JBF Industries Limited

ANNUAL REPORT

2017-2018

Content

STANDALONE FINANCIAL ACCOUNTS

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

Corporate Information

Board of Directors

Mr. Bhagirath C. Arya
Chairman

Mr. Rakesh Gothi
Managing Director & CEO

Mr. N. K. Shah
Director-Commercial

Mr. Vijay S. Bapna
Director (upto 08.12.2017)

Mrs. Veena Arya
Director (upto 08.02.2018)

Mr. B. R. Gupta
Director (upto 23.11.2017)

Mr. Prakash V. Mehta
Director (upto 26.09.2017)

Mr. Nikhil Srivastava
Director (upto 08.12.2017)

Mr. Sunil Diwakar
Director (upto 09.03.2018)

Mrs. Sangita V. Chudiwala
Add. Indipendent Director (W.e.f. 29.11.2017)

Mr. Sharadchandra N. Thakar
Add. Indipendent Director (W.e.f. 13.04.2018)

Mr. Ravi A. Dalmia
Add. Indipendent Director (W.e.f. 04.06.2018)

Company Secretary

Ujjwala G. Apte

Statutory Auditors

Pathak H.D. & Associates
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 RAK LLC
P. O. Box : 6574 Ras Al Khaimah, U.A.E.

JBF GLOBAL EUROPE BVBA
Nijverheidsweg 4, 2430 Laakdal, Belgium

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

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

R & T Agents

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

Annual General Meeting

Friday, 3rd August, 2018
at 11.30 a.m

at Daman Ganga Valley Resort, Silvassa

DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors have pleasure to present the Thirty-Sixth Annual Report and the Company's Audited Financial Statement for the year ended 31st March, 2018.

The Company's financial performance, for the year ended on 31st March, 2018 is summarized below:

FINANCIAL RESULTS

(₹ Crore)

PARTICULARS	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Revenue from Operations	3,573.86	4,271.45
Other Income	125.80	136.42
Profit/(Loss)from the year befor Finance cost, Depreciation and exceptional items	238.94	389.67
Less : Finance Cost	306.20	237.44
Less : Depreciation and Amortisation Expenses	94.85	97.10
Profit / (Loss) Before Tax	(162.11)	55.13
Current Tax	--	12.65
MAT Credit Entitlement	--	(0.63)
Deferred Tax	(39.33)	7.48
Profit / (Loss) for the year	**(122.78)**	**35.63**
Other Comprehensive Income	(0.51)	(0.88)
Total Comprehensive Income for the year	(123.29)	34.75

DIVIDEND

The Company is facing liquidity crunch and also going through the process of restructuring with the lenders for the reduction of debt exposure of the Company. Hence, your Directors have not recommended dividend on equity shares of the Company for the year 2017-18.

However the dividend on the preference shares will be carried forward for payment in the next financial year.

The Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's Website viz. www.jbfindia.com.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was ₹ 81.87 Crore and Preference Share Capital as on 31st March, 2018 was ₹ 14.91 Crore.

PERFORMANCE OF THE COMPANY

The Company's revennue for F.Y. 2017-18 was ₹ 3,573.86 Crore as against ₹ 4,271.45 Crore for the previous year, due to adverse market conditions and reduction in margins and also due to transitory adverse effect of rolling out the Goods and Service Tax (GST).

During the year, the Production of Polyster Chips came down to 413,281 MT, and Prodcution of POY & yarn was 292,823 MT.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. N. K. Shah, Director retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

The details of Directors resigned during the F.Y. 2017-18 are as follows

Sr. No.	Name	Resignation Date
1	Mr. Prakash Mehta	26th September, 2017
2	Mr. B R Gupta	23rd November, 2017
3	Mr. Nikhil Srivastava	8th December, 2017
4	Mr. V S Bapna	8th December, 2017
5	Mrs. Veena Arya	8th February, 2018
6	Mr. Sunil Diwakar	9th March, 2018

The Company has appointed Mrs. Sangita V. Chudiwala, as an Additional Independent Director on 29th November, 2017.

The Company has appointed Mr. Sharadchandra N Thakar as an Additional Independent Director on 13th April, 2018.

The Company has appointed Mr. Ravi A Dalmia as an Additional Independent Director on 4th June, 2018.

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 Six 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 2017-18 are included in the Corporate Governance Report forming part of Annual Report.

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 Upto 23.05.2018	Chief Financial Officer

Mr. Arun Shah has been appointed as Chief Financial Officer of the Company with effect from 4th June, 2018.

NUMBER OF MEETINGS OF THE BOARD & AUDIT COMMITTEE

During the year Four Board Meetings and Four 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.

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, 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.

Foreign subsidiaries of the Company are considering the sale or reorganisation of the structure. Hence their financial statements are not consolidated in the financial report of the Company.

EXPLANATION/COMMENTS ON AUDIT QUALIFICATIONS

1. The company's Business as a going concern :

The company's business and the liability undertaken has resulted into a mismatch of cash flow. Under the circumstances, the company has requested the lenders to reschedule the repayment programme which does not involve any haircut of principal or interest. The company has projected its business with normally accepted business risk on the basis of concern and has evaluated the same by taking services of professional investment bankers. Based on the advises received, the company has forwarded an application to its lead bank for considering the debt resolution plan.

The company believes that the resolution plan submitted is in line with the guideline given by Reserve Bank of India and the practices followed by Industry and lenders under the given circumstances. The company has also undertaken to procure further equity and monetize the loan overdue nonco assets. This further fund raising is a critical part of the resolution plan submitted.

While discussion on the overall resolution plan is in progress, few lenders have, after the date of balance sheet, recalled the loans in view of the company's inability to meet with the contractual obligations. The company has also placed its operations under monitoring as advised by the lead bank and earmark the agreed percentage for debt servicing in the interim. The lenders sending the recall notice have ignored the interim measure.

While the company is hopeful of the resolution as proposed, in the event of the lender opting for alternate recovery mechanism, the company's operations could face long term and irreversible damages seriously impairing the going concern aspects of the enterprise.

Under the circumstances where the resolution plan is under active consideration, the accounts are prepared on the basis of going concern and assuming that the resolution plan proposed with desired modification will be implemented.

2. Receivables (Trade Receivables, ICDs and others)

The company has examined all their receivables in the form of trade debtors, loans and advances. In view of several factors including but not limited to the economic factors, the company has not been able to recover the dues as per stipulated terms and conditions. The Management has segregated the dues with respect to age, further business claims, counter claims etc. In view of age in the condemn of the total receivable, the Management has created a special cell under supervision of a Senior Executive for recovery / resolution of this amount. The management has decided to take such legal steps or compromise as may be necessary in the interest of safeguarding the assets of the company.

While the total amount involved is less than a fraction of the turn over for the period, the absolute amount involved is significant and hence a policy has been laid down in this regard

3. Payable (Claims for Discounts)

The company's major raw-material is procured from a few identified suppliers with global bench mark. In view of the large volume that the company procures, the company is entitled to volume discounts and in some cases the quality discount. The accumulated claim which has not yet been settled has been brought under the focus of the special management cell reported herein above.

4. Subsidaries Exposure

Company has exposure in subsidiaries by way of investments, loans and other receivables aggregating to ₹ 1430.54 Crores. No exercise is undertaken to determine impairment, if any.

5.The company has proposed a resolution to enable the Board of Directors to borrow such sums as may be necessary for its business.

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 (including disclosures prescribed under Section II of Part II of Schedule V of the Companies Act, 2013), 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 per 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 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.

The statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in an annexure to the Annual Report. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid annexure. However, this annexure shall be made available on the website of the Company twenty one days prior to the date of the Annual General Meeting (AGM). The information is also available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays and Sundays. Any Member desirous of obtaining a copy of the said annexure may write to the Company Secretary and the same will be furnished on request.

COMPANY POLICIES:

The company has formulated various policies which are available on our website : 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 transcation 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 Preservstion 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 AND OUTGO

Foreign exchange earning by way of export and Freight were ₹ 800.21 Crore against outgo of ₹ 253.32 Crore on import of raw materails, stores, spares & consumables and ₹ 0.10 Crore of foreign exchange was invested in import of 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, GAURANTEES 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:

i. that in the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable Indian Accounting Standards (IND-AS) have been followed along with proper explanation relating to material departures, if any;

ii. 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, 2018 and of the profit of the Company for the year ended on that date;

iii. 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.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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

The Board of Directors of the Company has appointed M/s. Pathak H D & Associates, Chartered Accountants, Mumbai (Registration No. 107783W) as the Statutory Auditors of the Company for three years 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 2018-19. 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

RAKESH GOTHI
Managing Director
DIN-00229302

NILESH KANTILAL SHAH
Director
(DIN 00232130)

Place : Mumbai
Date : 20th June, 2018

ANNEXURES TO THE DIRECTORS' REPORT

A Statement containing necessary information as required under section 134(6) of the Companies Act , 2013 The relevant information is given below:-

A . POWER & FUEL CONSUMPTION

	For the year Ended 31.03.2018	For the year Ended 31.03.2017
1. Electricity		
Purchased Units (in thousands)	3,57,790	3,72,885
Total Amount (₹ in Crores)	161.60	164.69
Rate / per unit (₹)	4.52	4.42
2. Furnace Oil		
Consumed (Kgs in thousands)	13.05	547
Total Amount (₹ in Crores)	0.03	1.09
Rate/ per kg (₹)	19.17	19.92
3. Light Diesel Oil & HSD		
Consumed (Ltrs in thousands)	73.76	66.54
Total Amount (Rs in Crores)	0.35	0.26
Rate/ per Ltr (₹)	47.12	39.62
4. Natural Gas		
Consumed (Gcal)	3,235.16	858
Total Amount (₹ in Crores)	0.83	0.30
Rate/ per Gcal (₹)	2,563.39	3,465.43
5. Coal		
Consumed (MTI)	67,631	75,363
Total Amount (₹ in Crores)	40.98	37.03
Rate/ per MT (₹)	6,059.45	4,913.05

B. CONSUMPTION PER UNIT OF PRODUCTION

	For the year Ended 31.03.2018	For the year Ended 31.03.2017
1. Electricity (kwh /Ton of Product)		
a) Polyester Filament Yarn (POY)	1,040	1,036
b) Polyester Chips	173	135
c) Polyester Processed Yarn	929	891
2. Furnace Oil (Kgs/Ton of Product)		
a) Polyester Chips	0.01	1.06
b) Polyester Filament Yarn (POY)	0.04	0.05
3. Light Diesel Oil & HSD (Ltrs/Ton of Product)		
a)Polyester Filament Yarn (POY)	0.27	0.21
b)Polyester Chips	0.05	0.04
c) Polyester Processed Yarn	--	--
4. Natural Gas (Gcal/Ton of Product)		
a) Polyester Chips	0.01	0.00
5. Coal (Kgs/Ton of Product)		
a) Polyester Chips	183.81	148.70

MANAGEMENT DISCUSSION & 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

Acceleration in global activity started in 2016 gathered steam in 2017, reflecting firmer domestic demand growth in advanced economies and improved performance in other large emerging market economies. Global growth is expected to sustain for the next couple of years and has also accelerated mainly in the emerging markets and developing economies due to commodity exports. Global growth is set to be over 3.5% in the calendar year 2018, the fastest for seven years, with improved outcomes in both advanced economies and the Emerging Market Economies.

Confidence measures and levels of new orders for businesses have remained strong. This long awaited lift to global growth, supported by policy stimulus, is being accompanied by solid employment gains, a moderate upturn in investment and a pick-up in trade growth. The continued expansion depends on robust global growth and governments' support for right trade policies. However, there are signs that escalating trade tensions may already be affecting business confidence and investment decisions, which could compromise the current outlook. (Source: IMF, IRENA & WORLD BANK)

II. INDIAN ECONOMY OVERVIEW

Indian economic growth is giving a positive signal for the current and future scenario. It is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetization. India's GDP grew 7.2% in the third quarter of 2017, surpassing expectations and wresting back the mantle of fastest growing economy from China on the back of a rebound in industrial activity, especially manufacturing and construction, and an expansion in agriculture. Reserve Bank of India has estimated GDP growth in a range from 7.4% to 7.9% for the Financial Year 2019-2020. (Source: OECD and Economic Times)

The biggest challenges for 2018 are as to how the economy can maintain its recovery in the face of increasing inflationary pressures, coupled with a higher fiscal deficit as well as an increasing debt burden. The key to this conundrum lies in the revival of consumer demand and private investment.

Fiscal deficit for 2017-18 is revised to INR 5.95 lakh Cr at 3.5% of the GDP which is approximately the same as 2016-17 in spite of transformation in the economy. In addition to initiatives like; "Make in India", "Housing for All", "Digital India" government has also introduced "Sagarmala" and "Bharat Mala" initiatives which are expected to boost the domestic growth of the country. (Source: IBEF and Trading Economics)

III. GLOBAL TEXTILE INDUSTRY

The Global textile mills market has grown at CAGR of 4.5% and reached a value of US$ 746 bn. in 2017. The global textile market is forecasted to reach $ 842.6 billion in value by 2020, which is an increase of 26.2% since 2015. The compound annual growth rate (CAGR) of the market in the period 2015–20 is predicted to be 4.8%. Incremental growth is coming from diverse application areas such as sports, aerospace, automotive, defence, agriculture, and healthcare. The global technical textiles market will be worth US$160.38 billion by the end of 2018, with the demand incrementing at a CAGR of 3.3% during the forecast period of 2012 to 2018.

https://www.transparencymarketresearch.com/pressrelease/technical-textiles-market.htm

IV. INDIAN TEXTILE INDUSTRY

India is the world's second largest producer of textiles and garments after China. The Indian textiles industry, currently estimated at around US $120 billion, is expected to reach US $230 billion by 2020. The industry is the second largest employment generator after agriculture by employing 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 2 per cent to India's Gross Domestic Product (GDP), 10 per cent of manufacturing production and 14 per cent to overall Index of Industrial Production (IIP). Indian textile industry currently possesses a share of 4.7% in world market of textiles and clothing. Export of clothing from India is increasing world over due to the versatility of different products. Among the nations, China is the largest supplier of textile and apparel in the world with a major share of 40%. It is distantly followed by countries such as India, Italy, and Germany etc. each with an approximate share of 5% in the global textile and apparel exports.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route. The Government of India also plans to introduce a mega package for the power loom sector, which will include social welfare schemes, insurance cover, cluster development, and up gradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country.

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 up gradation Fund Scheme (TUFS).

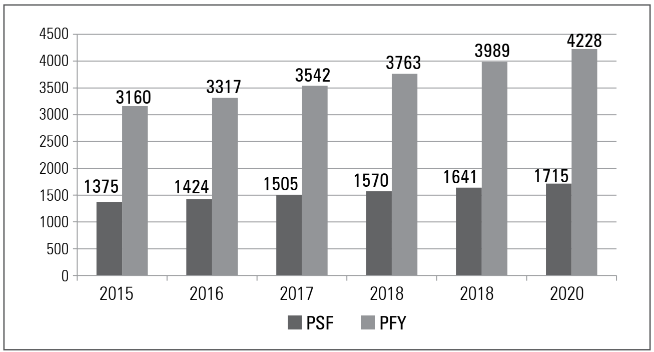
http://crimsonpublishers.com/tteft/pdf/TTEFT.000538.pdf

V. POLYESTER INDUSTRY

Global polyester market in 2017 increased by a robust 3 Mn Tonnes as against a capacity growth of 2.6 Mn Tonnes in the same year. At present, Asia is the largest polyester consuming region in the world and there is a huge demand for polyester fibres. As of now, China holds a major proportion of overall polyester consumption in Asian sub-continent, followed by India and Southeast Asia.

Polyester Fibre and Yarn Production and Demand Forecast

('000 MT)



Source: PCI and JBF Internal Research

https://www.bseindia.com/bseplus/AnnualReport/500325/5003250318.pdf

Polyester sector has witnessed a healthy recovery during the year as compared to the challenging market environment in the previous year.

Asia Pacific is overwhelmingly dominant regional market for polyester fibers and is likely to remain so in the coming years, with the region expected to account for 85.7% of the global polyester fiber market by the end of 2019. The global market shares of both North America and Europe are expected to remain below 5% throughout the 2013-2019 forecast period.

The consistently high production figures of the polyester fiber industry in China and India is a key driver for the global polyester fiber market. China alone could account for close to 70% of the global production of polyester fiber by the end of 2019, followed by India. The high local consumption of polyester fiber in Asia Pacific is a key driver for the Asia Pacific market and will help ensure steady growth of the polyester fiber industry in the region in the coming years.

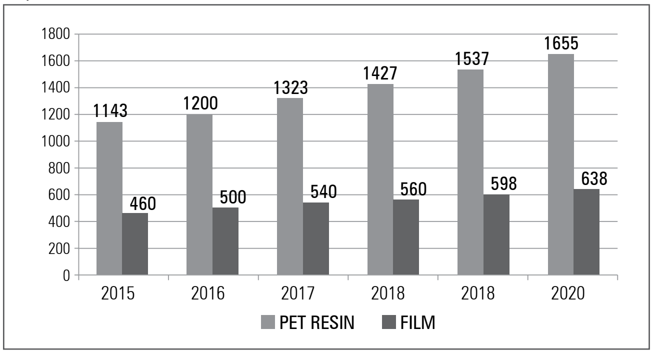
The booming construction industry in emerging regions has also become a crucial driver for the global polyester fiber market, as it has led to a rising demand for carpets and rugs in residential as well as commercial construction. The rising purchasing power of consumers and the rapid urbanization observed in countries such as China, India, South Korea, and other Southeast Asian countries are thus indirectly key factors for the global polyester fiber market.

http://ws.karvyonline.com/viewdocument.aspx?DocumentID=22005

VI. POLYETHYLENE TTEREPHTHALATE (PET)

Global Polyethylene Terephthalate (PET) Market is expected to reach USD 38,014 million by 2023, registering a CAGR of 6.9% from 2017 to 2023. FY 2017-18 witnessed strong recoveries in global energy prices, which was mirrored in petrochemical feedstock and product prices.

Polyester Pet and Film Production and Demand Forecast ('000 MT)



Source: PCI and JBF Internal Research

Global PET prices for the year increased by 14% y-o-y to US$1065/ MT with tight supplies due to curtailed output and good demand. Global PET demand remained healthy amidst firm beverage consumption from major developed and emerging economies. During 2017 PET capacity increased by 1.2 MN metric tonnes y-o-y against a demand growth of 0.8 MN metric tonnes, however, disruptions in few western capacities resulted in tight markets.

Increasing sales volume of clothing and apparel goods through e-commerce portals in China, Bangladesh, India and Thailand is expected to create immense industry potential. Furthermore, regulatory support aimed at promoting investments in packaging sector in China and India is projected to propel industry growth.

VII. RAW MATERIALS

PURIFIED TEREPHTHALIC ACID (PTA)

The Purified Terephthalic Acid Market is estimated to be USD 48.14 Billion in 2018 and is projected to reach USD 61.78 Billion by 2023, at a CAGR of 5.1% from 2018 to 2023.

(Source: http://www.prnewswire.co.in/news-releases/purified-terephthalic-acid-pta-market-worth-6178-billion-usd-by-2023-685104631.html)

Supply of purified terephthalic acid (PTA) in Asia is expected to lengthen in the second half of 2018 as new capacities will start up in the major markets of India and China, amid a slowdown in demand. Major plants will have resumed production after unplanned outages to ease the current global supply tightness that has been driving up Asian prices, while demand typically weakens in the third quarter. In the first half of 2018, strong growth in demand in the downstream polyester markets in Asia, particularly China, supported the rally in PTA prices amid tight supply. Downstream polyester markets were enjoying positive margins, keeping demand for feedstock PTA healthy.

The growth of the end-use markets, such as bottling and packaging and fiber & yarn, is also contributing to the increased demand for purified terephthalic acid that is expected to spur industry size.

MONOETHYLENE GLYCOL (MEG)

The Monoethylene Glycol (MEG) market is estimated at USD 24.41 Billion in 2017 and is projected to reach USD 30.40 Billion by 2022, at a CAGR of 4.5% from 2017 to 2022. The MEG market is expected to be driven by the increasing need for MEG in the production of PET and polyester.

Several capacities are being set up globally for meeting MEG needs for India and China, which will continue to be major consumer markets, which require significant amounts of MEG feedstock to produce polyester fibres and PET resins. But it is expected that due to capacity expansion in India, dependency on imports for India will significantly reduce in near future.

VIII. CURRENT YEAR'S PERFORMANCE

HighLights		**Year 2017-18**	**Year 2016-17**	**% Change**
Production :				
Polyester Chips	MT	4,13,281	5,43,438	(23.95)
Polyester Filament Yarn (POY)	MT	2,07,130	2,18,205	(5.08)
Polyester Fabric from Job Work	MT	1,445	--	100.00
Polyester Processed Yarn	MT	84,249	90,471	(6.88)
Total Shipments				
Polyester Chips	MT	2,15,620	3,21,448	(32.92)
Polyester Filament Yarn (POY)	MT	1,25,717	1,25,590	0.10
Polyester Fabric from Job Work	MT	1,445	--	100.00
Polyester Processed Yarn	MT	85,032	90,843	(6.40)
Total		**4,27,814**	**5,37,881**	**(20.46)**
Turnover	₹ in Crore	3573.86	4271.45	(16.33)
Profit before Interest, Depreciation and Tax	₹ in Crore	238.94	389.67	(38.68)
Finance Costs	₹ in Crore	306.20	237.44	28.96
Depreciation	₹ in Crore	94.85	97.10	(2.32)
Profit Before Exceptional Items and Tax	**₹ in Crore**	**(162.11)**	**55.13**	**(394.05)**
Current Taxation	₹ in Crore	--	12.65	(100.00)
MAT Credit Entitlement	₹ in Crore	--	(0.63)	--
Deferred Tax	₹ in Crore	(39.33)	7.48	(625.80)
Net Profit	**₹ in Crore**	**(122.78)**	**35.63**	**(444.60)**
Earning per share (EPS) - Basic	₹	(15.00)	4.35	(444.83)
-Diluted	₹	(15.00)	4.35	(444.83)
Equity Shares- No. of Shares as on 31st March.	Nos.	8,18,74,849	8,18,74,849	--
No of Shares for Basic EPS	Nos.	8,18,74,849	8,18,74,849	--
No of Shares for Diluted EPS	Nos.	8,18,74,849	8,18,74,849	--

IX. CASH FLOW ANALYSIS

(₹ in Crore)

	2017-18	2016-17
Sources of Cash		
Cash from Operations	197.20	264.39
Income from Investing Activities	14.30	61.88
Income from Financing Activities	(3.01)	3.01
Proceeds from Short Term Borrowings	775.74	--
Decrease in Working Capital	--	221.48
Net gain on Foreign Currency Transactions	3.58	11.62
Sale of Invesments (Net)	0.22	--
Margine Money	351.25	(55.14)
Total	**1,339.28**	**507.24**
Uses of Cash		
Net Capital Expenditure	21.23	90.99
Repayment of Term Borrowings (net of proceeds)	119.33	10.58
Repayment of Short Term Borrowings	--	83.34
Increase in Working Capital	613.43	--
Finance Cost (Including Currency & Interest Swap)	216.42	229.10
Dividend paid (Including Tax on Dividend)	8.35	13.28
Tax paid (net)	1.72	14.66
Movement of Loan & Advance of Subsidiary (Net)	370.11	61.30
Increase in cash & Cash equivalent	(11.31)	3.99
Total	**1,339.28**	**507.24**

X. FUTURE PROSPECTS

The Indian textile industry requires support from both the Central and State governments to become competitive in the Global market. The Skill India and Make-in India programs of Central government headed by Prime Minister Sri Narendra Modi is helping the industry in getting required skilled manpower and good market for textile products. It is high time for the textile industry to upgrade their technology and implement ERP to streamline supply chain and enhance customer relations management activities. These measures are enabling the industry in becoming competitive in the global market. Increase in crude oil prices have led to a sharp rise in its derivative petrochemicals, plastic-making raw material polymers and feedstock like Naphtha. Rise in prices of petrochemical raw materials such as purified terephthalic acid (PTA) and mono-ethylene glycol (MEG) along with the rupee fall has made synthetic yarn costlier by 10-15 per cent however, it is expected that the Polyester Chain will easily absorb this price increase in view of rising market demand.

XI. 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.

Following are the main features on Safety , Health and Environment front:

SAFETY

- No Fatal Accident occurred in the period FY-2017-18
- Provided a safe and healthy work environment and ensured 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.).
- To instill 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 being done through approved auditors.
- 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.
- Joint Safety Audit and Periodic Safety Inspection are 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
- Providing & maintaining the CCTV cameras, fire alarm system.etc.

HEALTH

- All efforts are being done to prevent any occupational disease. So far no occupational disease observed.
- Pre-employment medical checkup & 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 its cleanliness.

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.
- Employees are educated to be accountable for environmental stewardship and encouraged 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.
- Promote the efficient use of energy and natural resources through cost-effective conservation and energy management programs.
- Emphasis is on promotion of efficient use of energy and natural resources through cost-effective conservation and energy management programs.
- Reduction and minimization of waste, wherever possible done through reuse & recycling. Dispose off all waste through safe & responsible methods.
- Third party Environment monitoring is being conducted quarterly through qualified & MoEF recognised External Agencies.
- The company is having efficient water management system which includes partially recycling of treated effluent.
- World Environment Day Celebration is being conducted on a large scale & tree plantation is been done to celebrate the occasion.
- Reduction of Pollution & optimisation of production through judicious utilisation of resources and process improvement
- Rainwater harvesting concept to supplement & improve the ground water table.

XII. RISK MANAGEMENT

The company identifies operational, strategic, regulatory and financial risks through analysis, pre-emptive compliance, proactive management & sound business management practices.

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 as amended ("the Listing Regulations"), 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 not an optimum combination of Executive and Non-Executive Directors as on 31st March, 2018 in terms of Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had four Directors as on 31st March, 2018 comprising of three Executive Directors holding offices of Executive Chairman, Managing Director and Director-Commercial respectively and one Additional Independent Woman Director. The Company has complied the same by appointing two Adtional Independent Directors subsequently.

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 (1) (b) of the Listing Regulations, however composition of Independent Directors was not in compliance of above regulation during the year ended 31st March, 2018. The Company has complied the same by appointing two independent directors subsequently.

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 Upto 8th February, 2018	Director	Non Executive & Promoter
Mr. B. R. Gupta DIN:00020066 Upto 23rd November, 2017	Director	Non Executive & Independent
Mr. P. V. Mehta DIN:00001366 Upto 26th September, 2017	Director	Non Executive & Independent
Mr. Sunil Diwakar DIN:00089266 Upto 9th March, 2018	Director	Non Executive & Independent
Mr. Nikhil Srivastava DIN:07308617 Upto 8th December, 2017	Director	Non Executive Nominee
Mr. Vijay S Bapna DIN:02599024 Upto 8th December, 2017	Director	Non Executive & Independent
Mrs. Sangita V Chudiwala DIN:01039360 w.e.f 29th November, 2017	Additional 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 as on 31st March, 2018.

Independent Directors

Mrs. Sangita Chudiwala, is appointed as Additional Independent Director.

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 Independence as provided under the Companies Act, 2013.

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 Listing Regulations, 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 8th February, 2018.

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 the Listing Regulations, a separate meeting of Independent Directors was not held during the year due to frequently resignation of Independent Directors.

Familiarization Programme for Independent Directors

Every quarter presentation is given to 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.

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 2017-2018 the Board of Directors met 4 times on 30th May, 2017, 11th August, 2017, 14th November, 2017, and 8th February, 2018.

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

During the year urgent matters were passed by circular resolutions as and when required.

Disclosure of Relationship Between Directors Inter-Se

Mrs. Veena Arya, who was Non-Executive Director of the Company till 8th February, 2018, is wife of Mr. Bhagirath 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. Bhagirath C. Arya	4	No	1	Nil	Nil
Mr. Rakesh Gothi	4	Yes	1	Nil	Nil
Mr. N. K. Shah	4	Yes	Nil	Nil	Nil
Mrs.Veena Arya Upto 08.02.2018	2	No	Nil	Nil	Nil
Mr. Prakash Mehta Upto 26.09.2017	2	N.A	N.A	N.A	N.A
Mr. B. R. Gupta Upto 23.11.2017	3	Yes	N.A	N.A	N.A
Mr. Sunil Diwakar Upto 09.03.2018	4	No	N.A	N.A	N.A
Mr. Nikhil Srivastava Upto 08.12.2017	2	No	N.A	N.A	N.A
Mr. Vijay Bapna Upto 08.12.2017	2	No	N.A	N.A	N.A
Mrs. Sangita V. Chudiwala W.e.f. 29.11.2017	1	N.A	Nil	Nil	Nil

* Other than Foreign and Private Limited Companies.

** As prescribed in the explanation under Regulation 26(1) of the Listing Regulations, 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.

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 analyzing 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 2017-2018 the Audit Committee met 4 times on 30th May, 2017, 11th August, 2017, 14th November, 2017 and 8th February, 2018.

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 Upto 23.11.2017	Chairman	4	3
Mr. Sunil Diwakar Upto 09.03.2018	Chairman	4	4
Mr. N K Shah w.e.f 30.05.2017	Member	4	3
Mrs. Sangita Chudiwala w.e.f 29.11.2017	Member	4	1

The audit committee shall have minimum three directors as members as on 31st March, 2018 in terms of Regulation 18(1)(a) of the Listing Regulations, however after resignation of Mr. Sunil Diwakar on 9th March, 2018, the same has not been complied. The Company has complied the same by appointing new members subsequently.

The Audit Committee meeting held on 30th May, 2017 had only two members as against three members as required under the Regulation18(1)(a) of the Listing Regulations.

The Company Secretary acted as the Secretary to the Committee.

Mr. Rakesh Gothi, CEO & Managing Director, Mr. Ajay Agrawal, CFO, Statutory Auditors, and Internal Auditors 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 one 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 2017-2018 the Stakeholders Relationship Committee met 4 times on 30th May, 2017, 11th August, 2017, 13th November, 2017 and 7th February, 2018.

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 Upto 23.11.2017	Chairman	4	3
Mr. Sunil Diwakar Upto 09.03.2018	Chairman	4	4
Mr. Prakash Mehta Upto 26.09.2017	Member	4	2
Mr. Rakesh Gothi w.e.f 07.02.2018	Member	4	1
Mr. N K Shah w.e.f 07.02.2018	Member	4	1

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 8. Pending complaints as on 31st March, 2018, is Nil.

Company had received confirmation from BSE & NSE informing that no investor complaints pending as on 31st March, 2018 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 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, 2017, 14th November, 2017 and 7th February, 2018, during the financial year 2017 – 2018.

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 Upto 23.11.2017	Chairman	3	2
Mr. Sunil Diwakar Upto 09.03.2018	Chairman	3	3
Mr. Vijay S. Bapna Upto 08.12.2017	Member	3	1
Mrs. Sangita Chudiwala w.e.f 29.11.2017	Member	3	1
Mrs. Veena Arya From 17.01.2018 to 08.02.2018	Member	3	Nil

The Company Secretary acted as the Secretary to the Committee.

The Nomination and Remuneration Committee shall have minimum three directors as members as on 31st March, 2018 in terms of Regulation 19(1)(a) of the Listing Regulations, however after resignation of Mrs. Veena Arya and Mr. Sunil Diwakar, the same has not been complied. The Company has complied the same by appointing new members subsequently.

The salient features of Remuneration policy

As per Regulation of 19 SEBI (LODR) Regulations 2015, there should be at least three Directors as a members of N R Committee. But after resignation of Mrs. Veena Arya & Mr. Sunil Diwakar, there is only one member of NR Committee the same is in non compliance with the above regulation.

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 2017-18 are as follows:

Name of the Director	Salary (In Lacs)	Commission (In Lacs)	Perquisites (In Lacs)	Total (In Lacs)	Service Contract	
					Tenure*	Notice Period**
Mr. Bhagirath Arya #	544.96	--	43.26	588.22	5 years	3 months
Mr.Rakesh Gothi	99.98	--	7.21	107.19	5 years	3 months
Mr. N. K.Shah ##	124.43	--	10.46	134.88	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 ₹ 405.50 Lacs 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.

The same is subject to approval from the shareholders.

* 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, 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 2017-18 are mentioned below.

Mr. B. R. Gupta Upto 23.11.2017	--	₹ 310,000
Mr. Prakash Mehta Upto 26.09.2017	--	₹ 120,000
Mr. Sunil Diwakar Upto 09.03.2018	--	₹ 380,000
Mrs. Veena Arya Upto 08.02.2018	--	₹ 100,000
Mr. Vijay S Bapna Upto 08.12.2017	--	₹ 120,000
Mrs. Sangita Chudiwala w.e.f 29.11.2017	--	₹ 90,000

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.

Mrs. Sangita Chudiwala is the only Non-Executive Director who is holding nil shares

The aforementioned information pertaining to remuneration and terms of appointment of directors be also considered as disclosures covered under Sl. No. IV of sub clause (iv) of clause (B) of section II of Part – II of Schedule V ("required disclosures") of the Companies Act, 2013.

Following is the further information to be provided under the required disclosures:

Apart from receiving fixed components, Mr. Bhagirath C. Arya is eligible to receive commission not exceeding 1% of the Net Profits of the Company (annually) subject to a ceiling of 100% of the annual salary. Further, in accordance with Company's ESOS scheme viz. JBF Employee Stock Option Scheme 2009, Mr. Arya, being a promoter director, has not been allotted any stock options.

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 (Independent Director resigned on 23rd November, 2017) 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 Upto 23.11.2017	Member	4	3
Mr. N K Shah	Member	4	4
Mrs. Sangita Chudiwala w.e.f 29.11.2017	Member	4	1

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.

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 Upto 23.11.2017	Member	2	2
Mr. Sunil Diwakar Upto 09.03.2018	Member	2	2
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.

VI. Finance Committee

The Committee has been constituted to administer Financial activities of the Company.

Composition of Finance Committee and attendance of each Member at the Finance Committee meeting held during the year.

Name	Position	Meetings Held	Meetings Attended
Mr. Vijay Bapna Upto 08.12.2017	Chairman	1	1
Mr. Bhagirath C Arya	Member	1	Nil
Mr. Sunil Diwakar Upto 09.03.2018	Member	1	1
Mr. Nikhil Srivastava Upto 08.12.2017	Member	1	Nil

The Company Secretary acted as the Secretary to the Committee.

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 the Listing Regulations and the same was taken on record by the Board at its meeting held on 20th June, 2018.

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 the Listing Regulations forms part of the annual report.

Annual General Meetings

DATE	VENUE	TIME	SPECIAL RESOLUTIONS PASSED
27th September, 2017	Daman Ganga Valley Resort	11.30 a.m.	1. To adopt new Articles of Association. 2. Waiver of excess Remuneration paid to Mr. Bhagirath Arya.
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.

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 2017-18 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.

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/Investor.htm) of the Company

Subsidiary Company

The Minutes of the Board Meetings of subsidiary company JBF Global Pte Ltd. and step down subsidiary company JBF Petrochemicals Ltd. have been placed before the Board from time to time.

Financial statements of JBF Global Pte Ltd. and JBF Petrochemicals Ltd. along with statement containing all significant transactions and arrangements entered into by them were reviewed and noted by the Audit Committee of the Company.

The Financial Statements of JBF RAK LLC have not been placed before the Board due to restructuring of debt of subsidiary companies.

Audited Annual Financial Accounts of JBF Petrochemicals Ltd. for the year ending 31st March, 2018, were placed before the Board of Directors of the Company.

At least one Independent Director on the Board of Directors of listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, incorporated in India, in terms of Regulation 24(1) of the Listing Regulations, however after resignation of Mr. Sunil Diwakar on 9th March, 2018 from the Board of JBF Petrochemicals Ltd. a subsidiary company, the same has not been complied.

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.

Reconciliation of Share Capital and 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 (CP.No.1782) partner of M/s Jagdish Patel & Co, has been submitted at close of each quarter to the Stock Exchanges.

Secretarial Audit as prescribed under Companies Act 2013 for the FY 2017-18 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. 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

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	Friday, 3rd August, 2018 at 11.30 a.m
Venue	Daman Ganga Valley Resort, Silvassa.
Financial Calendar [Tentative]	
Results for the quarter ended June, 2018	End 2nd week of August ' 18
Results for the quarter ended September, 2018	End 2nd week of November '18
Results for the quarter ended December, 2018	End 2nd week of February' 19
Results for the quarter ended March, 2019	End May' 19
Annual General Meeting	End September' 19

Book Closure

The Register of Members will be kept closed from 28th July, 2018 to 3rd August, 2018 [Both days inclusive] for the purposes of payment of dividend.

Dividend

Board of Directors has not recommended dividend for the year 2017-2018.

Unclaimed Dividend

Unclaimed Dividend of ₹ 24,22,122 for the financial year 2009-2010 has been transferred to Investor Education and Protection Fund on 31.10.2017.

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 27th September, 2017 (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 dividend 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.

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 2018-19 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

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, 2018.

Mode of Holding	No of shares held	Percentage to Total Capital
N S D L	46735233	57.08
C D S L	34339568	41.94
Total Demat Holding	**81074801**	**99.02**
Physical Holding	797048	0.98
Total Shareholding	**81871849**	**100.00**

Distribution of Shareholding : As on 31st March, 2018.

Shareholding of Shares	No of Share holders	Number of Shares held	Percentage to Total Capital
1 - 500	23538	2691456	3.29
501 - 1000	1078	865431	1.06
1001 - 2000	458	703218	0.86
2001 - 3000	200	518504	0.63
3001 - 4000	93	336356	0.41
4001 - 5000	77	359966	0.44
5001 - 10000	137	1030681	1.26
10001 and above	177	75366237	92.05
TOTAL	**25758**	**81871849**	**100.00**

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As on 31st March, 2018

Group	No of Share holders	No. of Shares held	% held
Indian Promoters	5	34836911	42.55
Directors / Relatives	3	25970	0.03
Body Corporates	328	21718651	26.54
Financial Institutions, Insurance Cos., & Banks	6	2159874	2.64
Trusts & Mutual funds	8	13454	0.00
Central Government/State Government	1	177464	0.22
FCs, FPIs, NRIs & NRNs	333	12605742	15.40
Indian Public	24708	10333783	12.62
TOTAL	**25392**	**81871849**	**100.00**

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 2017	301.90	265.50	302.00	266.00
May 2017	304.50	253.75	305.00	243.10
June 2017	326.00	267.10	326.00	267.90
July 2017	288.00	198.50	288.60	198.50
August 2017	222.95	136.00	223.40	136.00
September 2017	194.00	150.80	192.40	150.00
October 2017	238.80	152.05	238.55	151.55
November 2017	262.00	214.10	262.00	213.05
December 2017	252.35	195.00	251.90	195.75
January 2018	242.50	181.35	242.30	179.75
February 2018	191.35	152.35	190.85	152.05
March 2018	154.25	83.10	155.00	83.10

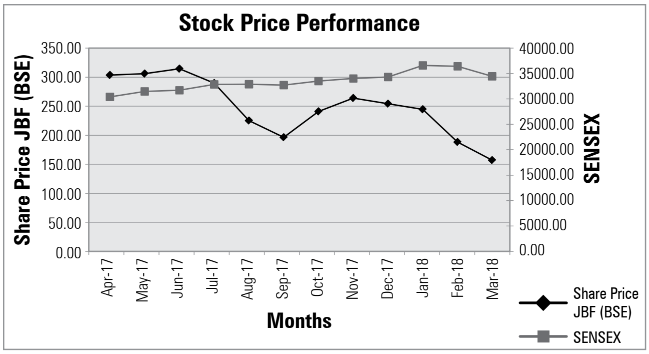
Source : website of BSE & NSE

Stock performance:

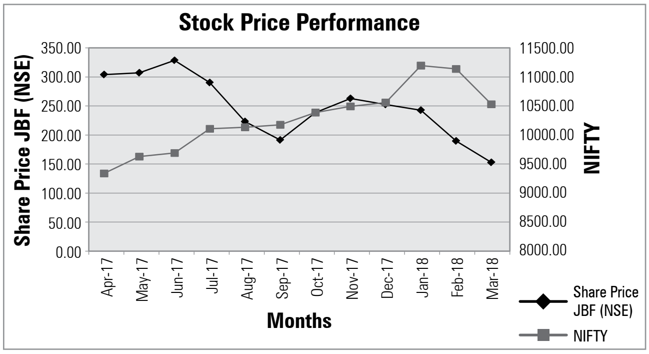
The average daily turnover of the equity shares of the company during the financial year 2017-2018 is as follows:

BSE : 40753
NSE : 206204

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 Listing Regulations, 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, 2018 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

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 except as disclosed above.

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. **Shareholders' 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, 2018 contains audit qualifications for details refer to standalone audit report.

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, 2018, 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, 2018.

Rakesh Gothi
CEO & Managing Director
DIN : 00229302

Place : Mumbai
Date : 20th June, 2018

AUDITORS'CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members,
JBF Industries Limited

1. The Corporate Governance Report prepared by JBF Industries Limited ("the Company"), contains details 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended 31st March, 2018. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with theconditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Boardof India.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of CorporateGovernance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reportsor Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by theInstitute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposesrequires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, QualityControl for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and RelatedServices Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated incompliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to,verification of secretarial records and financial information of the Company and obtained necessary representations anddeclarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a testbasis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressingan opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company takenas a whole.

Basis for Qualified Opinion:

(i) As mentioned under the head "composition and category of directors"in the Corporate Governance Report:

(a) The Board of Directors of the Company does not have an optimumcombination of Executive and Non-Executive Directors as on 31st March, 2018 as required under Regulation 17(1)(a) of the Listing Regulationsas the Company had three Executive Directors and only one non-executive director as on 31st March, 2018.

(b) The Company had only one independent director as on 31st March, 2018, hence the composition of independent directors was not in compliance of Regulation 17 (1) (b) of the Listing Regulations during the year ended 31st March, 2018.

(ii) As mentioned under the head"Separate Meeting of the Independent Directors" in the Corporate Governance Report, a separate meeting of Independent Directors was not held during the year as required under Regulation 25(3) of the Listing Regulations.

(iii) As mentioned under the head "Composition and Meeting of the Audit Committee" in the Corporate Governance Report:

(a) The Audit Committee held on 30th May, 2017 had only two members as against three members as required under the Regulation 18(1)(a) of the Listing Regulations.

(b) Mr. Sunil Diwakar resigned on 9th March, 2018 and hence as on 31st March, 2018 the audit committee had only two members, which was not in compliance with Regulation 18(1)(a) of the Listing Regulations.

(iv) As mentioned under the head"Nomination and Remuneration Committee"in the Corporate Governance Report, Mrs. Veena Arya and Mr. Sunil Diwakar resigned on 8thFeburary, 2018 and 9th March, 2018 respectively and hence as on 31st March, 2018 the Nomination and Remuneration Committee had only one member, which was not in compliance with Regulation 19(1)(a) of the Listing Regulations.

(v) As mentioned under the head "Subsidiary Company" in the Corporate Governance Report, Mr. Sunil Diwakar resigned on 9th March, 2018 and hence no independent director of the Company was on the board of unlisted material subsidiary Company, incorporated in India namely JBF Petrochemicals Limited as on 31st March 2018 as required under Regulation 24(1) of the Listing Regulations.

(vi) As mentioned under the head "Subsidiary Company" in the Corporate Governance Report, the minutes of the meetings of the board of directors and financial statements of JBF Rak LLC (Consol), a step down subsidiary Company, have not been placed at the meeting of the board of directors of the Company as required under Regulation 24(2) and 24(3) of the Listing Regulations.

(vii) The Company has not disclosed the composition of various committees of board of directors on its website as requiredunder Regulation 46(2)(c) of the Listing Regulations.

QUALIFIED OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the informationand explanations given to us, except the matters described in the paragraph above 'Basis for Qualified Opinion',we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2018, referred to inparagraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness withwhich the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it tocomply with its obligations under the Listing Regulations and should not be used by any other person or for any otherpurpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any otherparty to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibilityto update this Certificate for events and circumstances occurring after the date of this Certificate.

For Pathak H. D. & Associates
Chartered Accountants
Firm Reg. No. 107783W

Gopal Chaturvedi
Partner
Membership No.:-090903

Place : Mumbai
Date : 20th June, 2018

Annexure No. I
BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2018

[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. As a good governance practice, this report is included in the Annual Report.

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, 2017 to March 31, 2018
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 75.35% of its sale in Local/State/National market and remaining 24.65% of its sale is in international market covering 36 Countries Worldwide as on 31st March 2018.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up capital (INR) : ₹ 81.87 Crores**
2. **Total turnover (INR) : ₹ 3,573.86 Crores**
3. **Total profit/ (loss) after taxes (INR) : ₹ (122.78 Crores)**
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 ₹ 77.79 Lakhs (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 Six (6) 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

Notes:

a) IDBI Trusteeship Services Limited, the Security Trustee to the lenders of JBF Petrochemicals Ltd. ("JPL"), a step down subsidiary, has exercised the rights of a 'Pledge' on behalf of the lenders and invoked the pledge over the pledged 51% equity shares of JPL held by JBF Global Pte Ltd and transferred the same to IDBI Trusteeship Services Ltd. However, lenders have not adjusted any amount against the JPL's borrowings so far.

b) Closure of JBF Trade Invest Pte Ltd is under process. Bank account has been closed. For Financial Year 2017-18, Zero Assets-Liability statement is being finalised.

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

DIN Number	00229302	00232130
Name	Mr. Rakesh Gothi	Mr. Nilesh Kantilal Shah
Designation	CEO & Managing Director	Director-Commercial

(b) Details of the BR head :

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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, as a good governance practice. 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

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 20% 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: 4,323
2. Please indicate total number of employees hired on temporary / contractual / casual basis: 1,576
3. Please indicate the Number of permanent women employees: 18
4. Please indicate the Number of permanent employees with disabilities : 2
5. Do you have an employee association that is recognised by the Management? No
6. What percentage of permanent employees is members of this recognised 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 2017-18, 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 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 ₹ 77.79 Lakhs (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.

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 171 nos of customer complaints during the F.Y.2017-18, out of which 168 Nos. of complaints were successfully resolved at the end of FY 2017-18. Subsequently the remaining complaints also 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	:	12th 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
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	43.98
2	Partially Oriented Yarn / Fully Drawn Yarn / Polyester Texturised Yarn / Flat Yarn	247.10	55.83

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 068906. With its Subsidiaries JBF Trade Invest Pte Ltd JBF Petrochemicals Ltd JBF RAK LLC JBF Global Europe BVBA JBF Bahrain S.P.C JBF America INC	201435082W	Subsidiary	85.50%	2(87)ii

Notes:

a) Closure of JBF Trade Invest Pte Ltd is under process. Bank account has been closed. For Financial Year 2017-18, Zero Assets-Liability statement is being finalised.

b) IDBI Trusteeship Services Limited, the Security Trustee to the lenders of JBF Petrochemicals Ltd. ("JPL"), a step down subsidiary, has exercised the rights of a 'Pledge' on behalf of the lenders and invoked the pledge over the pledged 51% equity shares of JPL held by JBF Global Pte Ltd and transferred the same to IDBI Trusteeship Services Ltd. However, lenders have not adjusted any amount against the JPL's borrowings so far.

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	
A. Promoter									
(1) Indian									
a) Individual/HUF	31440313	0	31440313	38.40	30930607	0	30930607	37.78	-509706
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
Sub-Total (A) (1):-	**35346617**	**0**	**35346617**	**43.17**	**34836911**	**0**	**34836911**	**42.55**	**-0.62**
(2) Foreign									
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
Sub-Total (A) (2) :-	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**35346617**	**0**	**35346617**	**43.17**	**34836911**	**0**	**34836911**	**42.55**	**-0.62**

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. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	0	13500	13500	0.02	7900	0	7900	0.01	-5600
c) Central Govt	56616	712	57328	0.07	39387	0	39387	0.05	-17229
d) State Govt(s)	0	0	0	0.00	177464	0	177464	0.22	+177464
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance	0	0	0	0.00	0	0	0	0	0
g) FIIs/FPOs	2120487	0	2120487	2.59	2120487	0	2120487	2.59	0
h) Foreign Venture	236234	0	236234	0.29	11220898	0	11220898	13.71	0
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
Sub-Total (B)(1) :-	**2413337**	**14212**	**2427549**	**2.97**	**13566136**	**0**	**13566136**	**16.58**	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	21751249	182952	21934201	26.79	21718651	0	21718651	26.54	+32598
ii) Overseas	0	0	0	0.00					0
b) Individuals									
i) Individual shareholders holders nominal share capital upto Rs. 2 lakh	4379226	795933	5175159	6.32	4906604	609247	5515851	6.74	+340692
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	3244339	0	3244339	3.96	3075683	0	3075683	3.76	-168656
c) Qualified Foreign Inst.	0	0	0	0.00	0	0	0	0	0
d) Any Other									
i) N R I (Repat)	1089827	1938	1091765	1.33	1043502	1346	1044848	1.28	-46917
ii) N R N (Non Repat)	190833	0	190833	0.23	339996	0	339996	0.42	0
iii) Foreign Company	0	200	200	0.00	0	0	0	0.00	0
iii) Clearing Members	563226	0	563226	0.69	866555	0	866555	1.06	+303329
iv) Hindu Undivided Fly	874207	0	874207	1.07	875694	0	875694	1.07	+1487
v) Directors / Relatives	112970	200	113170	0.14	25970	0	25970	0.03	-87200
vi) Office Bearers	0	0	0	0.00	0	0	0	0.00	0
vii) Trusts	554	0	554	0.00	5554	0	5554	0.01	0
Sub-Total (B)(2) :-	**35791587**	**1008373**	**36799960**	**45.02**	**32858209**	**610593**	**33468802**	**40.91**	
Total Public Shareholding (B)= (B)(1)+(B)(2)	**45529797**	**995435**	**46525232**	**56.83**	**46424345**	**610593**	**47034938**	**57.45**	
Total (A)+(B)	**80876414**	**995435**	**81871849**	**100.00**	**81261256**	**610593**	**81871849**	**100.00**	
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	
Sub-Total (C)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	
Grand Total (A+B+C)	**80876414**	**995435**	**81871849**	**100.00**	**81261256**	**610593**	**81871849**	**100.00**	

(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	27751175	33.90	93.14	27206969	33.23	99.80	6.66
2	Chinar Arya Mittal	1800000	2.20	0.00	1834500	2.24	98.12	98.12
3	Vaidic Resources Private Ltd	3906304	4.77	93.44	3906304	4.77	99.62	6.18
4	Cheerag Bhagirath Arya	1875060	2.29	0.00	1875060	2.29	100.00	100.00
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	27751175	33.87	51243 170000 268700 54263	--	19.01.2018 16.03.2018 23.03.2018 31.03.2018	27206969	33.23
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	--	2000 5000 3500 22000 2000	01.09.2017 27.10.2017 09.03.2018 23.03.2018 31.03.2018	1834500	2.24
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 HORISON OPPORTUNITIES MASTER FUND	3225000	3.94	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	2179683	2.66
5	CRESTA FUND LTD	1658060	2.02	823110	1.01
6	AADI FINANCIAL ADVISORS LLP	1603951	1.95	1238361	1.51
7	ERISKA INVESTMENT FUND LTD	1270000	1.55	1475132	1.80
8	RAJBHUSHAN BUDDHIRAJU	955134	1.16	0.00	0.00
9	VALLABH ROOPCHAND BHANSALI	871400	1.06	0.00	0.00
10	JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED – SOUTH ASIA ACCESS FUND	763336	0.93	0.00	0.00
11	ABU DHABI INVESTMENT COUNCIL (NOOSA)	0.00	0.00	1057000	1.29

v) INDEBTENDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **Amount (₹ in Crores)**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
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
TOTAL (i+ii+iii)	**1,418.91**	**240.40**	**--**	**1,659.31**
Change in Indebtedness during the financial year				
Addition in long term	--	2.27	--	2.27
Addition in Short Term Borrowings	--	1.68	--	1.68
Reduction in long term	(80.63)	(40.97)	--	(121.60)
Exchange Difference	0.89	--	--	0.89
Net changes in working capital	764.65	10.70	--	775.35
Transaction Cost	2.96	--	--	2.96
Net Change	**687.87**	**(26.32)**	**--**	**661.55**
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	2,098.53	214.08	--	2,312.61
ii) Interest due but not paid	86.50	--	--	86.50
iii) Interest accrued but not due	5.37	--	--	5.37
TOTAL (i+ii+iii)	**2,190.40**	**214.08**	**--**	**2,404.48**

vi) Shareholding of Dierctors 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	27751175	33.90	-544206	27206969	33.23
2	Rakesh Gothi	22700	0.02	+70	22770	0.02
3	Nilesh Kantilal Shah	7700	0.00	-5200	2500	0.00
4	Sangita Chudiwala	0	0.00	--	0.00	0.00
5	Veena Arya	14078	0.02	--	14078	0.02
6	Sunil Diwakar	25000	0.03	--	25000	0.03
7	Baldev Raj Gupta	12000	0.01	--	12000	0.01
8	Prakash Mehta	45000	0.05	--	45000	0.05
9	Nikhil Srivastava	0	0.00	--	0	0.00
10	Vijay S Bapna	0	0.00	--	0	0.00
11	Ujjwala G Apte, Company Secretary & Compliance Officer	54456	0.06	--	54456	0.06

vii). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

No.	Particulars of Remuneration	Name of MD /WTD /Manager			Total Amount (₹ in Lacs)
		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	 494.78 43.26 --	 90.86 7.06 --	 124.20 10.46 --	 709.84 60.78 --
2	Stock Option	--	--	--	--
3	Sweat Equity				
4	Commission as % of profit others, specify	--	--	--	--
5	others, please specify	--	--	--	--
	Total	**538.04**	**97.92**	**134.66**	**770.62**

B. Remuneration to other directors:

1. Independent Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹ in Lakh)
		Mr. Gupta	Mr. Mehta	Mr. Diwakar	Mr. Bapna	Mrs. Sangita Chudiwala	
	- Fee for attending Board/ Committee Meetings	3,10,000	1,20,000	3,80,000	1,20,000	90,000	10,20,000.00
	- Commission	--	--	--	--	--	--
	- Others, please specify	--	--	--	--	--	--
	Total (B)(1)	**3,10,000**	**1,20,000**	**3,80,000**	**1,20,000**	**90,000**	**10,20,000.00**

2. Other Non Executive Directors

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount Rs. In Lacs
		Mrs. Veena Arya	
	- Fee for attending Board/Committee Meetings	1,00,000	1,00,000
	- Commission	--	--
	- Others, please specify	--	--
	Total (B)(1)	**1,00,000**	**1,00,000**

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹ in Lakh)
		Mr. Ajay Agarwal Chief Financial Officer	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	 68.15 2.50 --	 40.60 0.14 --	 108.75 2.64 --
2	Stock Option	--	--	--
3	Sweat Equity			
4	Commission as % of profit others, specify	--	--	--
5	others, please specify	--	--	--
	Total	**70.65**	**40.74**	**111.39**

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 Punishment Compounding			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			None		

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 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 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 2017-18	% increase/ (Decreses) in remuneration in the financial year 2017-18	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	588.22	-9.90%	196.07	Profit before tax decreased by ₹394.05% and Profit after tax decreased by ₹444.60 %in the financial year 2017-18 as compared to previous year.
2	Mr. Rakesh Gothi	Managing Director	107.19	-4.15%	35.73	
3	Mr. N.K. Shah	Director- Commercial	134.88	167.62%	44.96	
4	Mrs. Veena Arya (Till 08.02.2018)	Non-Executive and Pramoter	**	**	**	**
5	Mr. B.R. Gupta (Till 23.11.2017)	Non-Executive Independent Director	**	**	**	**
6	Mr. Prakash Mehta (Till 26.09.2017)	Non-Executive Independent Director	**	**	**	**
7	Mr. Sunil Diwakar (Till 09.03.2018)	Non-Executive Independent Director	**	**	**	**
8	Ms.Sangita Vikash Chudiwala (From 29.11.2017)	Non-Executive Independent Director	**	**	**	**
9	Mr. Vijay S. Bapna (Till 08.12.2017)	Additional Independent Director	**	**	**	**
10	Mr. Ajay Agrawal	Chief Financial Officer	77.94	0.00%	-	
11	Mrs. Ujjwala Apte	Company Secretary	41.12	19.26%	13.71	Profit before tax decreased by ₹394.05% and Profit after tax decreased by ₹444.60% in the financial year 2017-18 as compared to previous year.

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

ii) Percentage increase in the median remuneration of all employees in the financial year 2017-18

The median remuneration of employees of the Company during the financial year was Rs 3.00 lacs. 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 2018:

There were 2790 permanent employees on the rolls of Company as on 31 March 2018.

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 2017-18 .The profit before Tax for the financial year ended 31 March 2018 decreased by. 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 acepted 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, 2018	As on 31st March, 2017	As on last Offer as on 10/06/2005	Percantage Decreased
Market Captlization	68977.03 Lacs	227480.93 Lacs		-69.68%
PE	-5.62	63.87	**	-108.79%
Market Quotation of Equity Share	₹84.25	₹277.85	₹157.15	-69.68%

ANNEXURE NO. III
REPORT ON CSR ACTIVITIES

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 Company 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 as on March 31, 2018:

The CSR Committee of the Board consists Mr. Rakesh Gothi, Mr. N. K. Shah, Whole-time Directors of the Company and Mrs. Sangita Chudiwala, an additional 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 : ₹ 125.26 crores.

Total Budget for CSR expenditure for the Financial Year : ₹ 251.00 lacs.

Already committed for various CSR activities as above : ₹ 251.00 lacs.

Expenditure made from April, 2017 to March, 2018 : Nil.

Balance to be spent : ₹ 251.00 lacs.

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
---	---	---	₹ 2,51,00,000	---	---	---
Total :			**₹ 2,51,00,000**	**---**	**₹ 2,51,00,000**	

(During the year, the Company has spent an amount of ₹ 77.79 Lakhs from the previously carried forward amount of unspent CSR budget of previous years.)

Details of CSR committed activities during the financial year:

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

Reasons for not spending the stipulated CSR expenditure:

The Company had committed an amount of ₹ 251.00 Lakhs as CSR budget for F.Y. 2017-18 and had already committed the expenses towards CSR activities like promoting health care, sanitation work and also for the implementation of multipurpose vocational/education centre. During the year, the Company has spent an amount of ₹ 77.79 Lakhs from the previously carried forward amount of unspent CSR budget of previous years. However, due to liquidity crunch faced by the Company and restructuring process with the lenders, the Company was not able spend any amount from the aforesaid CSR budget of F.Y. 2017-18.

Responsibility Statement:

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

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2018

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, 2018 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

(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 specifically applicable Act to the Company:

1. Factory License Act, 1948

We further report that, the Board of Directors of the Company has not been properly 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 is not in compliance with the provisions of the Act (as to the appointment of Independent Directors).

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. 2017-18, 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 as per the provisions of the Payment of Gratuity Act, 1972, the Company has not obtained the insurance policy under Section 4A the liability for payment towards the gratuity under this Act, from the Life Insurance Corporation of India established under the Life Insurance Corporation of India Act, 1956 (31 of 1956) or any other prescribed insurer.

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 : 20th June, 2018

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.

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.

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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

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.

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 : 20th June, 2018

Annexure -I

List of documents Verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial year ended 2018.
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
26. The Central Goods and Services Tax Act, 2017

INDEPENDENT AUDITORS' REPORT (STANDALONE)

To,

The members of JBF Industries

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of JBF Industries Limited ("the Company"), which comprise the Balance sheet as at 31st March, 2018, 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 financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance 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 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 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 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 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 financial statements.

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

Basis for Qualified Opinion:

(i) *As mentioned in Note No. 12.1 (i) to the Standalone financial statements, Trade receivables as at 31st March, 2018 includes amounts due from certain parties aggregating to ₹ 62.00 Crore are overdue and classified as doubtful in the financial statements. Management believes that these amounts will be recovered in due course and no provisions for doubtful debts have been considered. In view of the age of these balances and the absence of subsequent settlements, we believe that a provision should have been made for these amounts. Had a provision been made for these balances, there would have been, net loss after tax of ₹ (163.11) Crore as against the reported net loss after tax of ₹ (122.78) Crore for the year ended 31st March, 2018. Further trade receivables, other equity and deferred tax liabilities (net) as at 31st March, 2018 would have been ₹ 790.46 Crore, ₹ 1344.32 Crore and ₹ 170.40 Crore respectively as against reported figure of ₹ 852.46 Crore, ₹ 1384.65 Crore and ₹ 192.07 Crore respectively.*

(ii) *As mentioned in Note No. 12.1 (ii) to the Standalone financial statements, Trade Receivables as at 31st March, 2018 includes ₹ 226.83 Crore due from certain parties which are outstanding for the extended period of time and/or in respect of which the parties did not honour the bills, have been considered good for recovery by the management for the reasons stated therein. In view of the age of these balances, the absence of subsequent settlements, dishonor of bills and non-receipt of balance confirmations, we are unable to comment on the recoverability of these trade receivables and possible impacts on the financial statements of the Company.*

(iii) *As mentioned in Note No. 15.3 to the Standalone financial statements, Inter-Corporate Deposits and interest accrued and due thereon aggregating to ₹89.75 Crore overdue for substantial period of time, in respect of which Company has initiated legal proceedings (including winding up petitions against a few of them), have been considered good for recovery and no provisions for doubtful debts have been considered necessary, by the management, for the reasons stated therein. The matter described in above has uncertainties related to the outcome of the legal proceedings and therefore we are unable to express an opinion on the ability of the Company to recover the outstanding amount and possible impacts on the financial statements of the Company.*

(iv) *As mentioned in Note No. 16.5 to the Standalone financial statements, an amount of ₹178.75 Crore towards claims & discounts receivables from suppliers, which are outstanding for the extended period of time. Management has accounted for these claims & discounts receivable from suppliers based on management's best estimate and considered good for recovery. We are unable to ascertain the recoverability of these claims & discounts. Consequently, we are unable to determine whether any adjustments to these amounts are necessary and consequential impacts on the financial statements of the Company.*

(v) *As mentioned in Note No. 21.8 to the Standalone financial statements, Non-Current Borrowings includes an amount of ₹ 407.95 Crore due to lenders. As per the arrangements with these lenders, the Company is required to comply with certain covenants and non-compliance with these covenants may give rights to the lenders to demand repayment of the loans. As at 31st March, 2018, the Company has not complied with certain covenants and we have not been provided with any confirmation from the lenders for extension of time to comply with these covenants. Pending confirmation from the lenders, above amounts have been continued to be classified as Non- Current Borrowings as against Current Liabilities as required by Ind AS, however it will have no impact on the statement of profit and loss of the Company.*

(vi) *As mentioned in the Note No. 46 to the Standalone financial statements, Company has exposure in subsidiaries by way of investments, loans and other receivables aggregating to ₹ 1430.54 Crore, in respect of which the Company could not carry out impairment assessments due to the reasons mentioned therein. In the absence of impairment assessments by the Company, we were unable to determine whether any adjustments to these amounts are necessary and consequential impacts on the financial statements of the Company.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the paragraph above 'Basis for Qualified Opinion', the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss 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 in respect of:

(i) Note No. 33.1 to the Standalone financial statements regarding managerial remuneration paid to the executive chairman which is in excess of the limits prescribed in the Act, is subject to the Central Government approval and remuneration paid to one of the whole-time directors, is subject to shareholders' approval.

(ii) Note No. 38.2 to the Standalone financial statements, regarding invocation of corporate guarantee given by the Company to the lender of JBF Petrochemical Limited ("JPL"). The Company carried out the fair valuation of the above guarantee through an independent Chartered Accountant firm and as per their report the value of securities in favor of lenders of JPL is higher than the total liabilities to them. Accordingly, no provision against the claims under the invoked corporate guarantee is considered necessary.

(iii) Note No. 47 to the Standalone financial statements regarding preparation of financial statements on going concern basis, notwithstanding the fact that the Company has incurred the losses, defaulted in repayment of principle and interest to its lenders, lenders have classified the Company's borrowings as NPA and some of the lenders have even called back the loans. These conditions, along with other matters as set forth in above note indicate the existence of material uncertainty that may cast significant doubt about Company's ability to continue as a going concern. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to raise finance and generate cash flows in future to meet its obligations.

Our opinion is not modified in respect of these matters.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), included in these Standalone financial statements, have been audited by the predecessor auditor, whose report dated 30th May, 2017 expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of above said matter.

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. *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 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. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above,* in our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder.

   e. The matters described in paragraph *"Basis for Qualified Opinion"* and in paragraph (iii) under the "Emphasis of Matters" may have an adverse effect on the functioning of the Company.

   f. On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   g. 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".**

   h. 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, 2018 on its financial position in its Standalone financial statements as referred to in Note No. 12.1, 15.3 & 38 to the Standalone financial statements;

   ii. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above,* 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, 2018.

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 Pathak H.D. & Associates
Chartered Accountants
Firm Reg. No. 107783W

Gopal Chaturvedi
Partner
Membership No.: 090903

Place: Mumbai
Date: 20.06.2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory R(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date on the Standalone financial statements of JBF Industries Limited for the year ended 31st March 2018)

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, 2018 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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 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 qualified 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial control over financial reporting as on 31st March 2018 :-

The Company did not have an appropriate internal control system for customer settlement through credit note, credit evaluation and establishing customer credit limits for some of the export transactions without any advances/ letter of credits, which may result in the Company recognizing revenue without establishing reasonable certainty of ultimate collection.

A material weakness is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of above material weakness described above on the achievement of the objectives of the control criteria, 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 2018, 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.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of Standalone financial statements of the Company for the year ended 31st March 2018, and these material weakness do not affect our opinion on the Standalone financial statements of the Company.

For Pathak H.D. & Associates
Chartered Accountants
Firm Reg. No. 107783W

Gopal Chaturvedi
Partner
Membership No.:-090903

Place: Mumbai
Dated: 20.06.2018

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 financial statements to the members of JBF Industries Limited for the year ended 31st March, 2018)

i. In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

b. 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.

c. 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, 2018 (₹ In Crore)	Net Block as at 31st March, 2018 (₹ 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 ₹ 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.

ii. 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:

a. 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.

b. The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and payment of interest were not due as on the balance sheet date.

c. 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, during the year, if any.

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:

a. The company has been generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales-tax, goods and services 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 in respect of income tax and tax deduction at source in some cases. 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, 2018 for a period of more than six months from the date they became payable

b. 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#	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)
Total		**12.89**		

(*) 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 defaulted in repayment of dues to banks and financial institutions aggregating to ₹.1353.05 Crore Lender wise details of such default is as under:-

S.No.	Bank/Financial Institution	Total Default	Below 90 days	Above 90 days
1	Andhra Bank	94.42	6.68	87.74
2	Axis Bank Ltd.	34.02	33.84	0.18
3	Bank of Baroda	237.71	6.26	231.45
4	Bank of India	188.11	15.72	172.40
5	Canara Bank	31.32	13.03	18.29
6	ICICI Bank	84.02	10.57	73.45
7	IDBI Bank	168.64	9.70	158.94
8	IFCI Limited	11.07	11.07	--
9	Indian Overseas Bank	26.66	26.66	--
10	Lakshmi Vilas Bank	8.71	4.34	4.37
11	South Indian Bank	10.01	3.43	6.58
12	Standard Chartered Bank	56.68	0.80	55.87
13	State Bank of India	243.95	15.69	228.26
14	Syndicate Bank	14.92	5.98	8.94
15	Tamilnad Mercantile Bank Limited	6.83	2.50	4.33
16	ECL Finance Limited	9.90	9.90	--
17	Union Bank of India	126.08	3.09	122.99
	Total	**1,353.05**	**179.26**	**1,173.79**

Further, lenders of the Company have classified all the credit facilities given to the Company as at 31st March, 2018 as Non-Performing Asset (NPA) in their books of account.

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 limit of remuneration by ₹ 4.06 Crore, which is subject to requisite approvals from the Central Government and remuneration paid to one of the whole time directors amounting to ₹ 1.35 Crore, which is subject to the shareholder's approval.

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 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 Pathak H.D. & Associates
Chartered Accountants
Firm Reg. No. 107783W
Gopal Chaturvedi
Partner
Membership No.: 090903

Place: Mumbai
Date: 20.06.2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Crore)

		Particulars	Note No.	As at 31st March, 2018		As at 31st March, 2017	
I.		**ASSETS**					
	1.	**Non-current Assets**					
		(a) Property, Plant and Equipment	5	1,430.74		1,520.84	
		(b) Capital Work-in-Progress	5	36.44		11.61	
		(c) Investment Properties	6	0.23		0.23	
		(d) Other Intangible Assets	5	1.00		1.58	
		(e) Financial Assets					
		(i) Investments	7	424.31		409.12	
		(ii) Others	8	134.18		102.13	
		(f) Other Non-current Assets	9	65.55	**2,092.45**	79.76	**2,125.27**
	2.	**Current Assets**					
		(a) Inventories	10	326.48		449.66	
		(b) Financial Assets					
		(i) Investments	11	--		0.21	
		(ii) Trade Receivable	12	852.46		893.64	
		(iii) Cash and Cash equivalents	13	18.51		29.82	
		(iv) Bank Balance other than (iii) above	14	4.69		354.93	
		(v) Loans	15	839.79		476.62	
		(vi) Others	16	327.85		270.03	
		(c) Current Tax Assets (Net)	17	40.47		38.75	
		(d) Other Current Assets	18	87.91	**2,498.16**	75.76	**2,589.42**
		TOTAL ASSETS			**4,590.61**		**4,714.69**
II.		**EQUITY AND LIABILITIES**					
		EQUITY					
		(a) Equity Share Capital	19	81.87		81.87	
		(b) Other Equity	20	1,384.65	**1,466.52**	1,509.86	**1,591.73**
		LIABILITIES					
	1.	**Non-current Liabilities**					
		(a) Financial Liabilities					
		(i) Borrowings	21	406.20		608.50	
		(ii) Other Financial Liabilities	22	77.98		95.93	
		(b) Provisions	23	9.45		7.94	
		(c) Deferred Tax Liabilities (Net)	24	192.07	**685.70**	230.90	**943.27**
	2.	**Current Liabilities**					
		(a) Financial Liabilities					
		(i) Borrowings	25	1,586.11		809.08	
		(ii) Trade Payable	26	375.55		1,056.37	
		(iii) Other Financial Liabilities	27	459.73		277.16	
		(b) Other Current Liabilities	28	9.23		12.32	
		(c) Provisions	29	7.77	**2,438.39**	24.76	**2,179.69**
		TOTAL EQUITY AND LIABILITIES			**4,590.61**		**4,714.69**
		Significant accounting policies and notes to Standalone financial statements	1 to 48				

As per our report of even date
For Pathak H.D. & Associates
Chartered Accountants
(Firm Registration no. 107783W)

GOPAL CHATURVEDI
Partner
Membership No. 090903

Place : Mumbai
Date : 20.06.2018

For & on behalf of the Board of Directors

RAKESH GOTHI
Managing Director
DIN-00229302

SHARADCHANDRA THAKAR
Add. Independent Director
(DIN 02551653)

NILESH KANTILAL SHAH
Director
(DIN 00232130)

ARUN SHAH
Chief Financial Officer

UJJWALA APTE
Company Secretary
Membership No. A3330

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Particulars	Note	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
I.	Revenue from Operations	30	3,573.86	4,271.45
II.	Other Income	31	125.80	136.42
III.	**Total Income (III)**		**3,699.66**	**4,407.87**
IV.	**Expenses:**			
	Cost of Material Consumed		2,705.82	3,189.48
	Purchases of Stock-in-Trade		5.90	10.42
	Changes in Inventories of Finished Goods and Work-in-Progress	32	85.38	(78.77)
	Excise Duty Expense		72.39	358.13
	Employee Benefits Expense	33	96.77	86.40
	Finance Costs	34	306.20	237.44
	Depreciation and Amortisation Expense	35	94.85	97.10
	Other Expenses	36	494.46	452.54
	Total Expenses (IV)		**3,861.77**	**4,352.74**
V.	**Profit / (Loss) Before Tax (III - IV)**		**(162.11)**	**55.13**
VI.	**Tax Expense:**	24		
	(1) Current Tax		--	12.65
	(2) MAT Credit Entitlement		--	(0.63)
	(3) Deferred Tax		(39.33)	7.48
VII.	**Net Profit / (Loss) After Tax (V - VI)**		**(122.78)**	**35.63**
VIII.	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains / (losses) on defined benefit plans		(0.78)	(1.34)
	Income tax effect on above		0.27	0.46
	(ii) Items that will be reclassified to profit or loss:		--	--
	Total Other Comprehensive Income		**(0.51)**	**(0.88)**
IX.	**Total Comprehensive Income for the year (VII + VIII)**		**(123.29)**	**34.75**
X.	**Earnings per Equity Share of ₹ 10 each (Basic and Diluted)**	37	**(15.00)**	**4.35**
	Face Value per Share		**10.00**	**10.00**
	Significant accounting policies and notes to Standalone financial statements	1 to 48		

As per our report of even date
For Pathak H.D. & Associates
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Place : Mumbai
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity Share Capital (₹ in Crore)

Particulars	As at 1st April, 2016	Changes during 2016-17	As at 31st March, 2017	Changes during 2017-18	As at 31st March, 2018
Equity Share Capital	81.87	--	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, 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**
Total Comprehensive Income for the year	--	--	--	--	(122.78)	--	(0.51)	**(123.29)**
Final dividend payment (Dividend per share ₹ 0.50)	--	--	--	--	(4.09)	--	--	**(4.09)**
Dividend Distribution Tax	--	--	--	--	(0.83)	--	--	**(0.83)**
Share Issue Expenses (Net of Deferred tax)	--	--	(0.77)	--	--	--	--	**(0.77)**
Changes in Foreign Currency Monetary Item Translation Differences Account	--	--	--	--	--	3.77	--	**3.77**
Balance as at 31st March, 2018	**10.62**	**7.50**	**809.51**	**77.94**	**490.83**	**(9.17)**	**(2.58)**	**1,384.65**

As per our report of even date
For Pathak H.D. & Associates
Chartered Accountants
(Firm Registration no. 107783W)

GOPAL CHATURVEDI
Partner
Membership No. 090903

Place : Mumbai
Date : 20.06.2018

For & on behalf of the Board of Directors

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(DIN 00232130)

ARUN SHAH
Chief Financial Officer

UJJWALA APTE
Company Secretary
Membership No. A3330

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, 2018 were approved and adopted by board of directors in their meeting held on 20th June, 2018

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).

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:

The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment was considered as a deemed cost on the date of transition i.e. on 01.04.2015.

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:

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 i.e. on 01.04.2015.

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. The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

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 :

The carrying value (Gross Block less accumulated amortisation) as on 1st April, 2015 of the Other Intangible assets is considered as a deemed cost on the date of transition i.e. on 01.04.2015.

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' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

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 (i) Impairment of Non-financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

(ii) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

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, financial assets are classified in two broad categories:-

a) Financial assets at fair value

b) 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 Subsidiary:

The Company has accounted for its equity investment in subsidiary 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:

a) The rights to receive cash flows from the asset have expired, or

b) 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 goods and service 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 Company against export made by it are recognised as and when goods are imported against them.

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 Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to 01st April, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

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.Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws)that have been enacted or substantively enacted by the end of the reporting period.

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:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading & manufacturing.
c) Expected to be realised within twelve months after the reporting period, or
d) 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:
a) Expected to be settled in normal operating cycle,
b) Held primarily for the purpose of trading, & manufacturing.
c) Due to be settled within twelve months after the reporting period, or
d) 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.

3.21 Standards Issued But Not Effective:

On 28th March, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2018.

(i) **Issue of Ind AS 115 - Revenue from Contracts with Customers**
Ind AS - 115 will supersede the current revenue recognition guidance including Ind AS - 18 Revenue, Ind AS 11 - Construction Contracts and the related interpretations. The core principles of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

(ii) **Amendment to Existing issued Ind AS**

The MCA has also notified The MCA has also notified certain amendments to the following Accounting Standards:
i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
ii. Ind AS 12 - Income Taxes
Applications of the above standards are not expected to have any significant impact on the Company's Financial Statements.

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
COST										
As at 1st April, 2016	**1.00**	**36.22**	**241.95**	**1,361.55**	**2.37**	**1.33**	**1.30**	**0.50**	**1,646.22**	**2.90**
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	--
As at 31st March, 2017	**1.00**	**36.22**	**266.69**	**1,406.98**	**2.41**	**1.14**	**1.65**	**0.65**	**1,716.74**	**2.94**
Additions	--	--	1.19	3.98	0.06	0.17	0.12	0.14	5.66	0.03
Disposals / Transfers	--	--	--	1.97	0.00	0.03	0.00	0.01	2.01	--
					(₹ 41,770)		(₹2,701)			
As at 31st March, 2018	**1.00**	**36.22**	**267.88**	**14,08.99**	**2.47**	**1.28**	**1.77**	**0.78**	**1,720.39**	**2.97**
DEPRECIATION AND AMORTISATION										
As at 1st April, 2016	0.02	--	10.42	87.69	0.65	0.36	0.42	0.14	99.70	0.71
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	--
As at 31st March, 2017	**0.03**	**--**	**20.31**	**172.85**	**1.11**	**0.52**	**0.84**	**0.24**	**195.90**	**1.36**
Depreciation for the year	0.01	-	10.30	83.00	0.27	0.21	0.33	0.12	94.24	0.61
Disposals	--	--	--	0.46	0.00	0.03	--	0.00	0.49	--
					(₹13,599)			(₹40,712)		
As at 31st March, 2018	**0.04**	**-**	**30.61**	**255.39**	**1.38**	**0.70**	**1.17**	**0.36**	**289.65**	**1.97**
NET BOOK VALUE:										
As at 31st March, 2017	**0.97**	**36.22**	**246.38**	**1,234.13**	**1.30**	**0.62**	**0.81**	**0.41**	**1,520.84**	**1.58**
As at 31st March, 2018	**0.96**	**36.22**	**237.27**	**1,153.60**	**1.09**	**0.58**	**0.60**	**0.42**	**1,430.74**	**1.00**
Capital Work-in-Progress										
As at 31st March, 2017										**11.61**
As at 31st March, 2018										**36.44**

5.1 Buildings include cost of shares in Co-operative Societies ₹ 8,000/- (as at 31st March 2017 ₹ 8,000/-).

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, 2018.

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. April 01, 2016. Accordingly, foreign currency exchange differences arising on translation/settlement of long-term foreign currency monetary items acquired before 01st April, 2016 pertaining to the acquisition of a depreciable asset amounting to ₹ 0.25 Crore gain (31st March, 2017 ₹ 0.06 Crore gain) are adjusted to the cost of respective item of property, plant and equipment which is included in foriegn exchange difference above.

5.5 Other intangible assets represents Computer software other than self generated.

Note 6 - Investment Properties

(₹ in Crore)

Particulars	Investment Properties
COST:	
As at 1st April, 2016	**0.23**
Additions	--
Disposals / Transfers	--
As at 31st March, 2017	**0.23**
Additions	--
Disposals / Transfers	--
As at 31st March, 2018	**0.23**
DEPRECIATION AND AMORTISATION:	
As at 1st April, 2016	--
Depreciation and Amortisation during the year	--
Disposals / Transfers	--
As at 31st March, 2017	**--**
Depreciation and Amortisation during the year	--
Disposals / Transfers	--
As at 31st March, 2018	**--**
NET BOOK VALUE:	
As at 31st March, 2017	**0.23**
As at 31st March, 2018	**0.23**

6.1 The Company's investment properties as at 31st March, 2018 consists of land held for undetermined future use.

6.2 As at 31st March, 2018 and 31st March, 2017, the fair values of the properties are ₹ 3.18 Crore and ₹ 2.99 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.

Note 7 - Non-current Investments

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/Units	Face Value (₹) Unless otherwise stated	₹ in Crore
In Equity Instruments:						
Unquoted Fully Paid-Up						
Subsidiary Company						
Carried at cost						
JBF Global PTE. Ltd.	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
Deemed Equity Investment (refer Note 7.2)	--	--	27.50	--	--	12.27
Others						
Carried at Fair Value Through Profit and Loss						
Planet 41 Mobi Venture Ltd	360,000	10	0.54	360,000	10	0.54
Sumex Overseas Ltd.	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	0.10	48,000	5	0.14
Total Equity Instruments			**424.31**			**409.12**
Total Non-current Investments			**424.31**			**409.12**

7.1 Aggregate amount of Investments and Market value thereof

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	0.10	0.10	0.14	0.14
Unquoted Investments	424.21	--	408.98	--
	424.31	**0.10**	**409.12**	**0.14**

7.2 Deemed equity investment is on account of fair valuation of fixed deposits pledged for the credit facilities availed by JBF Petrochemical Ltd, a step down Subsidiary.

7.3 Category-wise Non-current Investments

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Financial Assets measured at cost	423.67	408.44
Financial Assets measured at fair value through Profit and Loss	0.64	0.68
	424.31	**409.12**

7.4 Refer Note 46 for Impairment of Subsidiaries Exposures.

Note 8 - Non-current Financial Assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Bank Deposits with more than 12 months maturity	--	1.20
Security Deposits (Unsecured considered good)	2.82	2.74
Guarantee Commission Receivable from related party (Unsecured considered good) (refer Note 41)	131.36	98.19
Total	**134.18**	**102.13**

8.1 Refer Note 46 for Impairment of Subsidiaries Exposures.

Note 9 - Other Non-current Assets

(₹ in Crore)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
Unsecured, Considered Good				
Capital Advances		0.96		15.39
MAT Credit Entitlement		64.09		64.09
Prepaid Expenses		0.50		0.28
Unsecured, Considered Doubtful				
Other	0.08		0.08	
Less : Provision for Doubtful Advance	0.08	--	0.08	--
Total		**65.55**		**79.76**

9.1 During the previous years 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, ₹ Nil (for the year ended 31st March 2017 ₹ 0.63 Crore) 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 had been considered as MAT credit entitlement and credited to statement of profit and loss during the previous year.

Note 10 - Inventories

(₹ in Crore)

Particulars		As at 31st March, 2018		As at 31st March, 2017
Raw Materials :				
Goods-in-Transit	92.03		120.21	
Others	27.59	119.62	33.73	153.94
Work in Progress		24.70		26.73
Finished Goods :				
Goods-in-Transit	14.01		22.68	
Others	144.40	158.41	219.08	241.76
Stores and Spares :				
Goods-in-Transit	1.15		3.07	
Others	22.60	23.75	24.16	27.23
Total		**326.48**		**449.66**

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, 2018			As at 31st March, 2017		
	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore	No. of Shares/ Units	Face Value (₹) Unless otherwise stated	₹ in Crore
In Mutual Funds						
Unquoted Fully Paid-up						
Carried at Fair Value Thorugh Profit and Loss						
Baroda Pioneer PSU Equity Fund- Dividend Reinvestment Plan			--	250,000	10	0.21
Total Mutual Funds			**--**			**0.21**
Total Current Investments			**--**			**0.21**

11.1 Aggregate amount of Current Investments and Market value thereof:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Unquoted Investments	--	--	0.21	--
	--	**--**	**0.21**	**--**

11.2 Category-wise Current Investments

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Financial Assets Measured at Fair Value Through Profit and Loss	--	0.21
	--	**0.21**

Note 12 - Current Financial Assets - Trade Receivable

(₹ in Crore)

Particulars		As at 31st March, 2018		As at 31st March, 2017
Considered Good	790.46		893.64	
Considered Doubtful	144.79		32.23	
	935.25		925.87	
Less : Provision for Doubtful Debts	82.79	852.46	32.23	893.64
Total		**852.46**		**893.64**

12.1 (i) Trade receivables as at 31st March, 2018 includes amounts due from certain parties aggregating to ₹ 62.00 Crore are overdue and considered doubtful, however Management is of the view that these amounts will be recovered in due course and no provisions have been considered necessary at this stage.

(ii) Trade receivables as at 31st March, 2018 includes ₹ 226.83 Crore (excluding amounts as referred in Note 12.1 (i) due from certain parties, which are outstanding for the extended period of time and/or in respect of which the parties did not honour the bills. Efforts are being made to recover the above receivables, and management believes that these are good for recovery and no provision is required.

12.2 Debts includes due from related party ₹ 98.06 Crore (as at 31st March, 2017 ₹ 20.08 Crore) (refer Note 41)

Note 13 - Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with Banks in current accounts	18.45	29.77
Cash on Hand	0.06	0.05
Total	**18.51**	**29.82**

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, 2018	As at 31st March, 2017
Balances with Banks in current accounts	18.45	29.77
Cash on Hand	0.06	0.05
Total	**18.51**	**29.82**

Note 14 - Bank balances Other than Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
For Unpaid Dividend Accounts	0.99	1.18
Deposit lien with banks (refer Note 14.1)	3.70	353.75
Total	**4.69**	**354.93**

14.1 Deposit lien with banks includes ₹ Nil Crore (as at 31st March, 2017 ₹ 276.00 Crore) pledged as security with a bank for the credit facilities availed by JBF Petrochemical Ltd, a step down Subsidiary.

Note 15 - Current Financial Assets - Loans

(₹ in Crore)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
Secured, Considered Good				
Inter Corporate Deposits		55.00		55.00
Unsecured, Considered Good				
Inter Corporate Deposit to Related Party (refer Note 41)		784.79		416.62
Inter Corporate Deposits to Others		--		5.00
Unsecured, Considered Doubtful				
Inter Corporate Deposits to Others	5.00		--	
Less : Provision for Doubtful	5.00	--	--	--
Total		**839.79**		**476.62**

15.1 Unsecured inter-corporate Deposits includes ₹ 5.00 Crore (As at 31st March, 2017 ₹ 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 25,00,000 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 24,31,434 equity shares of ₹ 10/- 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 ₹ 55.00 Crore and interest accrued and due thereon of ₹ 34.75 Crore (as included in the note 16) aggregating to ₹ 89.75 Crore, given to various parties in earlier years, are overdue for substantial period of time and in respect of which the Company has initiated legal proceedings (including winding up petitions against a 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 the above receivables are good for recovery in view of available securities, personal guarantee of promoters of borrower companies etc and hence no provision for doubtful is required against the above receivables. The Company continues its efforts to recover theses receivables.

15.4 In accordance with the regulation 34 (3)of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a) Loans & Advances given in the nature of loans :

(₹ in Crore)

Name of the Company	As at 31st March, 2018	As at 31st March, 2017
JBF Petrochemicals Ltd (step down Subsidiary)	727.64	359.71
JBF Global Pte Ltd. (Subsidiary)	57.15	56.91
Total	**784.79**	**416.62**

b) Above loan maximum outstanding during the year

(₹ in Crore)

Name of Company	Maximum amount outstanding during the year
JBF Petrochemicals Ltd	727.64
JBF Global PTE Ltd	57.29

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, 2018	No of Equity Shares as at 31st March, 2017
JBF Rak LLC	329,034	329,034
JBF Petrochemicals Ltd (refer Note 41.5)	532,454,424	1,086,641,691
JBF Trade Finvest Pte. Ltd	--	100
JBF Bio Glicols Industia Quimica Ltda	6,831,328	6,831,328
Total	**539,614,786**	**1093,802,153**

15.5 The Company has granted Inter Corporate Deposits to related parties for setting up project and for its business pupose.

15.6 The Company has granted Inter Corporate Deposits to others for the purpose of utilising this amount in their business.

15.7 Refer Note 46 for Impairment of Subsidiaries Exposures.

Note 16 - Current Financial Assets - Others

(₹ in Crore)

Particulars		As at 31st March, 2018		As at 31st March,2017
Unsecured, Considered Good				
Interest Receivables		148.98		88.86
Claims and Discounts Receivables (refer Note 16.5)		178.75		178.75
Others		0.12		2.42
Unsecured, Considered Doubtful				
Interest Receivables	2.18		--	
Less : Provision for Doubtful	2.18	--	--	--
Total		**327.85**		**270.03**

16.1 Interest Receivable includes ₹ 111.93 Crore (as at 31st March, 2017 ₹ 47.64 Crore) due from related parties. (refer Note 41)

16.2 Others Includes mainly derivative receivable and advance against salary.

16.3 Refer Note 15.3 in respect of Interest Receivable on Inter Corporate Deposits.

16.4 Refer Note 46 for Impairment of Subsidiaries Exposures.

16.5 Claims & discounts receivables of ₹ 178.75 crore from suppliers, are overdue for the extended period of time. Efforts are being made to recover the above receivables. Management is of the view that the same have been accounted based on the management's best estimate and are good for recovery.

Note 17 - Current Tax Assets (Net)

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Income Tax-Advance Tax & TDS (Net)	40.47	38.75
Total	**40.47**	**38.75**

Note 18 - Other Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Assets held for sale (refer Note 18.2)	0.59	0.59
Export Incentives Receivable	14.61	14.37
Balance with Customs & Excise Authorities	--	19.94
Balance with Goods and Service Tax Authorities	11.28	--
Advances to Suppliers	20.40	11.92
Excise and Service Tax Receivable	3.94	6.45
Claims and Refund Receivable	34.45	16.09
Others	2.64	6.40
Total	**87.91**	**75.76**

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, 2018	As at 31st March, 2017
Authorised		
100,000,000 (As at 31st March, 2017: 1,00,000,000) Equity Shares of ₹ 10/- each	100.00	100.00
12,500,000 (As at 31st March, 2017: 12,500,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	125.00	125.00
Issued, Subscribed & Fully Paid up		
81,871,849 (As at 31st March, 2017: 81,871,849) Equity Shares of ₹ 10/- each fully paid up	81.87	81.87
Total	**81.87**	**81.87**

19.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)
Shares outstanding at the beginning of the year	81,871,849	81.87	81,871,849	81.87
Shares outstanding at the end of the year	81,871,849	81.87	81,871,849	81.87

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 Shareholders holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagirath Arya	27,206,969	33.23	27,751,175	33.90
KKR Jupiter Investors Pte. Ltd	16,374,370	20.00	16,374,370	20.00

19.4 75,00,000 Equity share of ₹ 10/- each were bought back and extinguished in the Financial Year 2013 -14.

19.5 Dividend Paid and Proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Dividend declared and paid		
Final dividend declared and paid for the year ended on 31st March, 2017 at ₹ 0.50 per share and for the year ended 31st March, 2016 at ₹ 1.00 per share.	4.09	8.18
Dividend Distribution Tax on final dividend	0.83	1.67
Proposed Dividends		
Final dividend proposed for the year ended on 31st March, 2018 at ₹ Nil per share and for the year ended 31st March, 2017 at ₹ 1.00 per share.	--	8.18
Dividend Distribution Tax on proposed dividend	--	1.67

Note 20 - Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
Capital Reserve				
As per Last Balance Sheet		10.62		10.62
Capital Redemption Reserve				
As per Last Balance Sheet		7.50		7.50
Securities Premium Reserve				
As per Last Balance Sheet	810.28		811.08	
Less: Share Issue Expenses (Net of Deferred Tax)	0.77	809.51	0.80	810.28
General Reserve				
As per Last Balance Sheet		77.94		77.94
Retained Earnings				
As per Last Balance Sheet	618.53		592.75	
Add: Profit / (Loss) for the year	(122.78)		35.63	
Less: Final Dividend Payments (Dividend per share ₹ 0.50, Previous Year ₹ 1.00)	(4.09)		(8.18)	
Less: Dividend Distribution Tax	(0.83)	490.83	(1.67)	618.53
Foreign Currency Monetary Item Translation Difference Account				
As per Last Balance Sheet	(12.94)		(21.62)	
Change in Foreign Currency Monetary Item Translation Difference	3.77	(9.17)	8.68	(12.94)
Items of Other Comprehensive Income-Remeasurement of Defined Benefit Plan				
As per Last Balance Sheet	(2.07)		(1.19)	
Add: Comprehensive Income for the year	(0.51)	(2.58)	(0.88)	(2.07)
Total Other Equity		**1,384.65**		**1,509.86**

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, 2018	As at 31st March, 2017
Secured Loans:		
(a) Term loans		
from Banks	125.39	188.26
from Financial Institution	37.50	64.17
(b) External Commercial Borrowings	143.30	181.60
(c) Vehicle Loans	0.01	0.05
Unsecured Loans		
(d) Term loans		
from banks	--	22.03
from Corporate Body	100.00	152.39
Total	**406.20**	**608.50**

21.1 Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 27:-

i) ₹164.48 Crore (as at 31st March, 2017 ₹ 178.97 Crore) carrying interest at the rate of 10.50% to 13.50 % 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. ₹ 119.86 Crore (as at 31st March, 2017 ₹ 122.21 Crore) carrying interest at the rate of 12.45% to 13.60 % 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) ₹ 6.86 Crore (as at 31st March, 2017 ₹ 18.75 Crore) carrying interest at the rate of 11.80 % 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 . ₹ 27.50 Crore (as at 31st March, 2017 ₹ 30.00 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) ₹ 24.95 Crore (as at 31st March, 2017 ₹ 50.00 Crore) carrying interest at the rate of 12.60 % 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, Gujrat.

iv) ₹ 50.00 Crore (as at 31st March, 2017 ₹ 50.00 Crore) is secured by way of pledged of Equity Shares of the Company by the promoter.

21.2 External Commercial Borrowings referred to in (b) above and current maturities of long term borrowings referred in Note 27:-

₹ 208.44 Crore (as at 31st March, 2017 ₹ 231.87 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:-

₹ 0.05 Crore (2017: ₹ 0.08 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) ₹ 33.04 Crore (as at 31st March, 2017 ₹ 44.11 Crore) carrying interest at the rate of 3.50% was secured by pledge of fixed deposits with banks of ₹ Nil (as at 31st March, 2017 ₹ 8.36 Crore)

ii) ₹ 143.08 Crore (as at 31st March, 2017 ₹ 149.73 Crore) carrying interest at the rate of 14.00 % is secured by way of pledged of Equity Shares of the Company by the promoters.

iii) ₹ NIL (as at 31st March, 2017 ₹ 20.00 Crore) 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 ₹ 10.00 Crore is repayable in 4 equal quarterly installments of ₹ 2.50 Crore starting from June 2019 and ending on March 2020. Loan of ₹ 7.50 Crore is repayable in 4 equal quarterly installments of ₹ 1.87 Crore starting on May 2019 and ending on February 2020.Loan of ₹ 11.08 Crore is repayable in 4 equal quarterly installments of ₹ 2.78 Crore starting on April 2019 and ending on January 2020. Loan of ₹ 55.31 Crore is repyable in 13 quarterly installments starting from May 2019 and ending on May 2022 of which first installment is of ₹ 2.81 Crore, Next 4 installments are of ₹ 3.75 Crore each, remaining 8 installments are of ₹ 4.68 Crore each.Loan of ₹ 21.88 Crore is repayable in 5 equal quarterly installments of ₹ 4.37 Crore starting on May 2019 and ending on May 2020. Loan of ₹ 21.38 Crore is repayable in 9 equal quarterly installments of ₹ 2.38 Crore starting on April 2019 and ending on April 2021.

ii) Secured Term Loans from Financial Institutions

Loan of ₹ 37.50 Crore is repaybale in 15 equal quarterly installments of ₹ 2.50 Crore starting from May 2019 and ending on November 2022.

iii) Secured External Commercial Borrowings

Loan of ₹ 143.30 Crore is repayable in 6 six monthly - first 2 installment of ₹ 19.54 Crore (USD 3000000 each) starting from September 2019 and ending March 2020, and next 4 installment of ₹ 26.05 Crore (USD 4000000 each) starting from September 2020 and ending March 2022.

iv) Secured Vehicle Loan

Loan ₹ 0.01 Crore in financial year 2019-20.

v) Unsecured Term Loans from Body Corporate

Loan of ₹ 100 Crore is repayable in 1 installment of ₹ 100 Crore in December 2019.

21.6 Term loans from banks (including current maturities of long term borrowings of ₹ 97.53 Crore) aggregating to ₹ 252.84 Crore (as at 31st March 2017 ₹ 284.80 Crore) is guaranteed by one of the Directors of the company in his personal capacity.

21.7 As on 31st March, 2018, the Company has overdue of principal of ₹ 127.00 Crore (Previous Year : ₹ Nil) and Interest of ₹ 26.46 Crore (Previous Year : ₹ Nil) included in Current Maturities of Long term debt and Interest Accrued and Due respectively in Note 27 for a period of less than 1 year. Further, due to default in servicing of its dues by the Company, the Banks have classified all the credit facilities including current borrowings as referred in Note 25 given to the Company aggregating to ₹ 1954.05 Crore (Previous Year : ₹ Nil) as at 31st March, 2018 as Non Performing Asset (NPA) in their books of account.

21.8 The agreements in respect of non-current borrowings as at 31st March 2018 of ₹ 407.95 Crore contain certain restrictive covenants including non-adherence of initial Term Loan repayment schedule and non-payment of interest thereon as stipulated. In the current year, the Company has not complied with the terms of these covenants. The Company continued to classify these borrowings as non-current liabilities as against current liabilities which is not in line with the compliance of IND AS 1 "Presentation of Financial Statements". The Company has submitted a resolution plan to its lenders which is under negotiation.

21.9 Refer Note 47.

Note 22 Non-current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cumulative Redeemable Preference Shares	77.98	95.57
Derivative Financial Liability	--	0.36
	77.98	**95.93**

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 30.09.2020, 17,837 shares on 30.09.2019 and 21,363 shares on 30.09.2018. 14,15,000 20% CRPS are redeemable at a premium of ₹ 700 per share as : 3,15,000 shares on 30.09.2020, 7,70,000 shares on 30.09.2019 and 3,30,000 shares on 30.09.2018.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, 2018	As at 31st March, 2017
Bank of India	75,709	75,709
Percentage	100%	100%

Name of Preference Shareholder of 20% CRPS	As at 31st March, 2018	As at 31st March, 2017
Bank of India	1,415,000	1,415,000
Percentage	100%	100%

22.3 Dividend paid and proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Dividend declared and paid		
Final dividend declared and paid for the year ended on 31st March	2.85	2.85
Dividend Distribution Tax on final dividend	0.58	0.58
Proposed Dividends		
Final dividend proposed for the year ended on 31st March	--	2.85
Dividend Distribution Tax on proposed dividend	--	0.58

22.4 During the year the Company has incurred losses, hence dividend on CRPS has not been proposed. However, the same has been disclosed under contingent liabilities.

Note 23 - Non- Current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Gratuity (refer Note 39)	9.45	7.94
Total	**9.45**	**7.94**

Note 24 Income Tax

24.1 The major components of Income Tax Expenses for the year ended 31st March, 2018 and 31st March, 2017 are as follows:

(₹ in Crore)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Recognised in Statement of Profit and Loss:		
Current Income Tax	--	12.65
Deferred Tax - Relating to origination and reversal of temporary differences	(39.33)	7.48
MAT Credit Entitlement	--	(0.63)
Total Tax Expenses	**(39.33)**	**19.50**

24.2 Reconciliation between tax expenses (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2018 and 31st March, 2017:

(₹ in Crore)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Accounting profit before tax	(162.11)	55.13
Applicable tax rate	30.90%	34.608%
Computed Tax Expenses	**(50.09)**	**19.08**
Tax effect on account of:		
Lower tax rate and indexation benefits etc.	10.36	(0.96)
Allowed on payment basis	(0.06)	0.67
Expenses not allowed	0.28	0.37
Deduction under section 35D of the Income Tax Act	(0.70)	(0.79)
Others	0.88	1.13
Income tax expenses recognised in statement of Profit and Loss	**(39.33)**	**19.50**

24.3 Deferred tax relates to the following:

(₹ in Crore)

Particulars	Balance Sheet		Statement of Profit and Loss / OCI	
	As at 31st March, 2018	As at 31st March, 2017	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Property Plant and Equipment and Investment Property	256.35	239.18	17.17	7.33
Redeemable preference share liability	3.66	6.36	(2.70)	(2.47)
Financial Assets	9.61	4.25	5.36	3.42
Disallowance Under the Income-tax Act, 1961	(2.52)	(2.13)	(0.39)	(0.34)
Others	(35.56)	(14.42)	(21.14)	(0.92)
Unabsorbed Depreciation	(37.90)	--	(37.90)	--
Deduction under section 35D of the Income Tax Act*	(1.57)	(2.34)	--	--
	192.07	**230.90**	**(39.60)**	**7.02**

*Recognised in other equity.

24.4 Reconciliation of deferred tax liabilities (net):

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance as at 1st April	230.90	223.08
Deferred Tax expenses recognised in statement of profit and loss	(39.33)	7.48
Deferred Tax (income) recognised in OCI	(0.27)	(0.46)
Deferred Tax expenses recognised in other equity	0.77	0.80
Closing balance as at 31st March	**192.07**	**230.90**

24.5 Amount and Expiry Date of Unused Tax Losses for which no Deferred Tax Assets is recognised:

(₹ in Crore)

Assessment Year	Unused Tax Loss	Carried Forward till Assessment Year
2018 -19	10.10	2026-27

Note 25 - Current Financial Liabilities - Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Secured Loans		
from Banks	1,505.86	618.02
(b) Buyer's Credit	42.29	165.48
	1,548.15	**783.50**
Unsecured Loans		
(d) Working Capital Loans		
from Banks	0.38	0.82
(e) Supplier's Credit (backed by letter of Credit)	35.90	24.76
(f) From A Director (refer Note 25.4)	1.68	--
	37.96	**25.58**
TOTAL	**1,586.11**	**809.08**

25.1 Working Capital Loans as referred to in (a) above of ₹ 1,505.86 Crore (as at 31st March, 2017 ₹ 618.02 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 ₹ 42.29 Crore, (as at 31st March, 2017 ₹ 165.48 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 As on 31st March, 2018, the Company has overdue of Working Capital loan of ₹ 1,139.55 Crore (Previous Year : ₹ 19.84 Crore) and Interest of ₹ 60.04 Crore (Previous Year: ₹ Nil) included in Interest Accrued and Due in Note 27 for a period of less than 1 year.

25.4 The Company has borrowed ₹ 50.00 Crore from a financial institution ("lender") against the pledge of 55,27,711 equity shares of the Company held by the promoters of the Company. In view of the default in repayment of principle and interest thereon, the lender invoked the pledge and disposed the equity shares for ₹ 1.68 Crore. The realisation value has been adjusted against the outstanding borrowing and equivalent amount has been considered as unsecured borrowing from the promoter director and in the absence of any terms for interest, no interest has been charged on the same.

Note 26 - Current Financial Liabilities - Trade Payables

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Micro, Small and Medium Enterprises	7.11	9.35
Others	368.44	1,047.02
Total	**375.55**	**1,056.37**

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, 2018	As at 31st March, 2017
a)	Principal amount outstanding	7.11	9.35
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, 2018	As at 31st March, 2017
Cumulative Redeemable Preference Shares (refer note 22.1)	25.52	--
Current Maturities of long-term Borrowings		
- Term Loans	255.12	183.18
- External Commercial Borrowings	65.14	50.27
- Vehicle Loans	0.04	0.03
Unpaid Dividends	0.99	1.18
Creditors for Capital Expenditure	5.29	10.40
Derivative financial liability	--	7.60
Interest accrued but not due on borrowings	5.37	8.25
Interest accrued and due on borrowings	86.50	--
Other Payables		
Salary, Wages and Bonus Payable	7.11	7.06
Provision for Expenses	8.65	9.19
Total	**459.73**	**277.16**

27.1 Unpaid dividends does not include any amounts, due & outstanding, to be credited to Investor Education & Protection Fund.

Note 28 - Other Current Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deposit from customers	0.14	0.13
Deposit against Excise Liabilities	1.30	1.30
Advances from Customers	3.61	6.96
Statutory Dues & other Liabilities	4.18	3.93
Total	**9.23**	**12.32**

Note 29 - Current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits		
Gratuity obligations (refer Note 39)	2.32	1.49
Leave obligations	5.45	4.49
Others		
Provision for Excise Duty (refer Note 40)	--	18.78
Total	**7.77**	**24.76**

Note 30 - Revenues from Operations

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Sale of Products	3,562.27	4,252.18
Other Operating Revenue	11.59	19.27
Revenue from Operations	**3,573.86**	**4,271.45**

Note 31 - Other Income

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Income from Financial Assets Measured at Amortised Cost		
- Inter Corporate Deposits	59.04	53.41
- Fixed Deposits with Banks	16.75	25.51
- Others	3.43	5.78
Gain on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	15.23	9.86
Gain on Foreign Currency Transactions (Net)	--	11.74
Guarantee Commission	30.16	30.09
Sundry Credit Balances Written Back (Net)	--	0.03
Miscellaneous Income	1.19	--
Total	**125.80**	**136.42**

Note 32 - Changes in Inventories of Finished Goods and Work-in-Progress

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
At the end of the Year		
Finished Goods	158.41	241.76
Work-In-Progress	24.70	26.73
	183.11	**268.49**
At the beginning of the Year		
Finished Goods	241.76	164.48
Work-In-Progress	26.73	25.24
	268.49	**189.72**
Total	**85.38**	**(78.77)**

Note 33 - Employee Benefits Expense

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Salaries, Wages & Allowances	87.65	78.45
Contribution to Provident Fund, ESIC and Other Fund (refer Note 39)	4.80	4.51
Gratuity (refer Note 39)	2.77	1.70
Employees Welfare and Other Amenities	1.55	1.74
Total	**96.77**	**86.40**

33.1 During the year Company paid an amount of ₹ 5.88 Crore to the executive chairman which was in excess of remuneration as prescribed under section 197 of the Companies Act, 2013 by ₹ 4.06 Crore. The same is subject to requisite approvals from the Central Government. Further Central Government approval in respect of excess remuneration paid in the financial year 2016-17 yet to be received.

During the year Company has paid an amount of ₹ 1.35 Crore to one of the whole time directors, which is subject to shareholders' approval.

Note 34 - Finance Cost

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Expenses on Financial Liabilities Measured at Amortised Cost*	290.64	203.92
Other Borrowing Costs	11.39	20.60
Applicable Net loss on Foreign Currency Transaction and Translation	4.17	12.92
Total	**306.20**	**237.44**

* include dividend on redeemable preference shares and dividend distribution tax of ₹ 2.85 Crore and ₹ 0.58 Crore (for the year ended 31st March, 2017 ₹ 2.85 Crore and ₹ 0.58 Crore) respectively (refer Note 22.4)

34.1 Interest expenses includes ₹ 1.04 Crore (Previous year ₹ Nil) on account of short payment of advance tax.

Note 35 - Depreciation and Amortisation Expenses

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Depreciation of Tangible Asssets (Note-5)	94.24	96.45
Amortisation of Intangible Asssets (Note -5)	0.61	0.65
Total	**94.85**	**97.10**

Note 36 - Other Expenses

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Manufacturing Expenses		
Stores & Spares Consumed	10.41	9.21
Power & Fuel	203.78	203.37
Repairs to Building	0.94	0.58
Repairs to Plant & Machinery	3.92	3.89
Security Charges	2.46	2.47
Labour Charges	15.56	16.17
Other Manufacturing Expenses	9.56	13.09
Selling and Distribution Expenses		
Packing Material Consumed	86.97	92.30
Freight & Forwarding Charges (Net)	40.37	53.62
Sales Promotion, & Advertising Expenses	0.10	0.14
Brokerage & Commission	11.60	9.68
Administrative and General Expenses		
Rent	7.82	7.29
Rates & Taxes (Net)	0.45	1.97
Insurance	1.81	1.88
Payment to Auditors	0.64	0.57
Repairs & Maintenance - Others	1.77	2.89
Travelling & Conveyance Expenses	3.27	3.48
Legal, Professional & Consultancy Charges	3.13	6.63
Provision for Doubtful Debts	57.74	0.74
Bad Debts Written off	--	9.26
Sundry Debit Balances Written off (Net)	15.97	--
Donation	0.14	0.12
Net Loss on Foreign Currency transaction	2.21	--
Currency & Interest Rate Swap Loss (Net)	2.49	0.81
Loss on Sale of Investment (Net)	0.03	--
Loss on Sale of Property, Plant and Equipment (Net)	1.27	0.20
Bank Charges	4.04	5.14
Corporate Social Responsibility Expenses	0.78	0.94
General Expenses	5.23	6.10
Total	**494.46**	**452.54**

36.1 Details of Payment to Auditors

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
a) Auditors:		
Audit Fees	0.51	0.41
Tax Audit Fees	0.09	0.09
Certification Charges	0.01	0.02
Reimbursement of expenses	0.01	0.01
b) Cost Audit Fees	0.02	0.04
Total	**0.64**	**0.57**

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 ₹ 2.51 Crore (Previous Year ₹ 2.34 Crore)

(b) Expenditure related to Corporate Social Responsibility is ₹ 0.78 Crore (for the year ended 31st March, 2017 ₹ 0.94 Crore) and ₹ 1.73 Crore (for the year ended 31st March, 2017 ₹ 1.40 Crore) remained unspend.

Details of expenditure towards CSR given below:

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
(i) Rural Sanitation	0.16	0.25
(ii) Rural Community Crematorium	0.05	0.02
(iii) Education	0.57	0.64
(iv) Others	--	0.03
Total	**0.78**	**0.94**

Note 37 - Earnings Per Equity share

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Net Profit / (Loss) for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (₹ In Crore)	(122.78)	35.63
Weighted average number of equity shares outstanding during the year for Basic EPS and Diluted EPS (in Nos.)	81,871,849	81,871,849
Basic and Diluted Earning per share of ₹ 10/- each (in ₹)	(15.00)	4.35
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, 2018	As at 31st March, 2017
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
Income Tax (amount paid under protest of ₹ 17.79 Crore)	29.99	30.03
Excise Duty/ Service Tax (amount paid under protest of ₹ 1.11 Crore)	1.76	1.76
Others (amount paid under protest of ₹ 1.06 Crore)	2.95	2.95
Guarantees		
Bank Guarantees	36.07	37.48
(Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.)		
Others		
Corporate Guarantee 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, 2018) (refer Note 38.2)	2,922.24	2,768.89
Letter of Credits (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.)	0.06	282.98
Dividend Accrued on Cumulative Redeemable Preference Shares :		
20% Cummulative Redeemable Preference Shares	2.83	--
2.5% Cummulative Redeemable Preference Shares	0.02	--

*The Company has received show cause notice from the Excise department which mainly relate to CENVAT credit on sales commission. The Company does not foresee any losses on this account.

38.2 The Company had issued a corporate guarantee of USD 463.96 Million (equivalent of ₹ 3,022.08 Crore) to the lenders of JBF Petrochemicals limited ("JPL"), a step down Subsidiary. Subsequent to the year end, one of the lenders of JPL vide its letter dated 24th April, 2018 invoked corporate guarantee to the extent of USD 252.00 Million (equivalent of ₹ 1,641.44 Crore) as JPL has defaulted in servicing its borrowings towards principal and interest thereon. The Company carried out fair valuation of this corporate guarantee through an independent Chartered Accountant firm and as per their report the value of securities created in favor of lenders is higher than the total liability towards them. Accordingly, no provision is required towards the guarantee so invoked.

38.3 Commitments

Particulars	As at 31st March, 2018	As at 31st March, 2017
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	19.18	25.36
Related to Intangible Assets	0.16	1.49

38.4 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, recognised as expense for the years are as under:

(₹ in Crore)

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	1.95	1.79
Employer's Contribution to Pension Scheme	2.67	2.55
Employer's Contribution to Other Funds	0.18	0.17

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, 2018	As at 31st March, 2017
Actuarial Assumptions		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary Growth	4.00%	4.00%
Discount Rate	7.75%	7.50%
Withdrawal Rates	1.00%	1.00%

(₹ in Crore)

Particulars	Gratuity (Unfunded)	
	2017-18	2016-17
Movement in Present Value of Defined Benefit Obligation		
Obligation at the beginning of the year	9.43	7.51
Current Service Cost	1.22	1.10
Past Service Cost*	0.85	--
Interest Cost	0.70	0.60
Benefits Paid	(0.75)	(0.42)
Actuarial Loss on Obligation	0.32	0.64
Obligation at the end of the year	**11.77**	**9.43**
Amount Recognised in the Statement of Profit and Loss		
Current Service Cost	1.22	1.10
Past Service Cost*	0.85	--
Interest Cost	0.70	0.60
Total	**2.77**	**1.70**
*Due to change in ceiling limt from ₹ 0.10 Crore to ₹ 0.20 Crore.		
Amount Recognised in the Other Comprehensive Income		
Components of Actuarial gain/losses on Obligations:		
Due to Change in Financial Assumptions	(0.22)	0.38
Due to Experience Adjustments	0.54	0.26
Total	**0.32**	**0.64**

(c) Net Liability recognised in the balance sheet

(₹ in Crore)

Amount recognised in the balance sheet	As at 31st March, 2018	As at 31st March, 2017
Present value of obligations at the end of the year	11.77	9.43
Less: Fair value of plan assets at the end of the year	--	--
Net liability recognised in the balance sheet	**11.77**	**9.43**
- Current	2.32	1.49
- Non-current	9.45	7.94

(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
For the year ended 31st March, 2017		
Salary Growth Rate	+1%	0.97
	-1%	(0.83)
Discount Rate	+1%	(0.84)
	-1%	1.00
For the year ended 31st March, 2018		
Salary Growth Rate	+1%	1.08
	-1%	(0.93)
Discount Rate	+1%	(0.92)
	-1%	1.09

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 recognised 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, 2019	1.69
31st March, 2020	0.08
31st March, 2021	0.10
31st March, 2022	0.33
31st March, 2023	0.34
31st March, 2024 to 31st March, 2028	6.95

39.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 19.04 years (as at 31st March, 2017: 18.71 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 Excies Duty	Provision for Doubtful Debts	Total
As at 1st April, 2016	**12.86**	**31.57**	**44.35**
Provision during the year	17.90	10.00	27.90
Payment during the year	(11.98)	(9.26)	(21.24)
As at 31st March, 2017	**18.78**	**32.31**	**51.09**
Provision during the year	--	57.74	57.74
Payment/reversed during the year	(18.78)	--	(18.78)
As at 31st March, 2018	**--**	**90.05**	**90.05**

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, 2018	As at 31st March, 2017
(a)	**Subsidiary Companies**			
	JBF Global PTE Ltd	Singapore	85.50%	85.50%
	JBF RAK LLC	UAE	85.50%	85.50%
	JBF Petrochemicals Ltd (refer Note 41.5)	India	85.50%	85.50%
	JBF Bahrain S.P.C.	Bahrain	85.50%	85.50%
	JBF Global Europe BVBA	Belgium	85.50%	85.50%
	JBF Bio Glicols Industia Quimica Ltda	Brazil	85.50%	85.50%
	JBF Trade Invest PTE Ltd	Singapore	85.50%	85.50%
	JBF America INC	USA	85.50%	85.50%
(b)	**Key Management Personnel**			
	Name & Designation			
	Mr. B.C.Arya – Chairman.			
	Mr. Rakesh Gothi – Managing Director			
	Mr. N.K.Shah - Director Commercial			
	Mr. Kiran Vaidya - Chief Finance Officer (up to - 31st May, 2016)			
	Mr. Ajay Agrawal - Chief Finance Officer			
	Mrs. Ujjwala Apte - Company Secretary			

(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 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	2017-18	2016-17
Transactions with subsidiaries / associates			
Sale of Goods	JBF RAK LLC	34.41	132.61
	JBF Bahrain SPC	113.70	37.86
	JBF Petrochemicals Ltd	0.60	5.87
Interest Income	JBF Petrochemicals Ltd	57.92	52.75

	JBF Global PTE Ltd	1.08	0.67
Guarantee Commission Income	JBF Petrochemicals Ltd	30.16	30.09
Purchase of Goods	JBF RAK LLC	--	8.98
Reimbursement of expenses to	JBF Petrochemicals Ltd	23.30	1.23
Transactions with other related parties:			
Directors Sitting Fees	Mrs. Veena Arya	0.01	0.02
Remuneration	Mrs. Chinar Mittal	0.29	0.29
Other Borrowing cost	Vaidic Resources Pvt. Ltd	--	0.40
Interest Paid	Vaidic Resources Pvt. Ltd	--	2.03
Managerial Remuneration	Mr. B.C.Arya	5.88	6.53
	Mr. Rakesh Gothi	1.07	1.12
	Mr. N.K.Shah	1.35	0.50
	Mr. Ajay Agrawal	0.78	0.32
	Mrs. Ujjwala Apte	0.41	0.34
	Mr. Kiran Vaidya (up to - 31st May, 2016)	-	0.11
Dividend paid	Mr. B.C.Arya	1.39	2.78
	Vaidic Resources Pvt. Ltd	0.20	0.39
	Mr. Rakesh Gothi	0.00	0.00
	(2017-2018 ₹ 11,385, 2016-17- ₹ 22,770)		
	Mr. N.K.Shah	0.00	0.00
	(2017-18 ₹ 1,350 and 2016-17- ₹ 7,700)		
	Mr. Chirag Arya	0.09	0.19
	Mrs. Chinar Mittal	0.09	0.18
	Mrs. Veena Arya	0.00	0.00
	(2017-18 ₹ 7,039 and 2016-17- ₹ 14,078)		
Sale of Fixed Assets	JBF Petrochemicals Ltd	--	0.18
Loan given	JBF Petrochemicals Ltd	404.99	153.58
	JBF Global PTE Ltd	--	61.28
Loan refunded/Adjusted	JBF Petrochemicals Ltd	37.06	120.06
	JBF Global PTE Ltd	0.24	34.42
Loan Taken	Vaidic Resources Pvt. Ltd	--	45.00
Loan Repaid	Vaidic Resources Pvt. Ltd	--	45.00
Loan Taken (refer Note 25.4)	Mr. B. C. Arya	1.68	--

Name of Transactions	Name of the Related Party	As at 31st March, 2018	As at 31st March, 2017
Transactions with Related Parties			
Current Financial Assets - Others	JBF Petrochemicals Ltd	110.68	47.48
	JBF Global PTE Ltd	1.25	0.16
Investment - Non-current	JBF Global PTE Ltd	396.17	396.17
Current Financial Assets - Loans	JBF Petrochemicals Ltd	727.64	359.71
	JBF Global PTE Ltd	57.15	56.91
Non-current Financial Assets - Others	JBF Petrochemicals Ltd	131.36	98.19
Trade Receivables	JBF RAK LLC	7.67	12.87
	JBF Bahrain SPC	84.10	1.52
	JBF Petrochemicals Ltd	6.29	5.69
Current Financial Liabilities - Borrowings	Mr. B.C. Arya	1.68	--
Trade Payable	JBF RAK LLC	--	8.71
Guarantee Given	JBF Petrochemicals Ltd	3,022.08	3,009.19
FDR Pledged with Bank	JBF Petrochemicals Ltd	--	276.00

41.3 Compensation to key management personnel of the Company

(₹ in Crore)

Nature of transaction	2017-18	2016-17
Short-term employee benefits	10.10	9.28
Post-employment benefits	0.43	--
Total compensation paid to key management personnel	**10.53**	**9.28**

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.

41.5 IDBI Trusteeship Services Limited, the Security Trustee to, the lenders of JBF Petrochemicals Ltd. ("JPL"), a step down subsidiary, has exercised the rights of a 'Pledge' and invoked the pledge over the pledged 51% equity shares of JPL held by JBF Global Pte. Ltd., a Subsidiary Company and transferred the same to IDBI Trusteeship Services Ltd. However lenders have not adjusted any amount against the JPL's borrowings so far.

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 and Liabilities Measured at Fair Value:

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Financial Assets Designated at Fair Value Through Profit or Loss:-		
- Investments	0.64	0.89
Financial Liabilities Designated at Fair Value Through Profit or Loss:-		
- Derivative Financial Liabilities	--	7.96

b) Financial Assets Measured at Amortised Cost:

(₹ in Crore)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Designated at Amortised Cost:-				
- Trade Receivable	852.46	852.46	893.64	893.64
- Cash and Cash equivalents	18.51	18.51	29.82	29.82
- Bank Balance other than cash and cash equivalents	4.69	4.69	354.93	354.93
- Loans	839.79	839.79	476.62	476.62
- Others	462.03	462.03	372.16	372.16
	2,177.48	2,177.48	2,127.17	2,127.17
Financial Liabilities				
Financial Liabilities Designated at Amortised Cost:-				
- Borrowings (Including Current Maturity)	2,312.61	2,312.61	1,651.06	1,651.06
- Trade Payable	375.55	375.55	1,056.37	1,056.37
- Other Financial Liabilities	217.41	217.41	131.65	131.65
	2,905.57	2,905.57	2,839.08	2,839.08

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:

i) Fair value of trade receivable, cash and cash equivalents, other bank balances, current 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.

ii) The fair values of non-current borrowings and security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of non-current borrowings are approximate at their carrying amount due to interest bearing features of these instruments.

iii) 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.

iv) Fair values of quoted financial instruments are derived from quoted market prices in active markets.

v) Equity Investments in subsidiaries are stated at cost.

vi) 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.

42.3 Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

i) 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.

ii) 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.

iii) 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, 2018		
	Level 1	Level 2	Level 3
Financial Assets Designated at Fair Value Through Profit or Loss (Investments):			
-- Equity Investments	0.10	--	0.54
Total	**0.10**	**--**	**0.54**

(₹ in Crore)

Particulars	31st March, 2017		
	Level 1	Level 2	Level 3
Financial Assets Designated at Fair Value Through Profit or Loss (Investments):			
-- Equity Investments	0.14	--	0.54
-- Mutual Funds	0.21	--	--
Financial Liabilities Designated at Fair Value Through Profit or Loss:			
-- Derivative Financial Liabilities	--	7.96	--
Total	**0.35**	**7.96**	**0.54**

There were no transfers 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, 2018 and 31st March, 2017

(₹ in Crore)

Particulars	As at 31st March, 2018	Valuation Technique	Inputs used	Sensitivity
Financial Assets Designated at Fair value Through Profit or Loss (Investments):				
-- Unlisted Equity Investments	0.54	Book Value	Financial statements	No material impact on fair valuation

(₹ in Crore)

Particulars	As at 31st March, 2017	Valuation Technique	Inputs used	Sensitivity
Financial Assets Designated at Fair Value Through Profit or Loss (Investments):				
-- 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)
Fair Value as at 31st March, 2017	**0.54**
Gain on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	--
Purchase / Sale of Financial Instruments	--
Amount Transferred to / from Level 3	--
Fair Value as at 31st March, 2018	**0.54**

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 organisation 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 equity price risk and commodity risk.

The sensitivity analyses is given relate to the position as at 31st March, 2018 and 31st March, 2017.

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, 2018 and 31st March, 2017.

(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 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:

Unhedged Foreign Currency Exposure as at 31st March, 2017	Currency	Amount in FC	₹ In Crore
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

Unhedged Foreign Currency Exposure as at 31st March, 2018	Currency	Amount in FC	₹ In Crore
Trade Receivables	USD	48,516,732	316.02
Loan Given	USD	8,774,655	57.16
Interest on Loan	USD	191,385	1.25
Trade Payable	USD	13,364,912	87.05
Trade Payable	EURO	71,850	0.58
Trade Payable	YEN	17,481,400	1.07
Borrowings and Interest thereon	USD	57,558,523	374.96
Borrowings	EURO	1,316,700	10.11
Foreign Commission	USD	811,853	5.29
Foreign Commission	EURO	992	0.01
Investment in Foreign Subsidiary	USD	72,000,000	396.17

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax (PBT) :-

(₹ in Crore)

Particulars	2017-18		2016-17	
	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT
USD	(0.93)	0.93	(3.32)	3.32
EURO	(0.01)	0.01	(0.01)	0.01
AED	--	--	(0.63)	0.63
YEN	(0.01)	0.01	(0.01)	0.01
Increase / (Decrease) in Profit Before Tax	**(0.95)**	**0.95**	**(3.97)**	**3.97**

Derivative Contracts entered into by the Company and Outstanding as on 31st March, 2018 : Notional Value

(₹ in Crore)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Currency and Interest Rate Swap	--	14.63
Forward Contract - Import	--	97.29

The Company has entered interest rate swap derivative contracts in respect of External Commercial borrowing of ₹ Nil (In 2017 ₹ 24.32 Crore) outstanding as on 31st March, 2018.

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 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, 2018	As at 31st March, 2017
Total Borrowing	2,312.61	1,651.06
% of Borrowings out of above bearing variable rate of interest	85.46	71.00

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(₹ in Crore)

Particulars	2017-18		2016-17	
	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	9.88	(9.88)	5.88	(5.88)

c) Commodity Price Risk:-

The Company's raw materials i.e.Purified Terephthalic Acid (PTA) & Monoethylene Glycol (MEG) and finished goods i.e. Polyster 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.

c) Refer Note 12.1

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, 2018			
		0-1 Years	1-5 Years	Above 5 Years	Total
Borrowings (refer Note 21.7)	1,609.73	296.68	406.20	--	2,312.61
Trade Payable	-	375.55	--	--	375.55
Other Financial Liability	87.49	51.94	77.98	--	217.41
Total	**1,697.22**	**724.17**	**484.18**	**--**	**2,905.57**

(ii) 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	--	1,056.37	--	--	1,056.37
Other Financial Liability	1.18	42.50	95.93	--	139.61
Total	**494.44**	**1,648.17**	**692.25**	**12.18**	**2,847.04**

iii) Refer Note 47

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, all other equity reserves and debts. 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 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, 2018	As at 31st March, 2017
Total Debt	2,416.11	1,746.63
Less:- Cash and Cash equivalent	18.51	29.82
Less:- Current Investment	--	0.21
Less:- Other Bank Balance	4.69	354.93
Less:- Fixed Deposit more than 12 months	--	1.20
Net Debt	**2,392.91**	**1,360.47**
Total Equity (Equity Share Capital plus Other Equity)	**1,466.52**	**1,591.73**
Total Capital (Total Equity plus Net Debt)	**3,859.43**	**2,952.20**
Gearing Ratio	**62.00%**	**46.08%**

Note 45 - Segment Reporting

The Company is engaged only in the business of producing polyester based products. As such, there are no separate reportable segments, the discloUser as required as per Indian Accounting Standard on "Operating Segments" (IND AS -108) is not given.

Note 46 - Subsidiaries Exposure

The Company as on 31st March, 2018 has an aggregate exposure of ₹ 1,430.54 Crore (excluding corporate guarantee as mentioned in Note 38.2) in its subsidiaries namely JBF Global Pte ltd ("JGPL") and JBF Petrochemicals limited ("JPL") by way of investment in equity, loans including interest thereon and other receivables as at 31st March, 2018. The details of above exposure are as under:

(₹ in Crore)

Name of the Company	Nature of Transactions	As at 31st March, 2018
(i) JBF Petrochemicals Limited	Inter – Corporate Deposits	727.64
	Interest thereon	110.68
	Trade Receivables	6.29
	Guarantee Commission Receivable	131.36
Total(A)		**975.97**
(ii) JBF Global Pte. Ltd	Investment In Equity	396.17
	Inter – Corporate Deposits	57.15
	Interest thereon	1.25
Total(B)		**454.57**
Total Exposure (A+B)		**1430.54**

The operations of JBF RAK LLC's plant located at Ras al-Khaimah in U.A.E., a subsidiary of JGPL remained suspended since long due to its financial issues with its lenders etc. Uncertainty is also faced in respect of PTA project at Mangalore, being executed by JPL, due to non-commencement of operation as planned and default in servicing of its borrowings towards principle and interest. The lenders of JPL have also invoked the pledged equity shares of JPL held by JGPL as mentioned in Note 41.5 and corporate guarantee of the Company as mentioned in Note 38.2. Subsequent to the year end, one of the lenders of JPL has made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016. Latest audited consolidated financial statements of subsidiary are also not available. Negotiation with the lenders of above subsidiaries to find an amicable solution is in process and subsequent to the year end JBF group has entered into a binding term sheet with KKR, an existing financial investors to the Company and JGPL for infusion of funds and change in management control of JGPL.

In view of the above, the impairment testing in respect of the Company's exposures to its subsidiaries could not be carried out and hence no provision for impairment, if any, has been provided for.

Note 47- Going Concern

During the year the Company underwent significant financial stress due to suspension of manufacturing operations at its subsidiaries, delay in completion of PTA project at Mangalore and adverse market conditions. All these have resulted in financial constraint to the Company, losses in the operations, default in repayment of principle and interest to lenders, classification of Company's borrowings as Non- performing assets by its lenders and calling back of loans by some of the lenders. Subsequent to the year end, one of the operating creditors has also made an application to NCLT under Insolvency and Bankruptcy Code, 2016 in respect of which the Company is in the process to settle the claim of that creditor.

The Company has submitted a resolution plan to its lenders and has also entered into a binding term sheet with KKR an existing investors for infusion of funds in its subsidiary and change in equity holding and management of JBF Global Pte Ltd. All the plants of the Company are operational and the management is of the view that above circumstances will not affect the operations of the Company and hence continue to prepare its financial statement on going concern basis.

Note 48 - Previous year's figures have been regrouped and reclassified, wherever necessary to make them comparable.

As per our report of even date

For Pathak H.D. & Associates
Chartered Accountants
(Firm Registration no. 107783W)

GOPAL CHATURVEDI
Partner
Membership No. 090903

Place : Mumbai
Date : 20.06.2018

For & on behalf of the Board of Directors

RAKESH GOTHI
Managing Director
DIN-00229302

NILESH KANTILAL SHAH
Director
(DIN 00232130)

SHARADCHANDRA THAKAR
Add. Independent Director
(DIN 02551653)

ARUN SHAH
Chief Financial Officer

UJJWALA APTE
Company Secretary
Membership No. A3330

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Crore)

	Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit / (Loss) Before Tax as per Statement of Profit and Loss		**(162.11)**		**55.13**
	Adjusted for :				
	Depreciation and Amortisation Expense	94.85		97.10	
	Currency & Interest Rate Swap Loss (Net)	2.49		0.81	
	Unrealised Loss / (Gain) on Foreign Currency Transactions (Net)	2.12		(17.11)	
	Loss on Sale of Investments (Net)	0.03		--	
	Loss on Sale of Property, Plant and Equipment (Net)	1.27		0.20	
	Gain on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	(15.23)		(9.86)	
	Finance Costs	306.20		237.44	
	Provision for Doubtful Debts	57.74		0.73	
	Bad Debt Written off	--		9.27	
	Interest Income	(75.97)		(79.20)	
	Guarantee Commission	(30.16)		(30.09)	
	Sundry Balances Written Off / (Back) (Net)	15.97	359.31	(0.03)	209.26
	Operating Profit Before Working Capital Changes		**197.20**		**264.39**
	Adjusted for :				
	Trade & Other Receivables		(37.77)		(25.70)
	Inventories		123.18		(86.33)
	Trade and Other Payables		(698.84)		333.51
	Cash Generated from / (used in) Operations		**(416.23)**		**485.87**
	Direct taxes paid		(1.72)		(14.66)
	Net Cash from / (used in) Operating Activities		**(417.95)**		**471.21**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment		(21.45)		(91.59)
	Sale of Property, Plant and Equipment		0.22		0.60
	Sale of Investments		0.22		--
	Movements in Loans and Advances of Subsidiary Company (Net)		(370.11)		(61.30)
	Interest on Investment / Loans		14.30		61.88
	Net Cash (used in) Investing Activities		**(376.82)**		**(90.41)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowings		2.27		306.84
	Repayment of Long Term Borrowings		(121.60)		(317.42)
	Movement in Short Term Borrowings		775.74		(83.34)
	Margin Money (Net)		351.25		(55.14)
	Guarantee Commission Received		(3.01)		3.01
	Net Loss on Foreign Currency Transactions		3.58		11.62
	Finance Costs Paid		(208.26)		(224.75)
	Currency & Interest Rate Swap (Loss)		(8.16)		(4.35)
	Dividend Paid Including Tax Thereon on Preference Share		(3.43)		(3.43)
	Dividend Paid Including Tax thereon on Equity Share		(4.92)		(9.85)
	Net Cash from/ (used in) Financing Activities		**783.46**		**(376.81)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(11.31)**		**3.99**
	Opening Balance of Cash and Cash Equivalents		**29.82**		**25.83**
	Closing Balance of Cash and Cash Equivalents		**18.51**		**29.82**

Changes in Liabilities arising from financing activities on account of Non-Current (Including Current Maturities) and Current Borrowings :

(₹ in Crore)

Particulars	31.03.2018	31.03.2017
Opening Balance of Liabilities arising from Financing Activities	**1,651.06**	**1,756.41**
Add : Changes from Cash Flow from financing Activities (Net)	656.41	(93.92)
Add : Transaction Costs	2.96	0.82
Add : Effects of changes in Foreign Exchange Rates	2.18	(12.25)
Closing Balance of Liabilities arising from Financing Activities	**2,312.61**	**1,651.06**

Notes :

1. Bracket indicates cash outflow.
2. Previous Year's figures have been regrouped and reclassified, wherever necessary to make them comparable.
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 & on behalf of the Board of Directors**		
For Pathak H.D. & Associates	**RAKESH GOTHI**	**NILESH KANTILAL SHAH**	**SHARADCHANDRA THAKAR**
Chartered Accountants	Managing Director	Director	Add. Independent Director
(Firm Registration no. 107783W)	(DIN-00229302)	(DIN 00232130)	(DIN 02551653)
GOPAL CHATURVEDI	**ARUN SHAH**	**UJJWALA APTE**	
Partner	Chief Financial Officer	Company Secretary	
Membership No. 090903		Membership No. A3330	
Place : Mumbai			
Date : 20.06.2018			

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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Sunshine Creations