237.44	237.18
Provision for Doubtful Debts	0.73	10.00
Bad Debt Written Off	9.27	--
Interest Income	(79.20)	(49.19)
Guarantee Commission	(30.09)	(27.60)
Sundry Credit Balances Written Back (Net)	(0.03)	(1.06)
	<b>209.26</b>	<b>267.58</b>
<b>Operating Profit before Working Capital Changes</b>	<b>264.39</b>	<b>363.34</b>
<b>Adjusted for :</b>		
Trade & Other Receivables	(25.70)	(361.72)
Inventories	(86.33)	(28.05)
Trade and Other Payables	333.51	200.25
<b>Cash Generated from Operations</b>	<b>485.87</b>	<b>173.82</b>
Direct Taxes Paid	(14.66)	(48.54)
<b>Net Cash From Operating Activities</b>	<b>471.21</b>	<b>125.28</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(91.59)	(22.96)
Sale of Property, Plant and Equipment	0.60	0.85
Purchases of Investments	--	(0.32)
Sale of Investment in Subsidiary Company	--	25.50
Sale / Redemption of Investments Other than Subsidiary Companies	--	0.64
Movements in Loans and Advances of Subsidiary Company (Net)	(61.30)	(279.35)
Net Gain on Foreign Currency Transactions	--	3.53
Interest on Investment / Loans	61.88	23.29
Fixed Deposits held for more than Three Months - Matured	--	6.62
<b>Net Cash (used in) Investing Activities</b>	<b>(90.41)</b>	<b>(242.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital Including Security Premium	--	491.23
Share Issue Expenses	--	(11.35)
Proceeds from Long-Term Borrowings	306.84	302.00
Repayment of Long-Term Borrowings	(317.42)	(478.51)
Movement in Short Term Borrowings	(83.34)	183.13
Margin Money (Net)	(55.14)	(110.03)
Guarantee Commission Received	3.01	2.76
Net Loss / (Gain) on Foreign Currency Transactions	11.62	(5.51)
Finance Costs Paid	(224.75)	(222.38)
Currency & Interest Rate Swap (Loss)	(4.35)	(6.42)
Dividend Paid Including Tax Thereon on Preference Share	(3.43)	(3.43)
Dividend Paid Including Tax Thereon on Equity Share	(9.85)	(15.77)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(376.81)</b>	<b>125.72</b>
<b>Net Increase in Cash and Cash Equivalents (A + B + C)</b>	<b>3.99</b>	<b>8.80</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>25.83</b>	<b>17.03</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>29.82</b>	<b>25.83</b>

## Notes :

1. Bracket indicates cash outflow.
2. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
3. The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants

Firm Registration No-101720W

**R. KORIA**

Partner

Membership No-35629

Place : Mumbai

Date : 30.05.2017

**For & on behalf of the Board of Directors****B.C. ARYA**

Chairman

(DIN-00228665)

**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTH**

Managing Director

DIN-00229302

**UJJWALA APTE**

Company Secretary

Membership No. A3330

**B. R. GUPTA**

Director

(DIN-00020066)

## INDEPENDENT AUDITORS' REPORT (CONSOLIDATED ACCOUNTS)

TO

THE MEMBERS OF JBF Industries Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of JBF Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding 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 preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

### Basis for Qualified Opinion

The auditors of the subsidiary Company in their report on the Consolidated Financial Statements of that subsidiary, have reported in their report in respect of its step down subsidiary, JBF RAK LLC (UAE), that:-

- (i) Current financial assets others as at 31st March, 2017 include an amount of ₹ 642.41 Crore (Previous year ₹ 854.95 Crore) towards rebates receivable from suppliers. Management has accounted for these rebates receivable from suppliers based on management's best estimate of the rebates amount due. They were unable to obtain sufficient evidence to ascertain the existence and recoverability of these rebates receivable from suppliers and, consequently, they were unable to determine whether any adjustments to these amounts are necessary.
- (ii) Current financial assets loans as at 31st March, 2017 includes amounts due from related parties amounting to ₹ 23.71 Crore (Previous year ₹ 24.19 Crore) are long overdue and outstanding for more than four years. Although management believes that this amount will be recovered in due course, in view of the age of this balance and the absence of

subsequent settlement, they believe that a full provision should be made for this balance. Had a provision been made for this balance, there would have been, the net loss attributable to Owners of the Company of ₹ 360.57 Crore as against the reported net loss attributable to the Owners of the Company of ₹ 340.30 Crore for the year ended 31st March, 2017. Further Current financial assets loans, other equity and non-controlling interest as at 31st March, 2017 would have been ₹ 122.59 Crore, ₹ 1961.89 Crore and ₹ 167.50 Crore respectively as against reported figure of Rs. 146.30 Crore, ₹ 1982.16 Crore and ₹ 170.94 Crore respectively.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, referred to in Other Matters paragraph below, and except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matter

#### We draw attention in respect of

- (i) Note No. 14.1 to the Consolidated Ind AS Financial Statements regarding trade receivables amounting to ₹ 42.26 Crore due from parties in respect of which Company has initiated legal proceedings and a provision of ₹ 31.99 Crore has been considered sufficient by the management.
- (ii) Note No. 17.3 to the Consolidated Ind AS Financial Statements regarding Inter-Corporate Deposits and interest accrued and due thereon aggregating to ₹ 96.93 Crore due from certain parties in respect of which the Company has initiated legal proceedings (including winding up petitions against few of them) and has considered the same good for recovery and no provisions for doubtful debts has been considered necessary, by the management, for the reasons stated therein.
- (iii) Note No. 37.1 to the Consolidated Ind AS Financial Statements regarding managerial remuneration paid to the executive chairman which is in excess of the limits prescribed in the Act is subject to central Government approval.

The matters described in paragraph (i) & (ii) above have uncertainties related to the outcome of the legal proceedings.

Our opinion is not modified in respect of these matters.

### Other Matters

We did not audit the financial statements/consolidated financial statements of 8 Subsidiaries whose financial statements reflect total assets of ₹ 12,901.36 Crore as at 31st March, 2017 and total revenue of ₹ 5,260.37 Crore and net cash outflows of ₹ 167.66 Crore for the year then ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/consolidated financial statements have been audited by other auditors whose reports have been furnished to us by management and our opinion is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries incorporated in India, as noted in the Other Matter paragraph above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - b) Except for the effects of matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

- d) *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above*, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its Subsidiary Company, incorporated in India, none of the directors of that entity is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding Company and subsidiary Company incorporated in India.
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in note 14.1, 17.3 & 43 to the consolidated Ind AS financial statements.
- ii. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above*, provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company incorporated in India.
- iv. The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th, December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Holding Company and its subsidiary Company incorporated in India, as produced to us and based on the consideration of report of other auditors, referred to in the Other Matters paragraph above.

For Chaturvedi & Shah  
Chartered Accountants  
(Firm Registration No. 101720W)

R. Koria  
Partner  
Membership No.: 35629

Place: Mumbai  
Date: 30th May, 2017

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date on consolidated Ind AS financial statements of JBF Industries Limited for the year ended 31st March 2017)**

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of JBF Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary, all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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.

### Auditor's 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary, have, 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 31st March, 2017, 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.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary Company, which is incorporated in India and is based on the corresponding report of the auditor of such Company.

For Chaturvedi & Shah  
Chartered Accountants  
(Firm Registration No. 101720W)

R. Koria  
Partner  
Membership No.: 35629

Place: Mumbai  
Date: 30th May, 2017

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in Crore)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>I. ASSETS</b>				
<b>1 Non-Current Assets</b>				
(a) Property, Plant and Equipment	6	5,860.45	6,245.28	6,148.71
(b) Capital Work-In-Progress	6	4,821.46	4,023.20	2,305.03
(c) Investment Properties	7	0.23	0.23	0.23
(d) Goodwill on Consolidation		115.62	117.95	111.13
(e) Other Intangible Assets	6	18.87	23.07	24.18
(f) Financial Assets				
(i) Investments	8	0.68	0.73	1.24
(ii) Others	9	70.91	7.95	47.09
(g) Deferred Tax Assets	10	0.19	0.20	-
(h) Other Non-Current Assets	11	88.73	75.53	178.21
		<b>10,977.16</b>	<b>10,494.14</b>	<b>8,815.82</b>
<b>2 Current Assets</b>				
(a) Inventories	12	1,107.02	1,089.43	1,055.04
(b) Financial Assets				
(i) Investments	13	0.21	0.17	0.23
(ii) Trade Receivable	14	2,043.31	1,927.55	1,467.03
(iii) Cash and Cash Equivalents	15	127.42	291.09	116.56
(iv) Bank Balance other than (iii) above	16	863.76	890.32	279.22
(v) Loans	17	146.30	157.20	142.58
(vi) Others	18	760.57	1,023.41	854.50
(c) Current Tax Assets (Net)	19	44.20	36.73	15.62
(d) Other Current Assets	20	377.43	419.92	395.77
		<b>5,470.22</b>	<b>5,835.82</b>	<b>4,326.55</b>
<b>TOTAL ASSETS</b>		<b>16,447.38</b>	<b>16,329.96</b>	<b>13,142.37</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	21	81.87	81.87	65.50
(b) Other Equity	22	1,982.16	2,342.37	1,714.53
<b>Equity Attributable to the owners</b>		<b>2,064.03</b>	<b>2,424.24</b>	<b>1,780.03</b>
Non Controlling Interest		170.94	221.73	--
<b>Total Equity</b>		<b>2,234.97</b>	<b>2,645.97</b>	<b>1,780.03</b>
<b>LIABILITIES</b>				
<b>1 Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	23	7,159.34	7,187.20	6,167.89
(ii) Other Financial Liabilities	24	95.93	92.05	88.91
(b) Provisions	25	34.66	34.88	27.08
(c) Deferred Tax Liabilities (Net)	26	233.29	226.08	226.18
(d) Other Non-Current Liabilities	27	22.38	25.24	25.50
		<b>7,545.60</b>	<b>7,565.45</b>	<b>6,535.56</b>
<b>2 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	28	3,054.19	3,092.81	2,080.12
(ii) Trade Payable	29	2,012.95	1,767.16	1,824.41
(iii) Other Financial Liabilities	30	1,518.68	1,172.88	864.71
(b) Other Current Liabilities	31	32.03	29.77	25.72
(c) Provisions	32	41.62	35.25	31.64
(d) Current Tax Liabilities (Net)	33	7.34	20.67	0.18
		<b>6,666.81</b>	<b>6,118.54</b>	<b>4,826.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,447.38</b>	<b>16,329.96</b>	<b>13,142.37</b>
Significant accounting policies and notes to consolidated financial statements	<b>1 to 55</b>			

As per our report of even date

**For CHATURVEDI & SHAH**Chartered Accountants  
(Firm Registration No-101720W)**R. KORIA**Partner  
Membership No-35629Place : Mumbai  
Date : 30.05.2017**For & on behalf of the Board of Directors****B.C. ARYA**Chairman  
(DIN-00228665)**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTH**Managing Director  
(DIN-00229302)**UJJWALA APTE**Company Secretary  
Membership No. A3330**B. R. GUPTA**Director  
(DIN-00020066)



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Crore)

Particulars	Note	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
I. Revenue from Operations	34	9,343.08	9,200.98
II. Other Income	35	46.77	35.02
III. <b>Total Income (III)</b>		<b>9,389.85</b>	<b>9,236.00</b>
IV. <b>Expenses:</b>			
Cost of Material Consumed		6,935.75	6,533.39
Purchases of Stock-In-Trade		10.42	0.40
Changes in Inventories of Finished Goods and Work-In-Progress	36	(3.79)	(43.58)
Excise Duty Expense		358.13	322.27
Employee Benefits Expense	37	261.67	274.84
Finance Costs	38	558.53	555.52
Depreciation and Amortisation Expense	39	343.76	357.17
Other Expenses	40	1,294.40	1,408.24
<b>Total Expenses (IV)</b>		<b>9,758.87</b>	<b>9,408.25</b>
V. <b>Loss Before Tax (III - IV)</b>		<b>(369.02)</b>	<b>(172.25)</b>
VI. <b>Tax Expense:</b>	41		
(1) Current Tax		15.04	49.11
(2) MAT Credit Entitlement		(0.63)	--
(3) Deferred Tax		6.93	3.23
VII. <b>Net loss After Tax (V-VI)</b>		<b>(390.36)</b>	<b>(224.59)</b>
VIII. <b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss:			
Re-measurement gains / (losses) on defined benefit plans		(1.34)	(1.82)
Income tax effect on above		0.46	0.63
Items that will be reclassified to profit or loss:			
Foreign Currency Translation Reserve		(19.86)	57.07
Change in fair value of derivative financial instrument		2.08	(1.81)
<b>Total Other Comprehensive Income</b>		<b>(18.66)</b>	<b>54.07</b>
IX. <b>Total Comprehensive Income for the year (VII + VIII)</b>		<b>(409.02)</b>	<b>(170.52)</b>
X. <b>Loss for the Year attributable to</b>			
Equity holders of the parent		(340.30)	(187.77)
Non-Controlling interest		(50.06)	(36.82)
		<b>(390.36)</b>	<b>(224.59)</b>
XI. <b>Other Comprehensive Income attributable to</b>			
Equity holders of the parent		(17.93)	44.92
Non-Controlling interest		(0.73)	9.15
		<b>(18.66)</b>	<b>54.07</b>
XII. <b>Total Comprehensive Income for the year attributable to</b>			
Equity holders of the parent		(358.23)	(142.85)
Non-Controlling interest		(50.79)	(27.67)
		<b>(409.02)</b>	<b>(170.52)</b>
XIII. <b>Earnings per Equity Share of ₹ 10 each (Basic and Diluted)</b>	42	<b>(47.68)</b>	<b>(32.20)</b>
Significant accounting policies and notes to consolidated financial statements	1 to 55		

As per our report of even date

**For CHATURVEDI & SHAH**Chartered Accountants  
(Firm Registration No-101720W)**R. KORIA**Partner  
Membership No-35629  
Place : Mumbai  
Date : 30.05.2017**For & on behalf of the Board of Directors****B.C. ARYA**Chairman  
(DIN-00228665)**RAKESH GOTH**Managing Director  
(DIN-00229302)**B. R. GUPTA**Director  
(DIN-00020066)**AJAY AGRAWAL**

Chief Financial Officer

**UJJWALA APTE**Company Secretary  
Membership No. A3330

## ATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

## A. Equity Share Capital

Particulars	As at 1st April, 2015	Changes during 2015 -16	As at 31st March, 2016	Changes during 2016-17	As at 31st March, 2017
Equity Share Capital	65.50	16.37	81.87	--	81.87

## B. Other Equity

Particulars	Attributable to equity owners													Total Other Equity	Non Con- trolling Interest	Total
	Reserves and Surplus						Foreign Currency Monetary Items		Items of Other Comprehensive Income							
	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolida- tion	Securities Premium Account	General Reserve	Retained Earnings	Premium on Buyback of Shares	Legal Reserve	Other Reserve	Translation Difference Account	Foreign Currency Translation Reserve	Reemea- surements of Defined Benefit Plans	Fair value of Derivative Financial Instruments			
<b>Balance as at 1st April, 2015</b>	10.62	7.50	0.41	344.43	77.94	1,177.53	(71.43)	107.36	--	(12.47)	71.16	--	1.48	1,714.53	--	1,714.53
Total Comprehensive Income for the year	--	--	--	--	--	(187.77)	--	--	--	--	47.66	(1.19)	(1.55)	(170.52)	(27.67)	(170.52)
Final dividend payment (Dividend per share ₹ 2.00)	--	--	--	--	--	(13.10)	--	--	--	--	--	--	--	(13.10)	--	(13.10)
Dividend Distribution Tax	--	--	--	--	--	(2.67)	--	--	--	--	--	--	--	(2.67)	--	(2.67)
Securities premium on issue of equity shares	--	--	--	474.86	--	--	--	--	--	--	--	--	--	474.86	--	474.86
Share Issue Expenses (Net of Deferred tax)	--	--	--	(8.21)	--	--	--	--	--	--	--	--	--	(8.21)	--	(8.21)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	--	--	--	--	(9.15)	--	--	--	(9.15)	--	(9.15)
Changes in Capital Redemption Reserve on Consolidation	--	--	0.03	--	--	--	--	--	--	--	--	--	--	0.03	--	0.03
Capitalisation of Expenses of earlier years	--	--	--	--	--	78.70	--	--	--	--	--	--	--	78.70	--	78.70
Other Reserve	--	--	--	--	--	--	--	--	250.23	--	--	--	--	250.23	--	250.23
Non-Controlling Interest	--	--	--	--	--	--	--	--	--	--	--	--	--	--	249.40	249.40
<b>Balance as at 31st March, 2016</b>	10.62	7.50	0.44	811.08	77.94	1,052.69	(71.43)	107.36	250.23	(21.62)	118.82	(1.19)	(0.07)	2,342.37	221.73	2,564.10
Total Comprehensive Income for the year	--	--	--	--	--	(340.30)	--	--	--	--	(18.83)	(0.88)	1.78	(358.23)	(50.79)	(409.02)
Final dividend payment (Dividend per share ₹ 1.00)	--	--	--	--	--	(8.18)	--	--	--	--	--	--	--	(8.18)	--	(8.18)
Dividend Distribution Tax	--	--	--	--	--	(1.67)	--	--	--	--	--	--	--	(1.67)	--	(1.67)
Share Issue Expenses (Net of Deferred tax)	--	--	--	(0.80)	--	--	--	--	--	--	--	--	--	(0.80)	--	(0.80)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	--	--	--	--	8.68	--	--	--	8.68	--	8.68
Changes in Capital Redemption Reserve on Consolidation	--	--	(0.01)	--	--	--	--	--	--	--	--	--	--	(0.01)	--	(0.01)
<b>Balance as at 31st March, 2017</b>	10.62	7.50	0.43	810.28	77.94	702.54	(71.43)	107.36	250.23	(12.94)	99.99	(2.07)	1.71	1,982.16	170.94	2,153.09

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants

(Firm Registration No-101720W)

Place : Mumbai

Date : 30.05.2017

**For & on behalf of the Board of Directors****B.C. ARYA**

Chairman

(DIN-00228665)

**RAKESH GOTHI**

Managing Director

(DIN-00229302)

**B. R. GUPTA**

Director

(DIN-00020066)

**R. KORIA**

Partner

Membership No-35629

**AJAY AGRAWAL**

Chief Financial Officer

**UJJWALA APTE**

Company Secretary

Membership No. A3330

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### Note 1 CORPORATE INFORMATION:

The consolidated financial statements comprise financial statements of JBF Industries Limited ("the Company") and its subsidiaries namely, JBF Global PTE Ltd., JBF Trade Invest PTE Ltd, JBF Petrochemicals Limited, JBF RAK LLC, JBF Global Europe BVBA, JBF Bahrain S.P.C., JBF America INC, JBF Bio Glicols Industria Quimica Ltda (collectively "the Group") for the year ended 31st March, 2017. The Company is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), in India. The registered office of the Company is situated at Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa - 396230, India.

Group is engaged in the trading and manufacturing business of Polyester Chips, Polyester Yarn, Processed Yarn, SSP Chips, Polyester Films, purified Terephthalic Acid (PTA), Bio-Glycol (MEG), Rolls and Sheets, Polyethylene Terephthalate (PET) resin and Trading Activities.

The consolidated financial statements for the year ended 31st March, 2017 were approved and adopted by board of directors in their meeting held on 30th May, 2017.

### Note 2 BASIS OF PREPARATION:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

For all periods up to year ended 31st March, 2016, the Group prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the first financial statement, the Group has prepared in accordance with Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost.

The consolidated financial statements are presented in Indian Rupees (₹), which is the Group's functional and presentation currency and all values are rounded to the nearest crore with two decimal, except when otherwise indicated.

### Note 3 BASIS OF CONSOLIDATION:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

#### Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognised in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.
- Intra-Group balances and transactions, and any unrealised income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.
- In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (Loss) on exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR) through OCI.
- Consolidated statement of profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- For the acquisitions of additional interests in subsidiaries, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.
- Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

- h) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### **Note 4 SIGNIFICANT ACCOUNTING POLICIES:**

##### **4.1 Property, Plant and Equipment:**

Property, plant and equipment are carried at cost of acquisition or construction, net of Cenvat/Value added tax less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Depreciation on the property, plant and equipment is provided using straight line method over the useful life of assets as specified in schedule II to the Companies Act, 2013 except in respect of foreign subsidiaries depreciation is calculated on straight line basis over the estimated useful lives of property, plant and equipments as follows:-

- a) Plant and Machineries-over 20 years to 25 years
- b) Lease hold improvements-over 20 years or the lease term (whichever is less)
- c) Installations-over 10 years
- d) Motor vehicles-over 4 to 10 years
- e) Furniture, fixtures and fittings-over 5 to 10 years
- f) Office equipments-over 5 years

Depreciation on property, plant and equipment which are added during the year, is provided on pro-rata basis succeeding to the month of addition. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits / losses arising in the case of retirement / disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

##### **4.2 Investment Properties:**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the Group measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

##### **4.3 Intangible Assets :**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end. Technical Know how is amortised to profit or loss using the straight line method over 15 years, which is shorter of their estimated useful lives and periods of contractual rights.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

##### **4.4 Leases:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

##### **4.5 Inventories:**

In general, all inventories are measured at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw Materials are valued on weighted average basis and Stores & Spares are determined on FIFO in respect of the Company and weighted average basis in respect of foreign

subsidiaries. Waste, by products and trial run products are valued at net realisable value. Finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

#### 4.6 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### 4.7 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

#### 4.8 Non-Current Assets held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

#### 4.9 Financial instruments – initial recognition, subsequent measurement and impairment:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### I) Financial assets -Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

##### Financial assets - Subsequent measurement:

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at **amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

**a) Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

**b) Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

##### Financial assets - Derecognition

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flow from the asset.

##### II) Financial liabilities - Initial recognition and measurement:

The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### Financial liabilities - Subsequent measurement:

"Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments."

##### Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

**Financial Liabilities - Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**III) Derivative financial instruments**

The Group uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards and options to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss.

**4.10 Provisions, Contingent Liabilities, Contingent Assets and Commitments:**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**4.11 Dividend Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

**4.12 Revenue recognition and Export Incentive****Revenue recognition**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer as per the terms of the contracts, usually on delivery of the goods, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from Operations is measured at the fair value of the consideration received or receivable and includes sale of products, waste, services, export Incentives and excise duty and are net of sales tax, value added tax, discounts and claims.

**Other Operating Income:**

Export Incentives other than advance licence are recognised at the time of exports and the benefit in respect of advance license received by the Group against export made by it are recognised as and when goods are imported against them.

**Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend Income:**

Dividend Income is recognised when the right to receive the payment is established.

**4.13 Foreign currency reinstatement and translation:**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction. Monetary Items denominated in foreign currencies at the year end are restated at year end rates.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition or construction of qualifying assets is adjusted to the carrying cost of such assets, in other cases such difference are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long term monetary item, however that the period of amortisation does not extend beyond 31st March, 2020.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, as finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**4.14 Employee Benefits:**

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.

Leave encashment being a defined benefit plan is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.



The cost of providing gratuity, a defined benefit plans, is determined using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in the statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

#### 4.15 Taxes on Income:

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

#### 4.16 Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

#### 4.17 Earnings per share:

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

#### 4.18 Current and non-current classification:

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

##### **An asset is classified as current when it is:**

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
  - Held primarily for the purpose of trading & manufacturing.
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

##### **A liability is classified as current when it is:**

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading, & manufacturing.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Group has identified twelve months as its normal operating cycle.

#### 4.19 Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.



**4.20 Off-setting financial Instrument:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

**Note 5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**5.1 Property, plant and equipment, Investment Properties and Intangible Assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**5.2 Income Tax:**

The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the Consolidated Financial Statements.

**5.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**5.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**5.5 Impairment of non-financial assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**5.6 Defined benefits plans:**

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**5.7 Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**5.8 Provisions:**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**5.9 Fair value measurement of financial instruments:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## Note 6 - Property, Plant and Equipment, Intangible Assets and Capital Work-In-Progress

(₹ in Crore)

Particulars	Land-Leasehold	Leasehold Improve-ments	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Computer	Office Equip-ment	Total	Intan-gible Assets
<b>COST</b>											
<b>As at 1st April, 2015</b>	<b>1.44</b>	<b>1,052.00</b>	<b>192.76</b>	<b>240.10</b>	<b>5,366.43</b>	<b>8.68</b>	<b>19.96</b>	<b>21.65</b>	<b>0.39</b>	<b>6,903.41</b>	<b>33.68</b>
Additions / Adjustments	--	136.41	0.04	1.95	381.71	0.70	4.49	3.52	0.12	528.94	3.32
Disposals / Transfers	0.44	15.04	--	--	2.22	0.57	8.63	0.45	0.01	27.36	--
<b>As at 31st March, 2016</b>	<b>1.00</b>	<b>1,173.37</b>	<b>192.80</b>	<b>242.05</b>	<b>5,745.92</b>	<b>8.81</b>	<b>15.82</b>	<b>24.72</b>	<b>0.50</b>	<b>7,404.99</b>	<b>37.00</b>
Additions / Adjustments	--	(41.63)	0.12	29.24	(40.83)	0.62	0.89	1.15	0.18	(50.26)	(0.78)
Disposals / Transfers	--	0.85	9.29	-	17.35	0.09	2.44	0.04	0.03	30.09	--
<b>As at 31st March, 2017</b>	<b>1.00</b>	<b>1,130.89</b>	<b>183.63</b>	<b>271.29</b>	<b>5,687.74</b>	<b>9.34</b>	<b>14.27</b>	<b>25.83</b>	<b>0.65</b>	<b>7,324.64</b>	<b>36.22</b>
<b>DEPRECIATION AND AMORTISATION</b>											
<b>As at 1st April, 2015</b>	<b>--</b>	<b>144.60</b>	<b>--</b>	<b>--</b>	<b>593.23</b>	<b>1.89</b>	<b>5.52</b>	<b>9.46</b>	<b>--</b>	<b>754.70</b>	<b>9.50</b>
Depreciation for the year	0.02	61.12	--	10.42	328.45	1.41	3.75	3.76	0.15	409.08	4.43
Disposals	0.00	0.04	--	--	0.13	0.08	3.65	0.16	0.01	4.07	--
	(₹ 47,159)										
<b>As at 31st March, 2016</b>	<b>0.02</b>	<b>205.68</b>	<b>--</b>	<b>10.42</b>	<b>921.55</b>	<b>3.22</b>	<b>5.62</b>	<b>13.06</b>	<b>0.14</b>	<b>1,159.71</b>	<b>13.93</b>
Depreciation for the year	0.01	44.65	--	9.92	244.94	0.98	2.64	2.82	0.12	306.08	3.42
Disposals	--	0.05	--	--	0.15	0.03	1.35	0.00	0.02	1.60	--
	(₹ 38,528)										
<b>As at 31st March, 2017</b>	<b>0.03</b>	<b>250.28</b>	<b>--</b>	<b>20.34</b>	<b>1,166.34</b>	<b>4.17</b>	<b>6.91</b>	<b>15.88</b>	<b>0.24</b>	<b>1,464.19</b>	<b>17.35</b>
<b>NET BOOK VALUE:</b>											
<b>As at 1st April, 2015</b>	<b>1.44</b>	<b>907.40</b>	<b>192.76</b>	<b>240.10</b>	<b>4,773.20</b>	<b>6.79</b>	<b>14.44</b>	<b>12.19</b>	<b>0.39</b>	<b>6,148.71</b>	<b>24.18</b>
<b>As at 31st March, 2016</b>	<b>0.98</b>	<b>967.69</b>	<b>192.80</b>	<b>231.63</b>	<b>4,824.37</b>	<b>5.59</b>	<b>10.20</b>	<b>11.66</b>	<b>0.36</b>	<b>6,245.28</b>	<b>23.07</b>
<b>As at 31st March, 2017</b>	<b>0.97</b>	<b>880.61</b>	<b>183.63</b>	<b>250.95</b>	<b>4,521.40</b>	<b>5.17</b>	<b>7.36</b>	<b>9.95</b>	<b>0.41</b>	<b>5,860.45</b>	<b>18.87</b>
<b>Capital Work-In-Progress</b>											
<b>As at 1st April, 2015</b>										<b>2,305.03</b>	
<b>As at 31st March, 2016</b>										<b>4,023.20</b>	
<b>As at 31st March, 2017</b>										<b>4,821.46</b>	

- 6.1 Buildings include cost of shares in Co-operative Societies ₹ 8000 (As at 31st March, 2016 ₹ 8000 and as at 1st April, 2015 ₹ 8000).
- 6.2 Property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in note 23 and 28.
- 6.3 In accordance with the Indian Accounting Standard (Ind AS -36) on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on property, plant and equipment during the year ended 31st March, 2017.
- 6.4 In accordance with the exemption given under Ind AS 101, which has been exercised by the Company, a first time adopter can continue its previous GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 1st April, 2016. (Refer note 54 First time adoption of Ind AS). Accordingly, foreign currency exchange differences arising on translation/settlement of long-term foreign currency monetary items acquired before 1st April, 2016 pertaining to the acquisition of a depreciable asset amounting to ₹ 0.06 Crore gain (31st March, 2016 ₹ 8.03 Crore loss) are adjusted to the cost of respective item of property, plant and equipment which is included in foreign exchange difference above.
- 6.5 The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment and Intangible Assets is considered as a deemed cost on the date of transition.
- 6.6 Other intangible assets represents Computer software other than self generated.
- 6.7 The Leasehold improvements represents the cost of building related to plant & premises which are constructed on leasehold land situated at Emirates of Ras Al Khaimah UAE, Bahrain and Belgium. The land on which the production facility is located has been obtained on a 20 years operating lease and is on renewable basis. Management expects to renew the lease after the expiry of the lease period.
- 6.8 Addition to Gross Block includes loss of ₹ 166.11 Crore (as at 31st March 2016 gain of ₹ 434.52 Crore) and Depreciation includes gain of ₹ 35.14 Crore (as at 31st March, 2016 gain of ₹ 55.85 Crore) on account of translation of Fixed Assets & Depreciation to date respectively of Foreign subsidiaries, the effect of which is considered in Foreign Currency translation reserve.
- 6.9 Depreciation for the year of ₹ 0.89 Crore (for the year ended 31st March, 2016 ₹ 0.50 Crore) considered as pre-operating expenses.

## 6.10 Details of the Preoperative Expenditure :

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Salary, Wages & Allowances	10.74	8.55
Gratuity	0.10	--
Rates & Taxes	0.27	--
Employees Welfare & Other Amenities	0.24	0.09
Contribution to Provident Fund, ESIC and Other Funds	0.43	--
Interest Expenses on Financial Liabilities measured at Amortised Cost	238.49	165.16
Other Borrowings Cost	13.40	--
Depreciation	0.89	0.50
Security Charges	1.63	--
Rent, Travelling & Conveyance	2.20	2.11
Insurance	3.09	--
Legal & Professional Fees	36.74	13.71
Technology, License & Construction Related Fees	0.46	30.10
Net Loss on Foreign Currency Transaction	(56.88)	112.66
General Expenses	19.03	21.03
<b>Pre Operative Expenditure for the Year</b>	<b>270.83</b>	<b>353.91</b>
<b>INCOME</b>		
Interest Income	26.67	9.16
<b>Pre Operative Expenditure for the Year</b>	<b>244.16</b>	<b>344.75</b>
Add : Pre Operative Expenditure upto Previous Year	2,761.79	2,421.83
	<b>3,005.95</b>	<b>2,766.58</b>
Less : Allocated/Adjusted during the Year	--	4.79
<b>Closing Balance</b>	<b>3,005.95</b>	<b>2,761.79</b>

## Note 7 - Investment Properties

(₹ in Crore)

Particulars	Investment Properties
<b>COST:</b>	
<b>As at 1st April, 2015</b>	<b>0.23</b>
Additions	--
Disposals / transfers	--
<b>As at 31st March, 2016</b>	<b>0.23</b>
Additions	--
Disposals / transfers	--
<b>As at 31st March, 2017</b>	<b>0.23</b>
<b>DEPRECIATION AND AMORTISATION:</b>	
<b>As at 1st April, 2015</b>	<b>--</b>
Depreciation and Amortisation during the year	--
Disposals / transfers	--
<b>As at 31st March, 2016</b>	<b>--</b>
Depreciation and Amortisation during the year	--
Disposals / transfers	--
<b>As at 31st March, 2017</b>	<b>--</b>
<b>NET BOOK VALUE:</b>	
<b>As at 1st April, 2015</b>	<b>0.23</b>
<b>As at 31st March, 2016</b>	<b>0.23</b>
<b>As at 31st March, 2017</b>	<b>0.23</b>

- 7.1 The Company's investment properties as at 31st March, 2017 consists of land held for undetermined future use.
- 7.2 As at 31st March, 2017 and 31st March, 2016, the fair values of the properties are ₹ 2.99 Crore and ₹ 3.37 Crore respectively. These valuations are based on valuations performed by an independent valuer, who is a specialist in valuing these types of investment properties. The fair value of the assets is determined using residual technique of valuation. The fair value measurement is categorised in Level 3 fair value hierarchy. The above method consists of estimating and assessing the prevailing market value of a Residential unit after adjusting various factors.
- 7.3 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- 7.4 The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Investment Properties is considered as a deemed cost on the date of transition.

## Note 8 - Non-Current Investments

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore
<b>(a) In Equity Instruments:</b>									
<b>Unquoted Fully Paid-Up</b>									
<b>Others</b>									
<b>Carried at fair value through profit and loss</b>									
Planet 41 Mobi Venture Ltd	360,000	10	0.54	360,000	10	0.54	360,000	10	0.54
Ansal Hi-Tech Townships Ltd *	--	--	--	--	--	--	2,936	10	0.04
Nitesh Housing Developers Pvt Ltd * (As at 1st April, 2015 ₹ 25,129)	--	--	--	--	--	--	282	10	0.00
BCC Infrastructures Pvt Ltd* (As at 1st April, 2015 ₹ 590)	--	--	--	--	--	--	59	10	0.00
Sumex Overseas Ltd.	15,000	10	--	15,000	10	--	15,000	10	--
<b>Quoted Fully Paid-Up</b>									
<b>Carried at fair value through profit and loss</b>									
Allied Digital Services Ltd.	48,000	5	0.14	48,000	5	0.19	48,000	5	0.09
<b>Total Equity Instruments (a)</b>			<b>0.68</b>			<b>0.73</b>			<b>0.67</b>
<b>(b) In Preference Shares*:</b>									
<b>Unquoted Fully Paid-Up</b>									
<b>Carried at fair value through profit and loss</b>									
BCC Infrastructures Pvt Ltd	--	--	--	--	--	--	172	10	0.01
Runwal Township Pvt Ltd Class A	--	--	--	--	--	--	53	1	0.01
Runwal Township Pvt Ltd Class B	--	--	--	--	--	--	78	1	0.01
Runwal Township Pvt Ltd Class C	--	--	--	--	--	--	53	1	0.02
<b>Total Preference Shares (b)</b>			--			--			<b>0.05</b>
<b>(c) In Debentures*:</b>									
<b>Unquoted Fully Paid-Up</b>									
<b>Carried at fair value through profit and loss</b>									
Aristo Realtors Private Ltd	--	--	--	--	--	--	313	1,000	0.07
Atithi Building Commodities Pvt Ltd	--	--	--	--	--	--	637	1,000	0.15
BCC Infrastructures Pvt Ltd Class A	--	--	--	--	--	--	3,878	100	0.07
Marvel Realtors Developers Series I (As at 1st April, 2015 ₹ 20,200)	--	--	--	--	--	--	202	100	0.00
Marvel Realtors Developers Series II	--	--	--	--	--	--	488	100	0.01
Nitesh Land Holding Pvt Ltd	--	--	--	--	--	--	1,104	100	0.01
Runwal Township Pvt Ltd - Class B	--	--	--	--	--	--	2,975	100	0.06
Total Environment Habitat Pvt. Ltd OCD	--	--	--	--	--	--	6,766	100	0.14
Total Environment Projects	--	--	--	--	--	--	1,131	100	0.01
<b>Total Debentures (c)</b>			--			--			<b>0.52</b>
<b>Total Non Current Investments (a) + (b) + (c)</b>			<b>0.68</b>			<b>0.73</b>			<b>1.24</b>

\* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the Company (Refer note - 8.2)

## 8.1 Aggregate amount of Investments and Market value thereof

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	0.14	0.14	0.19	0.19	0.09	0.09
Unquoted Investments	0.54	--	0.54	--	1.15	--
<b>Total</b>	<b>0.68</b>	<b>0.14</b>	<b>0.73</b>	<b>0.19</b>	<b>1.24</b>	<b>0.09</b>

**8.2** As at 31st March, 2017 ₹ Nil (As at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 0.34 Crore) paid to HDFC Asset Management company Limited (the Portfolio Manager) for providing Discretionary Portfolio Management Services which is in the nature of investment administrative management services and include the responsibility to manage, invest and operate the assets under the HDFC AMC PMS-Real Estate Portfolio-1 ("Real Estate Portfolio"), as per the agreement dated 1st January, 2008. The securities representing the outstanding balance of ₹ Nil as at 31st March, 2017 (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 0.34 Crore) have been accounted as investment.

## 8.3 Category-wise Non Current Investments

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets measured at fair value through Profit and Loss	0.68	0.73	1.24
	<b>0.68</b>	<b>0.73</b>	<b>1.24</b>

## Note 9 - Non-Current Financial Assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank Deposits with more than 12 months maturity	66.62	3.44	43.03
Security Deposits	4.29	4.51	4.06
<b>Total</b>	<b>70.91</b>	<b>7.95</b>	<b>47.09</b>

- 9.1 Bank deposits with more than 12 months maturity represents a deposit of ₹ 0.67 Crore (as at 31st March, 2016 ₹ 0.67 Crore and as at 1st April, 2015 ₹ 0.61 Crore) held in a commercial bank in the Kingdom of Bahrain and maturing in July, 2023. The fixed deposits are held under lien as a security for the purchase of natural gas from the Bahrain Petroleum Company B.S.C. and ₹ 64.75 Crore (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 40.86 Crore) pledged as security with a bank for the credit facilities availed by JBF Petrochemical Ltd, a Subsidiary Company.

## Note 10 - Deferred Tax Assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Assets	0.19	0.20	--
<b>Total</b>	<b>0.19</b>	<b>0.20</b>	<b>--</b>

- 10.1 Deferred tax asset pertains to deferred tax benefit recorded on accounting losses relating to JBF Americas INC a subsidiary of the Company.

## Note 11 - Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated :</b>			
Capital Advances	24.36	11.87	109.16
MAT Credit Entitlement	64.09	63.46	68.73
Prepaid Expenses	0.28	0.18	0.28
Advances recoverable from Government Authority	--	0.02	0.04
<b>Total</b>	<b>88.73</b>	<b>75.53</b>	<b>178.21</b>

- 11.1 During the year the company was liable to pay MAT under section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT was allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next Ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, ₹ 0.63 Crore (for the year ended 31st March, 2016 ₹ Nil) being the excess of tax payable u/s 115JB of the Act over tax payable as per the provisions other than section 115JB of the Act has been considered as MAT credit entitlement and credited to statement of profit and loss during the year.

## Note 12 - Inventories

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Raw Materials :</b>			
Goods-in-Transit	231.44	235.11	253.64
Others	296.29	299.95	293.70
<b>Work in Progress</b>	49.23	56.72	76.93
<b>Finished Goods :</b>			
Goods-in-Transit	76.70	53.32	23.62
Others	334.08	325.59	291.50
<b>Stores and Spares :</b>			
Goods-in-Transit	3.07	1.88	0.46
Others	116.21	116.86	115.19
<b>Total</b>	<b>1,107.02</b>	<b>1,089.43</b>	<b>1,055.04</b>

- 12.1 Inventories are pledged/hypothecated as collateral against borrowings, the details related to which have been described in note 23 and 28.

- 12.2 Finished Goods and Work in Progress includes ₹ 13.61 Crore and ₹ 6.98 Crore as trial run by one of the subsidiary Company respectively.

**Note 13 - Current Investments**

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore
<b>In Mutual Funds</b>									
<b>Unquoted Fully Paid-up</b>									
<b>Carried at fair value through profit and loss</b>									
HDFC- Cash Management Fund -Saving Plan Growth - Direct Plan*	--	--	--	--	--	--	7,782	10	0.02
Baroda Pioneer PSU Equity Fund- Dividend Reinvestment Plan	250,000	10	0.21	250,000	10	0.17	250,000	10	0.21
<b>Total Mutual Funds</b>			<b>0.21</b>			<b>0.17</b>			<b>0.23</b>
<b>Total Current Investments</b>			<b>0.21</b>			<b>0.17</b>			<b>0.23</b>

\* Represents Investments made through Portfolio Manager and held by them in fiduciary capacity on behalf of the Company. (Refer note 8.2)

**13.1 Aggregate amount of Current Investments and Market value thereof**

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	--	--	--	--	--	--
Unquoted Investments	0.21	--	0.17	--	0.23	--
<b>Total</b>	<b>0.21</b>	<b>--</b>	<b>0.17</b>	<b>--</b>	<b>0.23</b>	<b>--</b>

**13.2 Category-wise Current Investments**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets measured at fair value through Profit and Loss	0.21	0.17	0.23
<b>Total</b>	<b>0.21</b>	<b>0.17</b>	<b>0.23</b>

**Note 14 - Current Financial Assets - Trade Receivable**

(₹ in Crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Considered Good	2,043.31		1,927.55		1,467.03	
Considered Doubtful	41.44		40.89		30.35	
	2,084.75		1,968.44		1,497.38	
Less : Provision for Doubtful Debts	41.44	2,043.31	40.89	1,927.55	30.35	1,467.03
<b>Total</b>		<b>2,043.31</b>		<b>1,927.55</b>		<b>1,467.03</b>

**14.1** Debts includes ₹ 42.26 Crore (as at 31st March, 2016 ₹ 51.52 Crore and as at 1st April, 2015 ₹ 51.52 Crore), which are overdue and against which the Company has initiated legal proceedings. The Company is of the view that this amount is recoverable. As a matter of prudence and based on the best estimate a provision of ₹ 31.99 Crore (as at 31st March, 2016 ₹ 31.25 Crore and as at 1st April, 2015 ₹ 21.25 Crore) has been made and which has been considered sufficient.

**Note 15 - Cash and Cash Equivalents**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks in Current Accounts	127.15	91.38	116.28
Fixed Deposit with Banks - Having maturity less than 3 months	--	198.77	--
Cheques, Drafts on Hand	--	0.58	--
Cash on Hand	0.27	0.36	0.28
<b>Total</b>	<b>127.42</b>	<b>291.09</b>	<b>116.56</b>

**15.1** For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with Banks in Current Accounts	127.15	91.38	116.28
Fixed Deposit with Banks - Having maturity less than 3 months	--	198.77	--
Cheques, Drafts on Hand	--	0.58	--
Cash on Hand	0.27	0.36	0.28
<b>Total</b>	<b>127.42</b>	<b>291.09</b>	<b>116.56</b>

15.2 Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as under:-

(Amount in ₹)

	SBNs	Other Denomination Notes	Total
<b>Closing cash in hand as on 08.11.2016</b>	<b>962,500</b>	<b>498,117</b>	<b>1,460,617</b>
(+) Permitted receipts	–	2,135,243	2,135,243
(-) Permitted payments	21,500	1,866,911	1,888,411
(-) Amount deposited in Banks	941,000	29,287	970,287
<b>Closing cash in hand as on 30.12.2016</b>	<b>–</b>	<b>737,162</b>	<b>737,162</b>

#### Note 16 - Bank Balances Other Than Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Earmarked Balances with bank :</b>			
For Unpaid Dividend Accounts	1.18	1.32	1.30
Fixed Deposits with remaining maturity of less than 12 months	–	14.89	20.65
Deposit lien with banks	862.58	874.11	257.27
<b>Total</b>	<b>863.76</b>	<b>890.32</b>	<b>279.22</b>

#### Note 17 - Current Financial Assets - Loans

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Secured, Considered Good</b>			
Inter Corporate Deposits	55.00	55.00	55.00
<b>Unsecured, Considered Good</b>			
Loans and Advances to Related Parties (Refer Note - 46)	86.30	97.20	81.58
Inter Corporate Deposits to Others	5.00	5.00	6.00
<b>Total</b>	<b>146.30</b>	<b>157.20</b>	<b>142.58</b>

17.1 Unsecured inter-corporate Deposits includes ₹ 5.00 Crore (as at 31st March, 2016 ₹ 5.00 Crore and as at 1st April, 2015 ₹ 5.00 Crore) backed by personal guarantee of a promoter of a borrower.

17.2 Secured Inter Corporate Deposits (ICD) Includes:-

(i) Loan of ₹ 9.00 Crore given in earlier years to TVC Sky Shop Limited (TVC) against the pledge of 2,500,000 equity shares of ₹ 10 each representing 25.73% of the paid up equity share capital of TVC.

(ii) Loan of ₹ 11.00 Crore given in earlier years to Suryachakra Power Corporation Limited (SPCL) against the pledge of 2,431,434 equity shares of ₹ 10.00 each representing 1.62% of the paid up equity share capital of SPCL.

As TVC and SPCL failed to meet its commitments for repayment, the Company invoked the pledge and got transferred above mentioned equity shares in its own Demat account. As the Company does not intends to hold these shares as investment to acquire control of TVC and SPCL but as a security till the above loans are repaid, it continue to disclose the above loans as ICD as against the investment. Further TVC has not been considered as an associate within the meaning of Indian Accounting Standards 28 "Accounting for investment in associates & Joint Venture in Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

17.3 Inter Corporate Deposit (ICD) of ₹ 60.00 Crore (as at 31st March, 2016 ₹ 60.00 Crore and as at 1st April, 2015 ₹ 60.00 Crore) to various parties given in earlier year along with interest accrued and due on the same amounting to ₹ 36.93 Crore (as at 31st March, 2016 36.93 Crore and 1st April, 2015 ₹ 39.93 Crore) recoverable are overdue and Company has initiated legal proceedings (including winding up petitions against few of them). In view of the pending litigations and based on principle of prudence, Company has discontinued recognition of interest income on the same w.e.f. 1st January, 2015. Management of the Company is of the view that entire amount is good for recovery in view of securities wherever available, personal guarantee of promoters of borrowers company etc. and hence no provision for above receivables is necessary at this stage.

17.4 The Company has granted Inter Corporate Deposits to others for the purpose of utilising this amount in their business.

#### Note 18 - Current financial assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated:</b>			
Interest Receivables	41.21	40.72	44.88
Rebate Receivable	653.42	882.59	769.43
Short Term Deposits	21.08	54.50	3.20
Margin Deposits	41.94	36.99	35.18
Others	2.92	8.61	1.81
<b>Total</b>	<b>760.57</b>	<b>1,023.41</b>	<b>854.50</b>

18.1 Others Includes mainly derivative contracts.

#### Note 19 - Current Tax Assets (Net)

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income Tax-Advance Tax & TDS (Net)	44.20	36.73	15.62
<b>Total</b>	<b>44.20</b>	<b>36.73</b>	<b>15.62</b>



**Note 20 - Other Current Assets**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Unsecured, Considered Good, unless otherwise stated:</b>			
Assets held for Disposal	0.59	1.15	0.71
Export Incentives Receivable	14.37	10.76	10.58
Balance with Customs & Excise Authorities	19.94	18.88	3.30
Advances to Suppliers	276.67	337.87	322.39
Others	65.86	51.26	58.79
<b>Total</b>	<b>377.43</b>	<b>419.92</b>	<b>395.77</b>

**20.1** Others Includes prepaid expenses, balance recoverable from government agency and claims and refund receivable etc.

**20.2** Assets held for sale represents plant and machineries discarded in earlier years and not in use and are carried at estimated net realisable value as determined by the management.

**Note 21- Equity Share Capital**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Authorised</b>			
100,000,000 (As at 31st March, 2016: 1,00,000,000 and As at 1st April, 2015: 1,00,000,000) Equity Shares of ₹ 10/- each	100.00	100.00	100.00
12,500,000 (As at 31st March, 2016: 12,500,000 and As at 1st April, 2015: 12,500,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	125.00	125.00	125.00
<b>Issued, Subscribed &amp; Fully Paid up</b>			
81,871,849 (As at 31st March, 2016: 81,871,849 and As at 1st April, 2015: 65,497,479) Equity Shares of ₹ 10/- each fully paid up	81.87	81.87	65.50
<b>Total</b>	<b>81.87</b>	<b>81.87</b>	<b>65.50</b>

**21.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :**

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)
Shares outstanding at the beginning of the year	81,871,849	81.87	65,497,479	65.50	65,324,847	65.32
Add:- Shares Issued On exercise of option by ESOS holders during the year	--	--	--	--	172,632	0.18
Add:- Shares Issued on Preferential allotment during the year (Refer Note No 21.5)	--	--	16,374,370	16.37	--	--
Shares outstanding at the end of the year	81,871,849	81.87	81,871,849	81.87	65,497,479	65.50

**21.2 Terms/Rights attached to Equity Shares :**

The holder of equity shares of ₹ 10 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

**21.3 Details of Shareholder holding more than 5% of Equity Share Capital :**

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagirath Arya	27,751,175	33.90	27,731,175	33.87	27,731,175	42.34
Vaidic Resources Private Limited	*	*	*	*	3,906,304	5.96
Cresta Fund Ltd	*	*	*	*	3,900,000	5.95
Copthall Mauritius Investment Limited	--	--	*	*	3,545,000	5.41
KKR Jupiter Investors Pte. Ltd	16,374,370	20.00	16,374,370	20.00	16,374,370	--

\* below 5%, hence not disclosed.

**21.4** 7,500,000 Equity share of ₹ 10 each were bought back and extinguished in the Financial Year 2013-14.

**21.5** As approved by the Shareholders, the Board of Directors at its meeting held on 28th December, 2015 has allotted 16,374,370 equity shares of ₹ 10 each at a premium of ₹ 290/- per share on preferential basis aggregating to ₹ 491.23 Crore to KKR Jupiter Investors Pte Ltd. (Investor) and out of the amount raised ₹ 306.38 Crore has been utilised for the prepayment of term loans, ₹ 11.35 Crore spent as share issue expenses and balance ₹ 173.50 Crore used for Investment in a subsidiary company.

**21.6 Dividend paid and proposed:-**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Dividend declared and paid</b>		
Final dividend declared and paid for the year ended on 31st March, 2016 at ₹ 1.00 per share and for the year ended 31st March, 2015 at ₹ 2.00 per share.	8.18	13.10
Dividend Distribution Tax on final dividend	1.67	2.67
<b>Proposed Dividends</b>		
Final dividend proposed for the year ended on 31st March, 2017 at ₹ 1.00 per share and for the year ended 31st March, 2016 at ₹ 1.00 per share.	8.19	8.18
Dividend Distribution Tax on proposed dividend	1.68	1.67

## Note -22 Other Equity

Particulars	Attributable to Equity Owners										Total Other Equity (₹ in Crore)			
	Reserves and Surplus					Foreign Currency Monetary Items								
	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Securities Premium Account	General Reserve	Retained Earnings	Premium on Buyback of Shares	Legal Reserve	Other Reserve	Translation Difference Account		Foreign Currency Translation Reserve	Items of Other Comprehensive Income	Remeasurements of Defined Benefit Plans
Balance as at 1st April, 2015	10.62	7.50	0.41	344.43	77.94	1,177.53	(71.43)	107.36	--	(12.47)	71.16	--	1.48	1,714.53
Total Comprehensive Income for the year	--	--	--	--	--	(187.77)	--	--	--	--	47.66	(1.19)	(1.55)	(142.85)
Final dividend payment (Dividend per share ₹ 2.00)	--	--	--	--	--	(13.10)	--	--	--	--	--	--	--	(13.10)
Dividend Distribution Tax	--	--	--	--	--	(2.67)	--	--	--	--	--	--	--	(2.67)
Securities premium on issue of equity shares	--	--	--	474.86	--	--	--	--	--	--	--	--	--	474.86
Share Issue Expenses (Net of Deferred tax)	--	--	--	(8.21)	--	--	--	--	--	--	--	--	--	(8.21)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	--	--	--	--	(9.15)	--	--	--	(9.15)
Changes in Capital Redemption Reserve on Consolidation	--	--	0.03	--	--	--	--	--	--	--	--	--	--	0.03
Capitalisation of Expenses of earlier years	--	--	--	--	--	78.70	--	--	--	--	--	--	--	78.70
Other Reserve	--	--	--	--	--	--	--	250.23	--	--	--	--	--	250.23
Non-Controlling Interest	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Balance as at 31st March, 2016	10.62	7.50	0.44	811.08	77.94	1,052.69	(71.43)	107.36	250.23	(21.62)	118.82	(1.19)	(0.07)	2,342.37
Total Comprehensive Income for the year	--	--	--	--	--	(340.30)	--	--	--	--	(18.83)	(0.88)	1.78	(358.23)
Final dividend payment (Dividend per share ₹ 1.00)	--	--	--	--	--	(8.18)	--	--	--	--	--	--	--	(8.18)
Dividend Distribution Tax	--	--	--	--	--	(1.67)	--	--	--	--	--	--	--	(1.67)
Share Issue Expenses (Net of Deferred tax)	--	--	--	(0.80)	--	--	--	--	--	--	--	--	--	(0.80)
Changes in Foreign Currency Monetary Item translation differences account	--	--	--	--	--	--	--	--	--	8.68	--	--	--	8.68
Changes in Capital Redemption Reserve on Consolidation	--	--	(0.01)	--	--	--	--	--	--	--	--	--	--	(0.01)
Balance as at 31st March, 2017	10.62	7.50	0.43	810.28	77.94	702.54	(71.43)	107.36	250.23	(12.94)	99.99	(2.07)	1.71	1,982.16

## 22.1 Nature and Purpose of Reserve

## 1. Capital Reserve

Capital reserve is created by way of share warrant forfeited. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 2. Capital Redemption Reserve:

Capital redemption reserve was created against buy back of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 3. Capital Reserve on Consolidation:

Capital Reserve on Consolidation was created on first-time consolidation of subsidiary in earlier years.

## 4. Securities Premium Account:

Securities premium is created when share are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

## 5. Premium Paid on Buy Back of Shares

This represents premium paid on buy-back of shares of one of the subsidiary Company.

## 6. Legal Reserve:

10% of Annual net income of JBF RAK LLC is to be set aside as a legal reserve in accordance with the United Arab Emirates Commercial Companies Law.

## 7. Other Reserve:

Other Reserve represents net increase in the interest of the shareholders of the Company in the Consolidated Financial Position of its subsidiary Company pursuant to allotment of 12,210,527 Compulsory Convertible Preference Shares aggregating to ₹ 500.65 Crore (Equivalent to USD 75,649,902) to KKR Jupiter Investors Pte Ltd.

**8. Foreign Currency Monetary Items Translation Difference Account :**

The reserve pertains to exchange difference relating to long term monetary items in so far as they do not relate to acquisition of depreciable capital assets which are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised in the Statement of Profit and Loss over the balance period of such long term monetary items.

**9. Remeasurements of defined benefit plans:**

Other comprehensive income also comprises of re-measurements of defined benefit obligations.

**10. Foreign Currency Translation Reserve:**

The exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The same is cumulatively reclassified to profit or loss when the Foreign operation is disposed off.

**11. Fair value of Derivative Financial Instruments**

Changes in fair value of derivative financial instruments are recognised in other comprehensive income in one of the Subsidiary Company.

**Note 23 - Non-Current Financial Liabilities - Borrowings**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Secured Loans:</b>			
<b>(a) Term loans</b>			
from Banks	3,401.33	3,823.34	3,290.66
from Financial Institution	64.17	52.06	110.29
from Corporate Body	--	--	107.50
<b>(b) External Commercial Borrowings</b>	2,724.63	2,308.06	1,644.92
<b>(c) Vehicle Loans</b>	0.72	1.23	0.45
<b>Unsecured Loans</b>			
<b>(d) Term loans</b>			
from Banks	799.01	994.15	1,005.70
from Corporate Body	152.39	--	--
from Related Party	8.75	--	--
<b>(e) Finance Lease Obligation</b>	8.34	8.36	8.37
<b>Total</b>	<b>7,159.34</b>	<b>7,187.20</b>	<b>6,167.89</b>

**23.1 Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 30:-**

- ₹ 178.97 Crore (as at 31st March, 2016 ₹ 56.56 Crore and as at 1st April, 2015 ₹ 94.19 Crore) carrying interest at the rate of 11.40% to 14.45% are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are further secured by Second charge on current assets of the Company, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 122.21 Crore (as at 31st March, 2016 ₹ 241.18 Crore and as at 1st April, 2015 ₹ 130.00 Crore) carrying interest at the rate of 13.00% are to be secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are further to be secured by Second charge on current assets of the Company, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ₹ 18.75 Crore (as at 31st March, 2016 ₹ 37.50 Crore and as at 1st April, 2015 ₹ 56.25 Crore) carrying interest at the rate of 12.90% is secured by way of second pari passu charge on the immovable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and the movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat. ₹ 30.00 Crore (as at 31st March, 2016 ₹ 40.00 Crore and 1st April, 2015 ₹ 50.00 Crore) carrying interest at the rate of 12.30% is secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ₹ 50.00 Crore (as at 31st March, 2016 ₹ 75.00 Crore and as at 1st April, 2015 ₹ 170.00 Crore) carrying interest at the rate of 13.15% are secured by way of First pari passu charge on all the immovable properties, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ₹ Nil (as at 31st March, 2016 ₹ Nil and 1st April, 2015 ₹ 45.00 Crore) carrying interest at the rate of 13.25% were secured by way of First pari passu charge on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ₹ 3,437.57 Crore (as at 31st March, 2016: ₹ 3,638.44 Crore, as at 1st April, 2015 : ₹ 3,204.17 Crore) carrying interest at the rate of 3 months LIBOR plus 1.40 percentage to 4.50 percentage and 3 months EIBOR plus 3.85 percentage are secured by pari passu first charge by way of mortgage, notarised pledge and hypothecation over property, plant and equipment situated at Emirates of Ras Al Khaimah, Bahrain and Belgium and assignment of all risk insurance policies, land lease agreement and facility reserve.
- ₹ Nil (as at 31st March, 2016: ₹ Nil as at 1st April, 2015: ₹ 14.19 Crore) carrying interest at the rate of 3 months LIBOR plus 0.5 percentage are secured by way of first mortgage on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra and Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

**23.2 External Commercial Borrowings referred to in (b) above and current maturities of long term borrowings referred in Note 30:-**

- ₹ 231.87 Crore (as at 31st March, 2016 ₹ 315.99 Crore and 1st April, 2015 ₹ 378.69 Crore) carrying interest at the rate of LIBOR plus 2.5 percentage to 5 percentage are secured by way of first mortgage & charge on pari passu basis on all the immovable and movable properties except current assets, present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.
- ₹ 2,543.03 Crore (as at 31st March, 2016: ₹ 2,137.65 Crore, as at 1st April, 2015: ₹ 1,353.50 Crore) carrying interest at the rate of LIBOR plus 5

percentage is secured by first ranking pari passu Mortgage & Charge on Immovable & movable properties, both Present & future, including bank account with IDBI and other banks, assignment of insurance policies/contracts but excluding current assets, situated at village Bajpe and Kalavar, Mangalore SEZ, Taluka Mangalore, Karnataka and Valsad Gujarat or elsewhere and is further secured by second ranking pari passu charge on current assets, situated at Mangalore and pledge of 403,000,000 equity shares of JBF Petrochemicals Ltd by the JBF Global Pte Ltd., a subsidiary of the Company.

### 23.3 Vehicle loans referred to in (c) above and current maturities of long term borrowings referred in Note 30:-

₹ 1.31 Crore (as at 31st March, 2016: ₹ 1.91 Crore, as at 1st April, 2015 ₹ 0.92 Crore) carrying interest at the rate of 8.18-8.88% are secured by specific charge on the vehicles covered under the said loans.

### 23.4 Unsecured Term loans referred to in (d) above and current maturities of long term borrowings referred in Note 30:-

- ₹ 44.11 Crore (as at 31st March, 2016 ₹ 66.19 Crore and 1st April, 2015 ₹ 88.27 Crore) carrying interest at the rate of 3.50% is secured by pledge of fixed deposits with banks of ₹ 8.36 Crore (as at 31st March, 2016 ₹ 7.81 Crore and 1st April, 2015 ₹ 7.24 Crore)
- ₹ 149.73 Crore (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.
- ₹ 20.00 Crore (as at 31st March, 2016 ₹ Nil and 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.
- ₹ Nil (as at 31st March, 2016 ₹ 25.00 Crore and 1st April, 2015 ₹ Nil) carrying interest at the rate of 14.00% is secured by way of pledged of Equity Shares of the Company by the promoter.

### 23.5 Terms of Repayment

#### i) Secured Term Loans from Banks

Loan of ₹ 20.00 Crore is repayable in 8 equal quarterly installments of ₹ 2.50 Crore starting from June 2018 and ending on March 2020. Loan of ₹ 14.99 Crore is repayable in 8 equal quarterly installments of ₹ 1.87 Crore starting on May 2018 and ending on February 2020. Loan of ₹ 22.21 Crore is repayable in 8 equal quarterly installments of ₹ 2.78 Crore starting on April 2018 and ending on January 2020. Loan of ₹ 39.26 Crore is repayable in 9 equal quarterly installments of ₹ 4.37 Crore starting on May 2018 and ending on May 2020. Loan of ₹ 30.88 Crore is repayable in 13 equal quarterly installments of ₹ 2.38 Crore starting on April 2018 and ending on April 2021. Loan of ₹ 65.64 Crore is repayable in 17 quarterly installments starting from May 2018 and ending on May 2022 of which first installment is of ₹ 1.87 Crore each, Next 4 installments are of ₹ 2.81 Crore each, next 4 installments are of ₹ 3.75 Crore each, remaining 8 installments are of ₹ 4.68 Crore each.

Loan of ₹ 2070.26 Crore is repayable in 25 quarterly installments, first 4 installments of ₹ 42.42 Crore starting payable on June 2018 and ending on March 2019, next 4 installment of ₹ 53.73 Crore starting payable on June 2019 and ending on March 2020, next 4 installments of ₹ 60.80 Crore starting payable on June 2020 and ending on March 2021, next 4 installments of ₹ 70.70 Crore starting payable on June 2021 and ending on March 2022, next 4 installment of ₹ 73.53 Crore starting payable on June 2022 and ending on March 2023, next 4 installments of ₹ 82.01 Crore starting payable on June 2023 and ending on March 2024, final installment of ₹ 537.54 Crore payable on June 2024.

Loan of ₹ 896.15 Crore is repayable in 25 quarterly installments, first 4 installments of Rs 18.36 Crore starting payable on June 2018 and ending on March 2019, next 4 installments of ₹ 23.26 Crore starting payable on June 2019 and ending on March 2020, next 4 installments of ₹ 26.32 Crore starting payable on June 2020 and ending on March 2022, next 4 installments of ₹ 30.60 Crore starting payable on June 2021 and ending on March 2022, next 4 installments of ₹ 31.83 Crore starting payable on June 2022 and ending on March 2023, next 4 installments of ₹ 35.50 Crore starting payable on June 2023 and ending on March 2024, final installment of ₹ 232.68 Crore payable on June 2024.

Loan of ₹ 76.91 Crore is repayable in 19 equal quarterly installments of ₹ 4.05 Crore starting from June 2018 and ending on December 2022.

Loan of ₹ 230.70 Crore is repayable in 25 equal quarterly installments of ₹ 9.23 Crore starting from June 2018 and ending on September 2024.

#### ii) Unsecured Term Loans from Body Corporate

Loan of ₹ 132.39 Crore is repayable in first 3 installments of ₹ 8.67 Crore starting from April 2018 and ending October 2018, next 1 installment of ₹ 8.65 Crore in January 2019 and balance ₹ 97.73 Crore in December 2019. Loan of ₹ 20.00 Crore is repayable in August 2018.

#### iii) Secured Term Loans from Financial Institutions

Loan of ₹ 16.67 Crore is repayable in 2 equal quarterly installments of ₹ 8.33 Crore starting from June 2018 and ending on September 2018. Loan of ₹ 47.50 Crore is repayable in 19 equal quarterly installments of ₹ 2.50 Crore starting from May 2018 and ending on November 2022.

#### iv) Secured External Commercial Borrowings

Loan of ₹ 181.60 Crore is repayable in 8 six monthly - first 4 installments of ₹ 19.46 Crore (USD 3000000) each starting from September 2018 and ending March 2020, and next 4 installments of ₹ 25.94 Crore (USD 4000000) each starting from September 2020 and ending March 2022.

Loan of ₹ 2,543.03 Crore is repayable in 14 equal quarterly installments of ₹ 181.65 Crore (USD 28006180) starting from April 2018 and ending October 2024.

#### v) Unsecured Term Loans From a Banks

Loan of ₹ 22.03 Crore is repayable in 1 half yearly installment of ₹ 11.04 Crore in April 2018 and one half yearly installment of ₹ 10.99 Crore in October 2018.

Loan of ₹ 777.82 Crore is repayable in 10 quarterly installments starting from June 2018 and ending on September 2020, 4 installments of ₹ 9.97 Crore, next 2 installments of ₹ 26.59 Crore, next 3 installments of ₹ 39.89 Crore and last installment of ₹ 565.08 Crore. The same carries interest at the rate 3 months LIBOR plus 5 percentage.

#### vi) Secured Vehicle Loans

Loan of ₹ 0.42 Crore is repayable in financial year 2018-19 and balance ₹ 0.30 Crore in financial year 2019-20.

### 23.6 Term loans from banks (including current maturities of long term borrowings of ₹ 64.73 Crore) aggregating to ₹ 284.80 Crore (as at 31st March, 2016 ₹ 150.57 Crore and as at 1st April 2015 ₹ 194.53 Crore) is guaranteed by one of the Directors of the company in his personal capacity.

### 23.7 Term loans as referred in above taken by the companies are net of transaction cost ₹ 65.67 Crore (as at 31st March, 2016 ₹ 84.02 Crore and as at 1st April, 2015 ₹ 29.91 Crore)

### 23.8 The agreements in respect of term loans of ₹ 2,507.44 Crore taken by JBF RAK LLC (Consolidated), subsidiaries of the Company, contains certain restrictive covenants including maintaining a minimum net worth, debt service facility ratio and restriction on capital expenditure. The above subsidiary companies have not complied with certain covenants mentioned above for the term loans as of 31st March, 2017 but was able to obtain a waiver from the banks prior to year end.

**23.9 Finance lease:**

The subsidiary Company has entered into finance lease for land. The subsidiary Company's obligations under finance leases are secured by the lessor's title to the leased assets. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are, as follows:

(₹ in Crore)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Minimum Lease Payments	Present Value of MLP	Minimum Lease Payments	Present Value of MLP	Minimum Lease Payments	Present Value of MLP
Within one year	0.94	0.86	0.94	0.86	0.94	0.86
After one year but not more than five years	4.72	3.26	4.72	3.26	4.72	3.26
More than five years	34.85	5.16	35.79	5.18	36.74	5.19
<b>Total Minimum Lease Payments</b>	<b>40.51</b>	<b>9.28</b>	<b>41.45</b>	<b>9.30</b>	<b>42.40</b>	<b>9.31</b>
Less: amounts representing finance charges	31.23		32.15		33.09	
<b>Present value of Minimum Lease Payments</b>	<b>9.28</b>		<b>9.30</b>		<b>9.31</b>	

**Note 24 - Non-Current Financial Liabilities - Others**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cumulative Redeemable Preference Shares	95.57	88.45	81.83
Derivative Financial Liability	0.36	3.60	7.08
<b>Total</b>	<b>95.93</b>	<b>92.05</b>	<b>88.91</b>

**24.1 Terms/rights attached to Cumulative Redeemable Preference Shares (CRPS)**

The holder of Preference Share of the Company have a right to vote at a General Meeting of the Company only in accordance with limitations and provisions laid down in Section 47 (2) of the Companies Act, 2013. The preference share holders will be entitled to receive out of the remaining assets of the company after distribution to lenders. 75,709 2.5% CRPS are redeemable at par as : 36,509 shares on 30th September, 2020, 17,837 shares on 30th September, 2019 and 21,363 shares on 30th September, 2018. 1,415,000 20% CRPS are redeemable at a premium of ₹ 700 per share as: 315,000 shares on 30th September, 2020, 770,000 shares on 30th September, 2019 and 330,000 shares on 30th September, 2018. The Preference Shares shall carry dividend at the rate of 2.5% and 20.00% per annum payable annually.

**24.2 The details of Cumulative Redeemable Preference Shares (CRPS) shareholders holding :**

Name of Preference Shareholder of 2.5% CRPS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank of India	75,709	75,709	75,709
Percentage	100%	100%	100%
Name of Preference Shareholder of 20% CRPS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank of India	1,415,000	1,415,000	1,415,000
Percentage	100%	100%	100%

**24.3 Dividend paid and proposed:-**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Dividend declared and paid</b>		
Final dividend declared and paid for the year ended	2.85	2.85
Dividend Distribution Tax on final dividend	0.58	0.58
<b>Proposed Dividends</b>		
Final dividend proposed for the year ended	2.85	2.85
Dividend Distribution Tax on proposed dividend	0.58	0.58

**Note 25 - Non-Current Liabilities - Provisions**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Provision for Employee Benefits</b>			
Gratuity (Refer Note 44)	34.17	34.28	26.79
Leave Encashment	0.49	0.60	0.29
<b>Total</b>	<b>34.66</b>	<b>34.88</b>	<b>27.08</b>

**Note 26 Deferred Tax Liabilities (Net)**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Property Plant and Equipment and Investment Property	239.39	232.04	222.82
Redeemable Preference Share Liability	6.36	8.83	11.12
Financial Assets	4.25	0.83	--
Disallowance Under the Income-tax Act, 1961	(2.16)	(1.79)	(1.68)
Deduction under section 35D of the Income Tax Act*	(2.34)	(3.14)	
Others	(12.21)	(10.69)	(6.08)
<b>Total</b>	<b>233.29</b>	<b>226.08</b>	<b>226.18</b>

**Note 27 - Non Current Liabilities - Others**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Government Grants	22.38	25.24	25.50
<b>Total</b>	<b>22.38</b>	<b>25.24</b>	<b>25.50</b>

**27.1** JBF Global BVBA, a Subsidiary of the Company received two grants from government authorities in Belgium as ecological grant and education grant. The ecological grant relates to the investment in Belgium project and education grant relates to the education and training of Belgium nationals. The educational grant is amortised over a period of three years while the ecological grant is amortised over the period of useful life of factory building.

**Note 28 - Current Financial Liabilities - Borrowings**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Secured Loans</b>			
<b>(a) Working Capital Loans</b>			
from Banks	2,328.95	2,033.97	1,642.35
<b>(b) Buyer's Credit</b>	391.34	501.30	323.42
<b>(c) From Body Corporate</b>	--	14.00	--
	<b>2,720.29</b>	<b>2,549.27</b>	<b>1,965.77</b>
<b>Unsecured Loans</b>			
<b>(d) Working Capital Loans</b>			
from Banks	296.59	311.23	41.26
<b>(e) Supplier's Credit (backed by letter of Credit)</b>	24.76	222.31	44.29
<b>(f) Loans and advances from related parties</b>	12.55	--	--
<b>(g) From Body Corporate</b>	--	10.00	28.80
	<b>333.90</b>	<b>543.54</b>	<b>114.35</b>
<b>Total</b>	<b>3,054.19</b>	<b>3,092.81</b>	<b>2,080.12</b>

**28.1** Working Capital Loans as referred to in (a) above of ₹ 618.02 Crore (as at 31st March, 2016 ₹ 320.34 Crore and as at 1st April, 2015 ₹ 299.51 Crore) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

₹ 1,451.12 Crore (as at 31st March, 2017 ₹ 1,496.92 Crore and as at 1st April, 2015 ₹ 1,169.75 Crore) secured by hypothecation of inventory and receivables on pari passu basis situated at Emirates of Ras Al Khaimah and assignment of all risk insurance policies and ₹ 259.81 Crore (as at 31st March, 2016 ₹ 216.71 Crore and as at 1st April, 2015 ₹ 173.09 Crore) secured by hypothecation of inventory and receivables on pari passu basis situated at Bahrain and assignment of all risk insurance policies

**28.2** Buyers Credit referred to in (b) above of ₹ 165.48 Crore, (as at 31st March, 2016 ₹ 333.32 Crore and 1st April, 2015 ₹ 323.42 Crore) are secured by a first charge on pari passu basis without any preference or priority over each other on all Current Assets of the company both present and future, situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat and are also secured by way of Second charge on pari passu basis on movable and immovable properties of the company both present and future situated at Silvassa, Dadra & Nagar Haveli (Union Territory) and at Sarigam, District Valsad, Gujarat.

**28.3** Buyers Credit referred to in (b) above of ₹ 225.86 Crore (as at 31st March, 2016 ₹ 167.98 Crore and 1st April, 2015 ₹ Nil) is part of the current non fund based limits under the total term loan of USD 463.96 Million and is secured by first ranking pari passu Mortgage & Charge on Immovable & movable properties, both Present & future, including bank account with IDBI and other banks, assignment of insurance policies/contracts but excluding current assets, situated at village Bajpe and Kalavar, Mangalore SEZ, Taluka Mangalore, Karnataka and Valsad Gujarat or elsewhere and is further secured by second ranking pari passu charge on current assets, situated at Mangalore and pledge of 403,000,000 equity shares of JBF Petrochemicals Ltd by the JBF Global Pte Ltd., a subsidiary of the Company.

**28.4** Body Corporate Loan as referred to in (c) above of ₹ Nil (as at 31st March, 2016 ₹ 14.00 Crore and as at 1st April, 2015 ₹ Nil) is to be secured by a subservient charge on the present and future current assets of the Company, and pledged of equity shares of the Company by the Promoter.

**28.5** As at 31st March, 2017, the Company has overdue loans of ₹ 19.84 Crore (as at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ Nil) for a period of less than 90 days, which have since been paid.

**28.6** Working Capital Loans referred to in (d) above of ₹ 275.99 Crore (as at 31st March, 2016 ₹ 275.93 Crore and as at 1st April, 2015 ₹ 145.97 Crore) is secured by pledge of fixed deposits with banks of the Company.

**28.7** The agreements in respect of working capital loans of ₹ 662.78 Crore taken by JBF RAK LLC (Consolidated), subsidiaries of the Company, contains certain restrictive covenants including maintaining a minimum net worth, debt service facility ratio and restriction on capital expenditure. The above subsidiary companies have not complied with certain covenants mentioned above for the working capital loans as of 31st March, 2017. Management of the subsidiary Companies of the opinion that the banks will continue to provide the facilities to the above subsidiary Companies and the non-compliance of the covenants will not effect the continuity of the subsidiaries's operations.

**Note 29 - Current Financial Liabilities - Trade Payables**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Micro, Small and Medium Enterprises	9.73	5.94	6.89
Others	2,003.22	1,761.22	1,817.52
<b>Total</b>	<b>2,012.95</b>	<b>1,767.16</b>	<b>1,824.41</b>



**29.1** Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Principal amount outstanding	9.73	5.94	6.89
b) Interest due thereon	--	--	--
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, alongwith amount of the payment made to the suppliers beyond the appointed day during the year.	--	--	--
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	--	--	--
e) Interest accrued and remaining unpaid	--	--	--
f) Further interest remaining due and payable in the succeeding years.	--	--	--

**Note 30 - Current Financial Liabilities - Others**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Maturities of long-term Borrowings			
- Term Loans	583.21	301.91	272.81
- External Commercial Borrowings	50.27	145.58	87.27
- Vehicle Loans	0.58	0.68	0.47
- Finance Lease Obligations	0.94	0.94	0.94
Unpaid Dividends	1.18	1.32	1.30
Creditors for Capital Expenditure	701.91	563.55	373.40
Derivative Financial Liability	7.60	29.87	29.69
Interest accrued but not due on borrowings	33.45	29.52	39.69
Interest accrued but due on borrowings	--	22.61	--
Bank Overdraft	70.03	--	--
<b>Other Payables</b>			
Salary, Wages and Bonus Payable	11.31	10.52	15.81
Provision for expenses	58.20	66.38	43.33
<b>Total</b>	<b>1,518.68</b>	<b>1,172.88</b>	<b>864.71</b>

**30.1** Unpaid dividends does not include any amounts, due & outstanding, to be credited to Investor Education & Protection Fund.

**30.2** Interest accrued on borrowings includes interest of ₹ Nil (as at 31st March, 2016 ₹ 0.39 Crore and as at 1st April, 2015 ₹ Nil) due as on 31st March, 2017 for delay in creation of charge, which since has been paid by the Company.

**Note 31 - Other Current Liabilities**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposit from Customers	0.13	0.13	0.21
Deposit against Excise Liabilities	1.30	1.30	1.30
Advances from Customers	15.24	13.01	10.24
Advance against Sale of Fixed Assets	--	0.75	--
Statutory Dues and Other Liabilities	14.00	11.44	10.68
Government Grants	1.36	3.14	3.29
<b>Total</b>	<b>32.03</b>	<b>29.77</b>	<b>25.72</b>

**Note 32 - Current Provisions**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Provision for employee benefits</b>			
Gratuity obligations (Refer note 44)	1.50	1.31	1.15
Leave obligations	21.34	21.08	20.75
<b>Others</b>			
Provision for Excise Duty (Refer note 45)	18.78	12.86	9.74
<b>Total</b>	<b>41.62</b>	<b>35.25</b>	<b>31.64</b>

**Note 33 - Current Tax Liabilities (Net)**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Income Tax (Net)	7.34	20.67	0.18
<b>Total</b>	<b>7.34</b>	<b>20.67</b>	<b>0.18</b>



**Note 34 - Revenues from Operations**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Sale of Products	9,335.37	9,192.86
Other Operating Revenue	7.71	8.12
<b>Revenue from Operations</b>	<b>9,343.08</b>	<b>9,200.98</b>

**Note 35 - Other Income**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Income from financial assets measured at fair value through profit or loss		
- Long Term Investments	--	0.18
Interest Income from financial assets measured at amortised cost		
- Fixed Deposits with banks	25.51	14.81
- Others	5.88	5.12
Currency & Interest rate Swap Loss (Net)	--	0.02
Fair value changes (net) on financial assets classified as fair value through profit and loss - Net Income	--	0.06
Net Gain on Foreign Currency transaction	3.06	--
Fair Value Gain on Derivative Financials Instruments	5.83	0.02
Sundry Credit Balances Written Back (Net)	0.03	1.07
Government Grants (Refer Note 27.1)	2.53	3.54
Miscellaneous income	3.93	10.20
<b>Total</b>	<b>46.77</b>	<b>35.02</b>

**Note 36 - Changes in Inventories of Finished Goods and Work -In- Progress**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
<b>At the end of the Year</b>		
Finished Goods	397.17	378.91
Work-In-Progress	42.25	56.72
	<b>439.42</b>	<b>435.63</b>
<b>At the beginning of the Year</b>		
Finished Goods	378.91	315.12
Work-In-Progress	56.72	76.93
	<b>435.63</b>	<b>392.05</b>
<b>Total</b>	<b>(3.79)</b>	<b>(43.58)</b>

**Note 37 - Employee Benefits Expense**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Salaries, Wages & Allowances	211.24	236.07
Contribution to Provident Fund, ESIC and Other Fund (Refer note 44)	15.10	15.50
Gratuity (Refer note 44)	18.12	14.07
Employees Welfare and Other Amenities	17.21	9.20
<b>Total</b>	<b>261.67</b>	<b>274.84</b>

**37.1** During the year Company paid an amount of ₹ 6.53 Crore to the executive chairman which was in excess of remuneration as prescribed under section 197 of the Companies Act, 2013 by ₹ 3.28 Crore. Necessary steps are being taken by the Company for requisite approvals from the Central Government.

**Note 38 - Finance Costs**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Expenses on financial liabilities measured at amortised cost*	457.06	428.96
Other Borrowing Costs	88.55	104.49
Applicable Net loss on foreign currency transaction and translation	12.92	22.07
<b>Total</b>	<b>558.53</b>	<b>555.52</b>

\* include dividend on redeemable preference shares and dividend distribution tax of ₹ 2.85 Crore and ₹ 0.58 Crore (for the year ended 31st March, 2016 ₹ 2.85 Crore and ₹ 0.58 Crore) respectively.

**38.1** Interest expenses includes ₹ Nil (Previous year ₹ 2.22 Crore) on account of short payment of advance tax.

**Note 39 - Depreciation and Amortisation Expenses**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Depreciation of Tangible Assets (Note-6)	343.11	356.46
Amortisation of Intangible Assets (Note -6)	0.65	0.71
<b>Total</b>	<b>343.76</b>	<b>357.17</b>

**Note 40 - Other Expenses**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
<b>Manufacturing Expenses</b>		
Stores & Spares Consumed	44.76	62.31
Power & Fuel	442.43	498.17
Repairs to Building	0.58	0.49
Repairs to Plant & Machinery	29.85	37.39
Security Charges	7.55	7.80
Labour Charges	18.78	20.43
Other Manufacturing Expenses	73.23	39.13
<b>Selling and Distribution Expenses</b>		
Packing Material Consumed	190.58	202.26
Freight & Forwarding Charges (Net)	339.00	357.78
Sales Promotion, & Advertising Expenses	34.16	15.51
Brokerage & Commission	10.80	30.51
<b>Administrative and General Expenses</b>		
Rent	14.05	15.33
Rates & Taxes (Net)	1.97	0.49
Insurance	5.87	37.59
Payment to Auditors	2.84	2.82
Repairs & Maintenance - Others	6.39	6.20
Travelling & Conveyance Expenses	11.77	12.84
Legal, Professional & Consultancy Charges	21.00	18.26
Provision for Doubtful Debts	0.73	10.00
Bad Debts Written off	9.27	--
Donation	0.12	0.27
Net Loss on Foreign Currency Transaction	--	11.10
Currency & Interest Rate Swap Loss (Net)	0.81	--
Loss on Sale of Property, Plant and Equipment (Net)	6.75	2.02
Bank Charges	5.14	3.56
Corporate Social Responsibility Expenses	0.94	0.72
General Expenses	15.03	15.26
<b>Total</b>	<b>1,294.40</b>	<b>1,408.24</b>

**40.1 Details of Payment to Auditors**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
a) Auditors:		
Audit Fees	2.67	2.60
Tax Audit Fees	0.09	0.09
Certification Charges	0.03	0.17
Reimbursement of Expenses	0.01	0.01
b) Cost Audit Fees	0.04	0.02
<b>Total</b>	<b>2.84</b>	<b>*2.89</b>

\* includes ₹ 0.07 Crore considered as share issue expenses.

**40.2 Notes related to Corporate Social Responsibility expenditure:**

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 2.34 Crore (Previous Year ₹ 2.23 Crore)
- (b) Expenditure related to Corporate Social Responsibility is ₹ 0.94 Crore (for the year ended 31st March, 2016 ₹ 0.72 Crore) and ₹ 1.40 Crore (for the year ended 31st March, 2016 ₹ 1.51 Crore) remained unspent.

**Details of expenditure towards CSR given below:**

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
(i) Rural Sanitation	0.25	0.32
(ii) Rural Community Crematorium	0.02	0.01
(iii) Education	0.64	0.38
(iv) Others	0.03	0.01
<b>Total</b>	<b>0.94</b>	<b>0.72</b>

**Note 41 - Income Tax**

41.1 The major components of Income Tax Expenses for the year ended 31st March, 2017 and 31st March, 2016 are as follows:

(₹ in Crore)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>Recognised in Statement of Profit and Loss:</b>		
Current Income Tax	15.04	49.11
Deferred Tax - Relating to origination and reversal of temporary differences	6.93	3.23
MAT Credit Entitlement	(0.63)	--
<b>Total Tax Expenses</b>	<b>21.34</b>	<b>52.34</b>

41.2 Reconciliation between tax expenses (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2017 and 31st March, 2016:

(₹ in Crore)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Accounting Profit Before Tax	(369.02)	(172.25)
Applicable Tax Rate	34.608%	34.608%
<b>Computed Tax Expenses</b>	<b>(127.71)</b>	<b>(59.61)</b>
<b>Tax Effect on Account of:</b>		
Lower tax rate and indexation benefits etc.	(0.96)	(1.22)
Allowed on payment basis	0.67	0.67
Expenses not allowed	15.97	11.37
Deduction under section 35D of the Income Tax Act	(0.79)	(0.79)
Effect of tax rate differences of subsidiaries operating in other jurisdictions	134.52	118.20
Deduction risk capital	--	(1.66)
Utilisation of brought forward losses	(1.53)	(15.25)
Exempted Income	--	(0.50)
Others	1.17	1.13
<b>Income tax expenses recognised in statement of profit and loss</b>	<b>21.34</b>	<b>52.34</b>

41.3 Deferred Tax relates to the following:

(₹ in Crore)

Particulars	Balance Sheet			Statement of Profit and Loss	
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Property Plant and Equipment and Investment Property	239.39	232.04	222.82	7.35	9.22
Redeemable Preference Share Liability	6.36	8.83	11.12	(2.47)	(2.29)
Financial Assets	4.25	0.83	--	3.42	0.83
Disallowance Under the Income-tax Act, 1961	(2.16)	(1.79)	(1.68)	(0.37)	(0.11)
Deduction under section 35D of the Income Tax Act*	(2.34)	(3.14)			
Others	(12.40)	(10.89)	(6.08)	(1.51)	(4.81)
	<b>233.10</b>	<b>225.88</b>	<b>226.18</b>	<b>6.42</b>	<b>2.84</b>

\*Recognised in other equity.

41.4 Reconciliation of Deferred Tax Liabilities (Net):

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Opening Balance as at 1st April</b>	<b>225.88</b>	<b>226.18</b>
Deferred Tax Expenses Recognised in Statement of Profit and Loss	6.93	3.23
Deferred Tax (income) Recognised in OCI	(0.46)	(0.63)
Deferred Tax Expenses Recognised in Other Equity	0.80	(3.14)
Foreign Currency Translation Reserve	(0.05)	0.24
<b>Closing Balance as at 31st March</b>	<b>233.10</b>	<b>225.88</b>

**Note 42 - Earnings Per Equity Share**

Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Net Loss for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (₹ In Crore)	(390.36)	(224.59)
Weighted average number of Equity Shares outstanding during the year for Basic EPS and Diluted EPS (in Nos.)	81,871,849	69,747,657
Basic and Diluted Earnings per share of ₹ 10 each (in ₹)	(47.68)	(32.20)
Face value per Equity Share (in ₹)	10.00	10.00

**Note 43 - Contingent Liabilities and Commitments****43.1 Contingent Liabilities (To the extent not provided for)  
Claims against the Company not acknowledged as debts**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>			
Income Tax (amount paid under protest of ₹ 17.79 Crore, ₹ 17.79 Crore and ₹ 17.79 Crore as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	30.03	28.16	17.79
Excise Duty/ Service Tax (amount paid under protest of ₹ 1.11 Crore, ₹ 1.11 Crore and ₹ 1.11 Crore as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	1.76	1.76	1.76
Others (amount paid under protest of ₹ 1.06 Crore, ₹ 0.66 Crore and ₹ Nil as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively)	61.83	22.69	0.09
<b>Guarantees</b>			
Bank Guarantees (Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.)	101.42	319.88	484.63
<b>Others</b>			
Letter of Credits-includes ₹ Nil (As at 31st March, 2016 ₹ Nil and as at 1st April, 2015 ₹ 14.39 Crore) extended for Subsidiary Company. (These are established in favour of vendors but cargo/material under the aforesaid Letter of Credit are yet to be received as on end of the year. Cash outflow is expected on the basis of payment terms as mentioned in Letter of Credit.)	282.98	298.81	326.76

**43.2 Commitments**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Estimated amount of Contracts remaining to be executed on Capital Account not provided for / Net of Advance paid (Cash outflow is expected on execution of such capital contracts, on progressive basis)	208.98	518.81	1,332.60
b) Other Commitments			
i) Corporate Social Responsibility over the project life	176.62	176.76	176.84
ii) Future minimum lease payments :			
Within one year	11.78	10.41	7.38
After One year but not more than five years	63.85	58.25	29.77
More than five years	168.46	157.46	101.27
<b>Total operating lease expenditure contracted for at the reporting date</b>	<b>244.09</b>	<b>226.12</b>	<b>138.42</b>

43.3 Management is of the view that above litigations will not have any material impact on the financial position of the Group.

**Note 44 - Employee Benefits****44.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:****(a) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognised as expense for the years are as under:

(₹ in Crore)

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	12.35	13.06
Employer's Contribution to Pension Scheme	2.55	2.29
Employer's Contribution to Other Funds	0.20	0.15

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**(b) Defined Benefit Plan:**

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Unfunded)	
	As at 31st March, 2017	As at 31st March, 2016
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary growth	4% to 5%	4% to 12%
Discount rate	7.50%	7.46% to 8%
Withdrawal Rates	1.00%	1.00%

(₹ in Crore)

Particulars	Gratuity (Unfunded)	
	2016-17	2015-16
<b><u>Movement in present value of defined benefit obligation</u></b>		
Obligation at the beginning of the year	7.99	6.77
Current service cost	1.36	1.04
Interest cost	0.64	0.53
Benefits paid	(0.42)	(1.17)
Actuarial loss on obligation	0.49	0.82
<b>Obligation at the end of the year</b>	<b>10.06</b>	<b>7.99</b>
<b><u>Amount recognised in the statement of profit and loss</u></b>		
Current service cost	1.36	1.04
Interest cost	0.64	0.53
<b>Total</b>	<b>2.00</b>	<b>1.57</b>
<b><u>Amount recognised in the other comprehensive income</u></b>		
<b><u>Components of actuarial gain/losses on obligations:</u></b>		
Due to Change in financial assumptions	0.23	(0.08)
Due to experience adjustments	0.26	0.90
<b>Total</b>	<b>0.49</b>	<b>0.82</b>

## (c) Net Liability recognised in the balance sheet

(₹ in Crore)

Amount recognised in the balance sheet	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Present value of obligations at the end of the year	10.05	7.99	6.77
Less: Fair value of plan assets at the end of the year	--	--	--
<b>Net liability recognised in the balance sheet</b>	<b>10.05</b>	<b>7.99</b>	<b>6.77</b>
- Current	1.50	1.31	1.15
- Non-Current	8.55	6.68	5.62

- (d) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

## 44.2 Sensitivity analysis:

(₹ in Crore)

Particulars	Changes in assumptions	Effect on Gratuity obligation
<b>For the year ended 31st March, 2016</b>		
Salary growth rate	+1%	0.68
	-1%	(0.70)
Discount rate	+1%	(0.69)
	-1%	0.67
<b>For the year ended 31st March, 2017</b>		
Salary growth rate	+1%	0.97
	-1%	(0.83)
Discount rate	+1%	(0.84)
	-1%	1.00

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

## 44.3 Risk exposures

**Actuarial Risk**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Interest Risk**

The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Longevity Risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk**

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**Variability in Withdrawal Rates:**

If actual withdrawal rates are higher than assumed withdrawal rate than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

44.4 The following payments are expected towards Gratuity in future years:

		(₹ in Crore)
Year ended		Cash flow
31st March, 2018		1.71
31st March, 2019		0.13
31st March, 2020		0.38
31st March, 2021		0.74
31st March, 2022		0.63
31st March, 2023 to 31st March, 2028		7.46

44.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 18.71 years (as at 31st March 2016: 19.53 years).

44.6 The above information is only in respect of holding and subsidiary Company incorporated in India.

**Note 45 - Provisions**

**Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-**  
**Movement in provisions:-**

				(₹ in Crore)
Nature of provision	Provision for Excise Duty	Provision for Doubtful Debts		Total
<b>As at 1st April, 2015</b>	<b>9.74</b>	<b>30.35</b>		<b>40.09</b>
Provision during the year	12.10	10.54		22.64
Payment during the year	(8.98)	--		(8.98)
<b>As at 31st March, 2016</b>	<b>12.86</b>	<b>40.89</b>		<b>53.75</b>
Provision during the year	17.90	10.00		27.90
Payment/adjusted during the year	(11.98)	(9.45)		(21.43)
<b>As at 31st March, 2017</b>	<b>*18.78</b>	<b>41.44</b>		<b>60.22</b>

\* Actual outflow is expected in the next financial year.

**Note 46- Related Party Disclosure**

46.1 In accordance with the requirements of Ind AS 24, the disclosure on related party transactions are given below:

**(a) Key Management Personnel****Name & Designation**

Mr. B. C. Arya – Chairman.

Mr. Rakesh Gothi – Managing Director

Mr. N. K. Shah - Director Commercial

Mr. P. N. Thakore ( up to 31st August, 2015)

Mr. Cheerag Arya - Director and CEO of JBF RAK LLC

Mr. Alke G. Pai - Whole Time Director & CEO of JBF Petrochemicals Limited

**(b) Relative of Key Management Personnel**

Mrs. Veena Arya - Wife of Mr. B.C.Arya

Mrs. Chinar Arya Mittal - Daughter of Mr. B.C.Arya

Mr. Abhishek R. Gothi - Son of Mr. Rakesh Gothi

**(c) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-**

Vaidic Resources Pvt.Ltd

JBF Global FZE

Arya Industries

## 46.2 Transactions with Related Parties :

(₹ in Crore)

Name of Transactions	Name of the Related Party	2016-17	2015-16
<b>Transactions with other related parties:</b>			
Remuneration	Mrs. Chinar Arya Mittal	0.29	0.26
	Mr. Abhishek Gothi	0.80	0.78
Director Sitting Fees	Mrs. Veena Arya	0.02	0.03
Managerial Remuneration	Mr. B.C.Arya	6.89	6.04
	Mr. Rakesh Gothi	1.48	0.98
	Mr. N.K.Shah	0.50	0.40
	Mr. P. N. Thakore	--	0.83
	Mr. Cheerag Arya	8.04	19.50
	Mr. Alke G Pai	0.88	0.89
Dividend paid	Mr. B.C.Arya	2.78	5.55
	Vaidic Resources Pvt. Ltd	0.39	0.78
	Mr. Rakesh Gothi	0.00	0.01
	(2016-17- ₹ 22,770)		
	Mr. N.K.Shah	0.00	0.00
	(2016-17- ₹ 7,700 and 2015 -16 ₹ 14,400)		
	Mr. P. N. Thakore	--	0.01
	Mr. Cheerag Arya	0.19	0.38
	Mrs. Chinar Arya Mittal	0.18	0.36
	Mrs. Veena Arya	0.00	0.00
	(2016-17- ₹ 14,078 and 2015-16 ₹ 28,156)		
Purchases	Arya Industries	--	0.34
Interest paid	Vaidic Resources Pvt. Ltd	5.73	--
Other Borrowing Cost	Vaidic Resources Pvt. Ltd	0.40	--
Loan Taken	Vaidic Resources Pvt. Ltd	94.05	--
Loan Repaid	Vaidic Resources Pvt. Ltd	46.50	--

(₹ in Crore)

Name of Transactions	Name of the Related Party	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Payable	Arya Industries	--	0.18	0.12
	Vaidic Resources Pvt. Ltd	0.01	--	--
Current Financial Assets-Loan	Cheerag Arya	62.60	73.01	58.78
Current Financial Assets-Loan	JBF Global FZE, Sharjah	23.70	24.19	22.80
Borrowing	Vaidic Resources Pvt. Ltd	47.55	--	--

## 46.3 Compensation of key management personnel of the Group

(₹ in Crore)

Nature of transaction	2016-17	2015-16
Short-term employee benefits	18.14	29.07
Post-employment benefits	--	0.40
<b>Total compensation paid to key management personnel</b>	<b>18.14</b>	<b>29.47</b>

46.4 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## Note 47 - Fair Values

## 47.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

## a) Financial Assets measured at fair value:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Financial Assets :</b>			
<b>Financial Assets designated at fair value through profit or loss:-</b>			
- Investments	0.89	0.90	1.47
<b>Financial Liabilities designated at fair value through profit or loss:-</b>			
- Derivative Financial Liabilities	7.96	33.47	36.77



## b) Financial Assets measured at amortised cost:

(₹ in Crore)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:-</b>						
- Trade Receivable	2,043.31	2,043.31	1,927.55	1,927.55	1,467.03	1,467.03
- Cash and cash equivalents	127.42	127.42	291.09	291.09	116.56	116.56
- Bank Balance other than cash and cash equivalents	863.76	863.76	890.32	890.32	279.22	279.22
- Loans	146.30	146.30	157.20	157.20	142.58	142.58
- Others	831.48	831.48	1,031.36	1,031.36	901.59	901.59
	<b>4,012.27</b>	<b>4,012.27</b>	<b>4,297.52</b>	<b>4,297.52</b>	<b>2,906.98</b>	<b>2,906.98</b>
<b>Financial Liabilities</b>						
<b>Financial Liabilities designated at amortised cost:-</b>						
- Borrowings ( Including Current Maturity)	10,848.53	10,848.53	10,729.12	10,729.12	8,609.50	8,609.50
- Trade Payable	2,012.95	2,012.95	1,767.16	1,767.16	1,824.41	1,824.41
- Other Financial Liabilities	971.65	971.65	782.35	782.35	555.36	555.36
	<b>13,833.13</b>	<b>13,833.13</b>	<b>13,278.63</b>	<b>13,278.63</b>	<b>10,989.27</b>	<b>10,989.27</b>

## 47.2 Fair Valuation techniques used to determine fair value

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, loans, borrowings, trade payables, other current financial assets and other current financial liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of other non-current financial assets and financial liabilities are calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value (a level 3 technique).
- The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- Fair value of forward contract, options and currency & interest rate swap are derived on the basis of mark-to-market as provided by the respective bank.
- Refer note 14.1 and 17.3

## 47.3 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- Level 1 :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2 :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3 :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Group's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

(₹ in Crore)

Particulars	31st March, 2017		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity Investments	0.14	--	0.54
-- Mutual Funds	0.21	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial Liabilities	--	7.96	--
<b>Total</b>	<b>0.35</b>	<b>7.96</b>	<b>0.54</b>

(₹ in Crore)

Particulars	31st March, 2016		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity Investments	0.19	--	0.54
-- Mutual Funds	0.17	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial Liabilities	--	33.47	--
<b>Total</b>	<b>0.36</b>	<b>33.47</b>	<b>0.54</b>

(₹ in Crore)

Particulars	1st April, 2015		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>			
-- Equity Investments	0.09	0.04	0.54
-- Preference Shares	--	0.05	--
-- Debentures	--	0.52	--
-- Mutual Funds	0.23	--	--
<b>Financial Liabilities designated at fair value through profit or loss:</b>			
-- Derivative Financial Liabilities	--	36.77	--
<b>Total</b>	<b>0.32</b>	<b>37.38</b>	<b>0.54</b>

There were no transfers between Level 1 and Level 2 during the year.

#### 47.4 Description of the inputs used in the fair value measurement:

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 respectively:

(₹ in Crore)

Particulars	As at 31st March, 2017	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

(₹ in Crore)

Particulars	As at 31st March, 2016	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

(₹ in Crore)

Particulars	As at 1st April, 2015	Valuation Technique	Inputs used	Sensitivity
<b>Financial Assets designated at fair value through profit or loss (Investments):</b>				
-- Unlisted equity investments	0.54	Book Value	Financial statements	No material impact on fair valuation

#### 47.5 Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy:-

a) Financial Assets designated at fair value through profit or loss - Investments :

Particulars	₹ In Crore
<b>Fair value as at 1st April, 2015</b>	<b>0.54</b>
Gain on financial instruments measured at fair value through profit or loss (net)	--
Purchase / Sale of financial instruments	--
Amount transferred to / from Level 3	--
<b>Fair value as at 31st March, 2016</b>	<b>0.54</b>
Gain on financial instruments measured at fair value through profit or loss (net)	--
Purchase / Sale of financial instruments	--
Amount transferred to / from Level 3	--
<b>Fair value as at 31st March, 2017</b>	<b>0.54</b>

#### 47.6 Description of the valuation processes used by the Group for fair value measurement categorised within level 3:-

At each reporting date, the Group analyses the movements in the values of financial assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies.

The Group also compares the change in the fair value of each financial asset and liability with relevant external sources to determine whether the change is reasonable. The Group also discusses of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of financial assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**Note 48 :- Financial Risk Management Objective and Policies**

The Group is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the Group under policies approved by the board of directors of respective Company. This Risk management plan defines how risks associated with the Group will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the respective Company in the Group. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

**48.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as commodity risk.

The sensitivity analyses is given relate to the position as at 31st March 2017 and 31st March 2016.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Group activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2017 and 31st March, 2016.

**(a) Foreign exchange risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group transacts business primarily in USD, Euro, Pound Sterling, Swiss franc and Bahraini dinar. The Group has obtained foreign currency loans and has foreign currency trade payables, derivative instruments and receivables and is therefore, exposed to foreign exchange risk. The Group is regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

(₹ In Crore)

Unhedged Foreign Currency Exposure	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Receivables	683.14	1,019.19	1,008.97
Payables	5,069.67	4,881.37	4,431.01

**Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT) :-

Particulars	2016-17		2015-16	
	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT
USD	(34.37)	34.37	(33.09)	33.09
EURO	(7.40)	7.40	(3.55)	3.55
AED	(0.63)	0.63	(0.11)	0.11
BAHRAIN DINAR	(1.03)	1.03	1.30	(1.30)
POUND STERLING	0.09	(0.09)	0.05	(0.05)
YEN	(0.04)	0.04	(0.01)	0.01
SWISS FRANCS	(0.00)	0.00	(0.01)	0.01
<b>Increase / (Decrease) in profit before tax</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

**Derivative Contracts entered into by the Group and Outstanding as on 31st March, 2017 : Notional Value**

(₹ In Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Currency and Interest rate swap	14.63	24.39	34.15
Forward Contract -Receivable	--	101.95	56.10
Forward Contract -Payable	97.29	--	125.92
Option	--	--	31.78

The Company has entered interest rate swap derivative contracts in respect of External Commercial borrowing of ₹ 24.32 Crore (In 2016 ₹ 57.90 Crore and in 2015 ₹ 85.71 Crore) outstanding as on 31st March, 2017. Subsidiaries of the Company has also entered interest rate swap derivative contract in respect of borrowings of ₹ Nil (As at 31st March, 2016 ₹ 974.43 Crore and as at 1st April, 2015 ₹ 991.16 Crore)

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purpose and not as trading or speculative instruments.

**b) Interest rate risk and sensitivity :-**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest expenses and to manage the interest rate risk treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio

The table below illustrates the impact of a 0.5% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

**Exposure to interest rate risk**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Borrowing	10,848.53	10,729.12	8,609.50
% of Borrowings out of above bearing variable rate of interest	60.91	61.08	62.15
Interest rate sensitivity			

**A change of 50 bps in interest rates would have following Impact on profit before tax**

Particulars	2016-17		2015-16	
	0.5% Increase - Decrease in PBT	0.5% Decrease - Increase in PBT	0.5% Increase - Decrease in PBT	0.5% Decrease - Increase in PBT
50 bp increase / decrease the profit before tax by	33.06	(33.06)	32.79	(32.79)

**c) Commodity price risk:-**

The Group's raw materials i.e. Purified Terephthalic Acid (PTA) & Monoethylene Glycol (MEG) and finished goods i.e. Polyester & SSP Chips, Polyester Films, Partially Oriented Yarn (POY), Texturising Yarn (TEX) and related products are petrochemical products. Commodity price risk arises due to fluctuation in prices of petrochemical products. The Group mitigate the risk by natural hedge as any increase/decrease in raw materials price directly reflect the finished goods price.

**48.2 Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk for trade receivables, other bank balances, loans, other financial assets and financial guarantees.

**a) Trade Receivables:-**

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Sales made to customers on credit are secured through Letters of Credit in some cases to mitigate the credit risk to an extent.

**b) Bank Balances:-**

The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks.

**48.3 Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group limits its liquidity risk by ensuring funds from trade receivables and bank facilities are available.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

**(i) Maturity patterns of Financial Liabilities**

(₹ in Crore)

Particulars	On Demand	Maturity			Total
		0-1 Years	1-5 Years	Above 5 Years	
As at 31st March, 2017					
Borrowings	493.26	3,195.92	4,763.86	2,395.49	10,848.53
Trade Payable	--	2,012.95	--	--	2,012.95
Other Financial Liability	1.18	882.50	95.93	--	979.61
Total	494.44	6,091.37	4,859.79	2,395.49	13,841.09
As at 31st March, 2016					
Borrowings	161.66	3380.26	4804.22	2382.98	10,729.12
Trade Payable	--	1,767.16	--	--	1,767.16
Other Financial Liability	1.32	722.45	92.05	--	815.82
Total	162.98	5,869.87	4,896.27	2,382.98	13,312.10
As at 1st April, 2015					
Borrowings	215.27	2,226.34	5,419.08	748.81	8,609.50
Trade Payable	--	1,824.41	--	--	1,824.41
Other Financial Liability	1.30	501.92	88.91	--	592.13
Total	216.57	4,552.67	5,507.99	748.81	11,026.04

**48.4 Competition and price risk**

The Group faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

## Note 49 - Capital Management

For the purpose of Group's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Group's capital management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debts). Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances, current investments and fixed deposit more than 12 months. Equity comprises all components including other comprehensive income.

(₹ In Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Total Debt	10,944.10	10,817.57
Less:- Cash and cash equivalent	127.42	291.09
Less:- Current Investment	0.21	0.17
Less:- Other bank balance	863.76	890.32
Less:- Fixed Deposit more than 12 months	66.62	3.44
<b>Net Debt</b>	<b>9,886.09</b>	<b>9,632.55</b>
<b>Total Equity (Equity Share Capital plus Other Equity)</b>	<b>2,064.03</b>	<b>2,424.24</b>
<b>Total Capital (Total Equity plus Net Debt)</b>	<b>11,950.12</b>	<b>12,056.79</b>
<b>Gearing ratio</b>	<b>82.73%</b>	<b>79.89%</b>

## Note 50 - Segment Information

### 50.1 Information about primary segment:-

The Group has identified following two reportable segments as primary segment. Segments have been identified taking into account, the different risks and returns, the organisation structure and the internal reporting system.

a) Geographic : Domestic : Operations within India and International : Operations Outside India

### 50.2 Segment Revenue, results, assets and liabilities:

Revenue and results have been identified to a segment on the basis of operations of the segment.

Segment assets and segment liabilities represent assets and liabilities in respective segments

### 50.3 Segmental Information as at and for the year ended 31st March, 2017, 31st March, 2016 and as at 1st April, 2015 is as follows:-

(₹ in Crore)

Particulars	Domestic		International		Total Consolidated	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from operation						
Revenue from external Sales	4,309.37	3,961.19	5,260.60	5,481.31	9,569.97	9,442.50
Inter segment sales	171.14	199.01	8.98	7.49	180.12	206.50
<b>Total Revenue from operation</b>	<b>4,138.23</b>	<b>3,762.18</b>	<b>5,251.62</b>	<b>5,473.82</b>	<b>9,389.85</b>	<b>9,236.00</b>
<b>Segment Results</b>	<b>196.44</b>	<b>265.93</b>	<b>(6.93)</b>	<b>117.34</b>	<b>189.51</b>	<b>383.27</b>
Finance Cost	237.44	237.18	321.09	318.34	558.53	555.52
<b>Profit / (Loss) before tax</b>	<b>(41.00)</b>	<b>28.75</b>	<b>(328.02)</b>	<b>(201.00)</b>	<b>(369.02)</b>	<b>(172.25)</b>
Income Tax/Deferred Tax	20.12	34.12	1.22	18.22	21.34	52.34
<b>Net (Loss) for the year</b>	<b>(61.12)</b>	<b>(5.37)</b>	<b>(329.24)</b>	<b>(219.22)</b>	<b>(390.36)</b>	<b>(224.59)</b>
Other Disclosers						
Capital Expenditure	786.95	1,395.54	50.04	99.68	836.99	1,495.22
Depreciation & Amortisation	97.10	100.56	246.66	256.61	343.76	357.17
Non Cash Expenditure	10.00	10.00	--	--	10.00	10.00

(₹ in Crore)

Particulars	Domestic			International			Total Consolidated		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Segment Assets	8,934.63	8,288.30	5,734.47	7,512.75	8,041.66	7,407.90	16,447.38	16,329.96	13,142.37
Total Segment Liabilities	6,916.18	6,075.52	4,290.54	7,467.17	7,830.20	7,071.80	14,383.35	13,905.72	11,362.34

### 50.4 Segment revenue, assets and liabilities include the respective amount identifiable to each of the segments.

(₹ in Crore)

1. Segment Revenue		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a) Polyester Films		1,323.38	1,314.61
b) Other Polyester Products		8,054.59	7,911.13
c) Other		5.63	9.23
d) Unallocable		6.25	1.03
<b>Total</b>		<b>9,389.85</b>	<b>9,236.00</b>
2. Total Capital Expenditure		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a) Polyester Films		25.54	46.53
b) Other Polyester Products		119.99	72.29
c) Pure Terephthalic Acid		691.20	1,376.13
d) Unallocable		0.26	0.27
<b>Total</b>		<b>836.99</b>	<b>1,495.22</b>

3. Segment Assets	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Polyester Films	3,249.41	3,491.69	3,379.62
b) Other Polyester Products	7,221.20	7,537.20	6,362.00
c) Pure Terephthalic Acid	5,508.65	4,604.89	2,751.24
d) Other	148.24	367.38	169.51
e) Unallocable	319.88	328.80	480.00
<b>Total</b>	<b>16,447.38</b>	<b>16,329.96</b>	<b>13,142.37</b>

50.5 No single customer has accounted for more than 10% of the Group's revenue for the year ended 31st March, 2017 and 31st March, 2016.

**Note 51 - Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary/Associates/Joint Ventures:-**

Name of The entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net Assets	₹ in Crore	As % of Consolidated profit or loss	₹ in Crore	As % of Consolidated Other Comprehensive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
<b>Parent</b>								
JBF INDUSTRIES LTD	77.12%	1,591.73	9.13%	35.63	(4.72%)	(0.88)	8.50%	34.75
<b>Indian Subsidiary</b>								
JBF PETROCHEMICAL	55.71%	1,149.88	0.64%	2.49	0.00%	--	0.61%	2.49
<b>Foreign Subsidiaries</b>								
JBF Global Pte.Ltd., Singapore	31.72%	654.66	(20.25%)	(79.04)	0.00%	--	(19.33%)	(79.04)
JBF RAK LLC, UAE	75.28%	1,553.81	(50.37%)	(196.61)	11.16%	2.08	(47.56%)	(194.52)
JBF America INC	0.23%	4.77	0.91%	3.57	0.00%	--	0.87%	3.56
JBF Bio Glicols Industria Quimica Ltda.	(0.11%)	(2.17)	(3.12%)	(12.17)	0.00%	--	(2.98%)	(12.17)
JBF Global Europe BVBA	19.20%	396.38	(6.92%)	(27.03)	0.00%	--	(6.61%)	(27.03)
JBF Bahrain S.P.C	18.18%	375.32	(20.32%)	(79.34)	0.00%	--	(19.40%)	(79.34)
JBF TRADE INVEST PTE Ltd	(0.01%)	(0.27)	(0.01%)	(0.05)	0.00%	--	(0.01%)	(0.05)
<b>Non Controlling Interest</b>	8.28%	170.94	(12.82%)	(50.06)	(3.91%)	(0.73)	(12.42%)	(50.79)
<b>Associates Company</b>	--	Nil	--	Nil	--	Nil	--	Nil
Total Elimination	(185.61%)	(3,831.02)	3.14%	12.25	(102.53%)	(19.13)	(1.68%)	(6.88)
<b>Consolidation Net Assets/ Loss after tax</b>	<b>100.00%</b>	<b>2,064.03</b>	<b>(100.00%)</b>	<b>(390.36)</b>	<b>(100.00%)</b>	<b>(18.66)</b>	<b>(100.00%)</b>	<b>(409.02)</b>

**Note- 52 Interests in other entities**

52.1 The consolidation financial statements of the Group includes subsidiaries (including step-down subsidiary) listed in the table below:-

Name	Principal Activities	Country of Incorporation	% equity interest		
			31st March,2017	31st March,2016	1st April,2015
JBF PETROCHEMICAL	Manufacturing and trading of Purified Teraphthalic Acid (PTA)	India	85.50%	85.50%	100.00%
JBF Global Pte.Ltd., Singapore	Investment holding	Singapore	85.50%	85.50%	100.00%
JBF RAK LLC, UAE	Manufacturing and trading of SSP chips and polyster films	Ras-Al-Khaimah, U.A.E.	85.50%	85.50%	100.00%
JBF America INC	Selling and distribution of polyster films	United State	85.50%	85.50%	100.00%
JBF Bio Glicols Industria Quimica Ltda.	Manufacturing and trading of Bio-Glicol (MEG)	Brazil	85.50%	85.50%	100.00%
JBF Global Europe BVBA	Manufacturing, selling and distribution of Polyethylene Terephthalate (PET) resin	Belgium	85.50%	85.50%	100.00%
JBF Bahrain S.P.C	Manufacturing of plastic and polyster film, rolls and sheet	Bahrain	85.50%	85.50%	100.00%
JBF TRADE INVEST PTE LTD	Trading Activities	Singapore	85.50%	85.50%	100.00%

**52.2 Non-controlling Interests (NCI)**

Financial information of subsidiaries that have material non-controlling interests is provided below:-

Proportion of equity interest held by non-controlling interests:

Name	Country of Incorporation	% Equity Interest		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
JBF Global PTE Ltd	Singapore	14.50%	14.50%	--

## Summarised Financial Information

Summarised financial information of subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed before inter-company eliminations

(₹ in Crore)

Summarised Balance Sheet	JBF Global PTE Ltd		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets	3,516.28	4,105.55	3,127.40
Current Liabilities	5,250.61	4,838.91	3,642.54
<b>Net Current Assets / (Liabilities)</b>	<b>(1,734.33)</b>	<b>(733.36)</b>	<b>(515.14)</b>
Non-Current Assets	9,485.51	8,917.94	7,183.16
Non-Current Liabilities	6,572.30	6,652.86	5,397.87
<b>Net Non-Current Assets / (Liabilities)</b>	<b>2,913.21</b>	<b>2,265.08</b>	<b>1,785.29</b>
<b>Net Assets</b>	<b>1,178.88</b>	<b>1,531.72</b>	<b>1,270.15</b>
%	<b>170.94</b>	<b>222.10</b>	<b>--</b>
<b>Consolidation adjustments and procedures</b>	<b>--</b>	<b>(0.37)</b>	<b>--</b>
<b>Accumulated NCI</b>	<b>170.94</b>	<b>221.73</b>	<b>--</b>

(₹ in Crore)

Summarised Statement of profit and loss	JBF Global PTE Ltd	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from operations	5,256.94	5,467.22
Loss for the year	(345.27)	(253.99)
Other Comprehensive Income	(17.78)	55.26
<b>Total Comprehensive Income</b>	<b>(363.05)</b>	<b>(198.73)</b>
Profit/(loss) allocated to NCI	(50.79)	(27.67)
Dividend paid to NCI	--	--

(₹ in Crore)

Summarised Statement of cash flow	JBF Global PTE Ltd	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cash flow from/(used in) operating activities	367.50	(65.17)
Cash flow (used in) investing activities	(828.33)	(1,544.70)
Cash flow from financing activities	307.53	1,955.70
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(153.30)</b>	<b>345.83</b>

## Note - 53 Impairment Testing of Goodwill

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on Higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which Goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

The Group uses discounted cash flow based methods to determine the recoverable amount. These discounted cash flow calculations use five year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

## Note 54 - First Time Adoption of Ind AS

### 54.1 Basis of preparation

For all period up to the year ended 31st March, 2016, the Group has prepared its consolidated financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These consolidated financial statements for the year ended 31st March, 2017 are the Group's first annual Ind AS financial statements and have been prepared in accordance with Ind AS.

Accordingly, the Group has prepared financial statements, which comply with Ind AS, applicable for periods beginning on or after 1st April, 2015 as described in the accounting policies. In preparing these financial statements, the Group's opening Balance Sheet was prepared as at 1st April, 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the group in restating its Indian GAAP Balance Sheet as at 1st April, 2015 and its previously published Indian GAAP financial statements for the year ended 31st March, 2016.

### 54.2 Exemptions Applied

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

**1) Property, Plant and Equipment, Intangible Assets and Investment Properties:-** The Group has elected to apply Indian GAAP carrying amount as deemed cost on the date of transition to Ind AS for its property, plant and equipment, intangible assets and investment properties.

**2) Equity Investments in Subsidiaries :-** The Group has elected to apply Indian GAAP carrying amount as deemed cost on the date of transition to Ind AS for its equity investments in subsidiaries.



**3) Long Term Foreign Currency Monetary Items:-** Ind AS 101 allows a first-time adopter to continue the policy adopted for the accounting for exchange differences arising on translation of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per Indian GAAP. The Group has opted for this exemption and continued its previous GAAP policy for accounting of exchange differences on long-term foreign currency monetary items recognized in the previous GAAP financial statements for the year ended March 31, 2016. Accordingly, foreign currency differences on such items attributable to the acquisition of property plant and equipment are adjusted against their cost and depreciated prospectively over the remaining useful lives.

### 54.3 Mandatory exceptions applied

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the consolidated financial statements.

**1) Estimates:-** The Group's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP except where Ind AS required a different basis for estimates as compared to the previous GAAP.

**2) Non-controlling interests:-** Ind AS 110 "Consolidated Financial Statements" requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

**3) Classification and measurement of financial assets and liabilities:-** The Group has classified the financial assets and liabilities in accordance with Ind AS 109 "Financial Instruments" on the basis of facts and circumstances that exist at the date of transition to Ind AS.

## Note 55 - Disclosure as required by Ind AS 101 First Time Adoption of Indian Accounting Standard (Ind AS)

### 55.1 Reconciliation of Equity as at 1st April, 2015 (date of transition to Ind AS)

(₹ in Crore)

Particulars	Indian GAAP	Adjustments	Ind AS
<b>I. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	6,139.13	9.58	6,148.71
(b) Capital Work-In-Progress	2,308.16	(3.13)	2,305.03
(c) Investment Properties	--	0.23	0.23
(d) Goodwill on Consolidation	111.13	--	111.13
(e) Other Intangible Assets	24.18	--	24.18
(f) Financial Assets			
(i) Investments	2.37	(1.13)	1.24
(ii) Others	99.58	(52.49)	47.09
(g) Other Non-Current Assets	75.01	103.20	178.21
	<b>8,759.56</b>	<b>56.26</b>	<b>8,815.82</b>
<b>2 Current Assets</b>			
(a) Inventories	1,055.04	--	1,055.04
(b) Financial Assets			
(i) Investments	0.23	--	0.23
(ii) Trade Receivable	1,467.03	--	1,467.03
(iii) Cash and Cash Equivalents	116.56	--	116.56
(iv) Bank Balance other than (iii) above	335.63	(56.41)	279.22
(v) Loans	162.65	(20.07)	142.58
(vi) Others	849.09	5.41	854.50
(c) Current Tax Assets (Net)	13.97	1.65	15.62
(d) Other Current Assets	386.07	9.70	395.77
	<b>4,386.27</b>	<b>(59.72)</b>	<b>4,326.55</b>
<b>TOTAL ASSETS</b>	<b>13,145.83</b>	<b>(3.46)</b>	<b>13,142.37</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	80.41	(14.91)	65.50
(b) Other Equity	1,764.31	(49.78)	1,714.53
	<b>1,844.72</b>	<b>(64.69)</b>	<b>1,780.03</b>
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	6,167.17	0.72	6,167.89
(ii) Other Financial Liabilities	7.08	81.83	88.91
(b) Provisions	27.08	--	27.08
(c) Deferred Tax Liabilities (Net)	226.07	0.11	226.18
(d) Other Non-Current Liabilities	27.24	(1.74)	25.50
	<b>6,454.64</b>	<b>80.92</b>	<b>6,535.56</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2,080.12	--	2,080.12
(ii) Trade Payable	1,824.41	--	1,824.41
(iii) Other Financial Liabilities	485.61	379.10	864.71
(b) Other Current Liabilities	405.31	(379.59)	25.72
(c) Provisions	50.88	(19.24)	31.64
(d) Current Tax Liabilities (Net)	0.14	0.04	0.18
	<b>4,846.47</b>	<b>(19.69)</b>	<b>4,826.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,145.83</b>	<b>(3.46)</b>	<b>13,142.37</b>

## 55.2 Balance Sheet as at 31st March, 2016

(₹ in Crore)

Particulars	Indian GAAP	Adjustments	Ind AS
<b>I. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	6,235.70	9.58	6,245.28
(b) Capital Work-In-Progress	4,023.20	--	4,023.20
(c) Investment Properties	--	0.23	0.23
(d) Goodwill on Consolidation	117.95	--	117.95
(e) Other Intangible Assets	23.07	--	23.07
(f) Financial Assets			
(i) Investments	2.14	(1.41)	0.73
(ii) Others	19.89	(11.94)	7.95
(g) Deferred Tax Assets	0.20	--	0.20
(h) Other Non-Current Assets	66.17	9.36	75.53
	<b>10,488.32</b>	<b>5.82</b>	<b>10,494.14</b>
<b>2 Current Assets</b>			
(a) Inventories	1,089.43	--	1,089.43
(b) Financial Assets			
(i) Investments	0.17	--	0.17
(ii) Trade Receivable	1,927.55	--	1,927.55
(iii) Cash and Cash Equivalents	291.09	--	291.09
(iv) Bank Balance other than (iii) above	890.32	--	890.32
(v) Loans	225.61	(68.41)	157.20
(vi) Others	964.30	59.11	1,023.41
(c) Current Tax Assets (Net)	34.10	2.63	36.73
(d) Other Current Assets	416.45	3.47	419.92
	<b>5,839.02</b>	<b>(3.20)</b>	<b>5,835.82</b>
<b>TOTAL ASSETS</b>	<b>16,327.34</b>	<b>2.62</b>	<b>16,329.96</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	96.78	(14.91)	81.87
(b) Other Equity	2,399.17	(56.80)	2,342.37
Equity Attributable to the owners	<b>2,495.95</b>	<b>(71.71)</b>	<b>2,424.24</b>
Equity Attributable to the owners			
Non Controlling Interest	221.73	--	221.73
Non Controlling Interest			
<b>Total Equity</b>	<b>2,717.68</b>	<b>(71.71)</b>	<b>2,645.97</b>
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	7,184.38	2.82	7,187.20
(ii) Other Financial Liabilities	3.60	88.45	92.05
(b) Provisions	34.88	--	34.88
(c) Deferred Tax Liabilities (Net)	225.89	0.19	226.08
(d) Other Non-Current Liabilities	30.03	(4.79)	25.24
	<b>7,478.78</b>	<b>86.67</b>	<b>7,565.45</b>
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	3,092.81	--	3,092.81
(ii) Trade Payable	1,767.16	--	1,767.16
(iii) Other Financial Liabilities	444.20	728.68	1,172.88
(b) Other Current Liabilities	757.51	(727.74)	29.77
(c) Provisions	35.26	(0.01)	35.25
(d) Current Tax Liabilities (Net)	33.94	(13.27)	20.67
	<b>6,130.88</b>	<b>(12.34)</b>	<b>6,118.54</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,327.34</b>	<b>2.62</b>	<b>16,329.96</b>

## 55.3 Reconciliation of profit or loss for the year ended 31st March, 2016

(₹ in Crore)

Particulars	Indian GAPP	Adjustments	Ind AS
<b>I. Revenue from Operations</b>	9,200.98	--	9,200.98
<b>II. Other Income</b>	35.04	(0.02)	35.02
<b>III. Total Revenue (III)</b>	<b>9,236.02</b>	<b>(0.02)</b>	<b>9,236.00</b>
<b>IV. Expenses:</b>			
Cost of Material Consumed	6,533.39	--	6,533.39
Purchases of Stock-In-Trade	0.40	--	0.40
Changes in Inventories of Finished Goods and Work-In-Progress	(43.58)	--	(43.58)
Excise Duty Expense	322.27		322.27
Employee Benefits Expense	276.66	(1.82)	274.84
Finance Costs	545.38	10.14	555.52
Depreciation and Amortisation Expense	357.17	--	357.17
Other Expenses	1,407.99	0.25	1,408.24
<b>Total Expenses (IV)</b>	<b>9,399.68</b>	<b>8.57</b>	<b>9,408.25</b>
<b>V. Loss Before Tax (III - IV)</b>	<b>(163.66)</b>	<b>(8.59)</b>	<b>(172.25)</b>
<b>VI. Tax Expense:</b>			
(1) Current Tax	49.11	--	49.11
(2) Deferred Tax	5.58	(2.35)	3.23
<b>VII. Loss For The Year (V-VI)</b>	<b>(218.35)</b>	<b>(6.24)</b>	<b>(224.59)</b>
<b>VIII. Other Comprehensive Income</b>			
<b>i) Items that will not be reclassified to profit or loss:</b>			
Re-measurement (losses) on defined benefit plans	--	(1.82)	(1.82)
Income tax effect on above	--	0.63	0.63
<b>ii) Items that will be reclassified to profit or loss:</b>			
Foreign Currency Translation Reserve	57.07	--	57.07
Change in fair value of derivative financial instrument	(1.81)	--	(1.81)
<b>Total Other Comprehensive Income</b>	<b>55.26</b>	<b>(1.19)</b>	<b>54.07</b>
<b>IX. Total Comprehensive Income for the year (VII + VIII)</b>	<b>(163.09)</b>	<b>(7.43)</b>	<b>(170.52)</b>
<b>X. Loss for the Year attributable to</b>			
Equity holders of the parent	(181.53)	(6.24)	(187.77)
Non-Controlling interest	(36.82)	--	(36.82)
	<b>(218.35)</b>	<b>(6.24)</b>	<b>(224.59)</b>
<b>XI. Other Comprehensive Income attributable to</b>			
Equity holders of the parent	--	44.92	44.92
Non-Controlling interest	--	9.15	9.15
	<b>--</b>	<b>54.07</b>	<b>54.07</b>
<b>XII. Total Comprehensive Income for the year attributable to</b>			
Equity holders of the parent	(181.53)	38.68	(142.85)
Non-Controlling interest	(36.82)	9.15	(27.67)
	<b>(218.35)</b>	<b>47.83</b>	<b>(170.52)</b>

**55.4 Reconciliation between profit and other equity as previously reported under previous GAAP and Ind AS for the Year ended 31st March, 2016 and 1st April, 2015:-**

(₹ in Crore)

Sr. no.	Particulars	Footnote No.	Profit for the year ended 31st March, 2016	Other Equity as at 31st March, 2016	Other Equity as at 1st April, 2015
1	<b>Net loss / other equity as per previous Indian GAAP</b>		<b>(181.53)</b>	<b>2,399.17</b>	<b>1,764.31</b>
2	Effect of measuring preference shares initially at fair value and subsequently at amortized cost-Finance Cost	1	(10.06)	(73.54)	(66.92)
3	Proposed dividends and related tax accounted for as non adjusting events under Ind AS	2	--	13.29	19.20
4	Fair Valuation for financial assets and financial liabilities	3	(0.36)	(1.41)	(3.68)
5	Deferred Tax	4	2.36	4.23	1.62
6	Actuarial Loss on defined benefit plans considered as Other Comprehensive Income	5	1.82	1.82	--
7	<b>Net Loss after tax / Other Equity before Other Comprehensive Income as per Ind AS</b>		<b>(187.77)</b>	<b>2,343.56</b>	<b>1,714.53</b>
8	Actuarial Loss on defined benefit plans		44.92	(1.19)	--
9	<b>Total Comprehensive income / Other Equity as per Ind AS</b>		<b>(142.85)</b>	<b>2,342.37</b>	<b>1,714.53</b>

**55.5 Footnotes to the reconciliation of equity as at 1st April, 2015 and 31st March, 2016 and statement of profit and loss for the year ended 31st March, 2016.**

**1 Financial liabilities:-**

The preference share are classified as a financial liability. The liability initially recognised on fair value and subsequently, the liability is measured at amortized cost using the effective interest rate. The impact on this account has been recognised in the reserve on the transition date and the subsequent impact are recognised in the Consolidated statement of profit and loss.

**2 Dividend and dividend distribution tax:-**

Under Indian GAAP, proposed dividends were recognised as an adjusting event occurring after the balance sheet date however under the Ind AS proposed dividend are non adjusting events after the balance sheet date and hence recognised as and when approved by the Shareholders. In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for dividend of Rs. 19.20 Crore (including dividend distribution tax) for the year ended on 31st March, 2015 has been derecognised with corresponding impact in the reserve on 1st April, 2015.

**3 Financial assets:-**

The Company has valued all financial assets at fair value. The impact of the fair value changes on the date of transition, is recognised in the opening reserves and changes thereafter are recognised in the Consolidated statement of profit and loss.

**4 Defined benefit liabilities**

Both under Indian GAAP and Ind AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Consolidated statement of profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**5 Deferred Tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 "Income Taxes" approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. The impact of transitional adjustments for computation of deferred taxes has resulted in charge to reserve, on the date of transition, with consequential impact to the Consolidated statement of Profit and Loss and OCI for the subsequent periods.

**6 Investment Properties:-**

The investment properties are reclassified from Property, plant and equipment and presented separately as on date of transition to Ind AS.

**7 Loan processing fees / transaction cost:** Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Consolidated Statement of Profit and Loss.

**8 Other comprehensive income**

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, Indian GAAP statement of profit or loss is reconciled with Consolidated statement of profit or loss as per Ind AS.

**9 Reconciliation of cash flows for the year ended 31st March, 2016**

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the Indian GAAP.

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants  
(Firm Registration No-101720W)

**R. KORIA**

Partner  
Membership No-35629  
Place : Mumbai  
Date : 30.05.2017

**For & on behalf of the Board of Directors**

**B.C. ARYA**

Chairman  
(DIN-00228665)

**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTHI**

Managing Director  
(DIN-00229302)

**UJJWALA APTE**

Company Secretary  
Membership No. A3330

**B. R. GUPTA**

Director  
(DIN-00020066)

## Consolidated Cash Flow Statement for the year ended 31st March, 2017

(₹ in Crore)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) before tax as per Statement of Profit and Loss	(369.02)	(172.25)
Adjusted for :		
Depreciation and Amortization Expense	343.76	357.17
Currency & Interest rate Swap Loss/(Profit) (Net)	0.81	--
Unrealised gain on foreign currency transactions (Net)	11.96	(102.39)
Loss on sale of Property, Plant and Equipment (Net)	6.75	2.02
Fair value changes (net) on financial assets classified as fair value through profit and loss - net income	--	(0.06)
Finance Costs	558.53	555.52
Provision for Doubtful Advances	0.73	10.00
Bad Debt Written off	9.27	--
Government Grants	(2.53)	(3.54)
Interest Income	(25.51)	(14.99)
Fair Value Gain on Derivative Financials Instruments	(5.83)	(0.02)
Net gain on sale of Current investments (Net)	--	(0.02)
Sundry Credit Balances Written Back (Net)	(0.03)	(1.07)
	<b>897.91</b>	<b>802.62</b>
<b>Operating Profit before Working Capital Changes</b>	<b>528.89</b>	<b>630.37</b>
Adjusted for :		
Trade & Other Receivables	165.42	(515.19)
Inventories	(17.59)	(34.39)
Trade and Other Payables	311.34	(65.29)
<b>Cash generated from operations</b>	<b>988.06</b>	<b>15.50</b>
Direct Taxes paid	(35.84)	(47.52)
<b>Net Cash From/(used in) Operating Activities</b>	<b>952.22</b>	<b>(32.02)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(644.39)	(1,151.72)
Sale of property, plant and equipment	21.54	21.57
Purchases of Investments	--	(0.32)
Sale of Investments	--	0.64
Movement in Loans (Net)	9.98	(11.21)
Interest Income	25.06	19.09
Fixed Deposits held for more than three months - placed	--	213.68
Fixed Deposits held for more than three months - matured	(48.29)	(209.14)
<b>Net Cash used in Investing Activities</b>	<b>(636.10)</b>	<b>(1,117.41)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital including Security premium	--	491.23
Proceeds from issue of Compulsory Convertible Preference Shares by Subsidiary Company	--	499.63
Share Issue Expenses	--	(11.35)
Proceeds from long-term borrowings	1,761.46	4,213.07
Repayment of long-term borrowings	(1,538.47)	(3,247.44)
Movement in short term Borrowings	(31.08)	1,016.79
Margin Money/deposit pledged (Net)	11.53	(576.02)
Net loss/(gain) on Foreign currency transactions	4.38	(1.81)
Finance Costs Paid	(766.31)	(711.10)
Currency & Interest rate Swap (Loss)	(18.71)	(4.83)
Dividend Paid including tax thereon	(9.85)	(15.77)
<b>Net Cash From/(used in) Financing Activities</b>	<b>(587.05)</b>	<b>1,652.40</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(270.93)</b>	<b>502.97</b>
<b>Net (Gain)/Loss on foreign currency translation of foreign subsidiary Company's financial statements</b>	<b>107.26</b>	<b>(328.44)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>291.09</b>	<b>116.56</b>
<b>Closing balance of Cash and Cash Equivalents</b>	<b>127.42</b>	<b>291.09</b>

## Notes :

1. Bracket indicates cash outflow.
2. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
3. The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

**For CHATURVEDI & SHAH**Chartered Accountants  
(Firm Registration No-101720W)**R. KORIA**Partner  
Membership No-35629  
Place : Mumbai  
Date : 30.05.2017**For & on behalf of the Board of Directors****B.C. ARYA**Chairman  
(DIN-00228665)**AJAY AGRAWAL**

Chief Financial Officer

**RAKESH GOTH**Managing Director  
(DIN-00229302)**UJJWALA APTE**Company Secretary  
Membership No. A3330**B. R. GUPTA**Director  
(DIN-00020066)



## **JBF Industries Limited**

### ***Registered Office***

Survey No. 273, Village Athola, Silvassa, Dadra & Nagar Haveli.

### ***Corporate Office***

8th Floor, Express Towers, Nariman Point, Mumbai - 400 021.

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