JBF Industries Limited

ANNUAL REPORT
2018 - 2019

Content

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
(upto 14-11-2018)

Mr. N. K. Shah
Vice Chairman & Managing Director
(upto 31-05-2019)

Mrs. Sangita V. Chudiwala
Independent Director

Mr. Sharadchandra N. Thakar
Independent Director
(upto 31-07-2019)

Mr. Ravi A. Dalmia
Independent Director

Mr. Sanjay Thapliyal
Addl. Executive Director
(W.e.f. 14-11-2018)

Mrs. Ujjwala Apte
Addl. Executive Director
(W.e.f. 30-05-2019)

Mr. Suresh Choudhary
Addl. Independent Director
(W.e.f. 30-07-2019)

Company Secretary

Ujjwala 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.

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 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, 20th September, 2019
at 3.00 p.m

Registered Office: Survey No. 273,
Village Athola, Dadra & Nagar Haveli,
Silvassa.

DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors have pleasure to present the Thirty-Seventh Annual Report and the Company's Audited Financial Statement for the year ended 31st March, 2019.

The Company's financial performance, for the year ended on 31st March, 2019 is summarized below:

FINANCIAL RESULTS

(₹ Crore)

PARTICULARS	Year ended on 31st March, 2019	Year ended on 31st March, 2018
Revenue from Operations	2,958,27	3,573.86
Other Income	19.13	125.80
Profit/(Loss)from the year before Finance cost, Depreciation and exceptional items	99.04	238.94
Less : Finance Cost	251.61	306.20
Less : Depreciation and Amortization Expenses	99.46	94.85
Less: Exceptional Item	697.92	--
Profit / (Loss) Before Tax	(949.95)	(162.11)
Current Tax	--	--
MAT Credit Entitlement	--	--
Deferred Tax	(191.86)	(39.33)
Profit / (Loss) for the year	**(758.09)**	**(122.78)**
Other Comprehensive Income	(0.15)	(0.51)
Total Comprehensive Income for the year	(758.24)	(123.29)

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 2018-19.

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

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2019 was ₹ 81.87 Crore and Preference Share Capital as on 31st March, 2019 was ₹ 14.91 Crore.

PERFORMANCE OF THE COMPANY

The Company's revenue for F.Y. 2018-19 was ₹ 2,958.27 Crore as against ₹ 3,573.86 Crore for the previous year, due to adverse market conditions and reduction in production and margins.

During the year, the Production of Polyster Chips came down to 282,432 MT, and Production of POY & yarn was 244,912 MT.

DIRECTORS

Mr. Bhagirath Arya who retires by rotation and being eligible offers himself for re-appointment

Mr. Rakesh Goth, has retired from the post of CEO & Managing Director on 14th November, 2018.

Mr. S. N. Shetty, has been appointed as Additional Director – Legal & Admn, on 14th November, 2018 has resigned from the post of Additional Director on 26th February, 2019.

Mr. N. K. Shah, has been appointed as Vice Chairman & Managing Director on 14th November, 2018, has retired w.e.f. 1st June 2019.

Mr. Sanjay Thapliyal has been appointed Additional Director-Operation on 14th November, 2018 and being eligible, he will be appointed as Director - Operations in place of Mr. N. K. Shah.

Mrs. Ujjwala Apte has been appointed Additional Executive Director on 31st July, 2019 to hold office till the date of this Annual General Meeting.

Mr. Sharadchandra Thakar has resigned as an Independent Director of the Company on 31st July, 2019. In his place Mr. Suresh Choudhary has been appointed as Additional Independent Director on 30th July, 2019

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.

BRIEF PROFILE OF DIRECTORS

Suresh Choudhary

Mr. Suresh Choudhary (Din : 03219422) Chartered Accountant with career spanning over 20+ years with Unilever, PwC & as Business Consultant (entrepreneur) in diverse leadership roles across Developing & Emerging markets. Passion for unlocking value by driving transformational changes – extensively worked in developing white space and a number of transformation projects involving significant value in Unilever. As Business Consultant worked on Merger/ Acquisition/ strategic Investment transactions, turned around SME business and as entrepreneur co-founded a start-up venture & drove it to break-even.

Sanjay Thapliyal

Sanjay Thapliyal (Din : 08294006) has 32 years of techno commercial experience in Synthetic Fibre Industry.He has handled various assignments both in Apparel textiles and Industrial textiles segments at different positions in his career. Cost optimization, energy saving, process re-enigineering and sustainable operations in manufacturing are some of the areas of his expertise. He holds a B. Text. degree in Man made fibre technology and has also done a certificate course in Leading and Managing from IIM Calcutta.

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 Seven Committees namely Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Prevention of Sexual Harassment Committee and Finance Committee.

The details of the constitution of the Committees and the meetings held during the financial year 2018-19 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 upto 14.11.2018	CEO & Managing Director
3	Mr. N. K. Shah upto 31.05.2019	Vice Chairman & Managing Director
4	Mrs. Ujjwala Apte	Addl.Director & Company Secretary
5	Mr. Sanjay Thapliyal w.e.f 14.11.2018	Addl. Director - Operation
6	Mr. Arun B. Shah upto 30.04.2019	Chief Executive Officer & Chief Financial Officer

NUMBER OF MEETINGS OF THE BOARD & AUDIT COMMITTEE

During the year Seven Board Meetings and Five 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 and JBF Global Europe BVBA at Belgium.

At Indian & Foreign subsidiaries of the Company financial restructuring/ negotiation with lenders/ investors are under process and Company do not have the audited financial statements of its subsidiaries hence the Company could not prepare the consolidated financial statements. The same has been referred by the auditors in their report.

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. Interest @ 9% on Borrowings

Company has provided interest @ 9% p.a. on borrowings aggregating to ₹ 2,431.06 crore for the period from 1st April, 2018 to 31st March, 2019 as against the documented rate resulting into lower provision of finance cost for the year 31st March, 2019 by ₹ 103.16 crores.

Management is of the view that ultimate liability will not be more than 9%. Therefore the Company is continues to recognise the same on 9%

3. Subsidaries Exposure

Company has exposure in subsidiaries by way of investments, loans and other receivables aggregating to ₹ 1508.24 Crores. No exercise is undertaken to determine impairment, if any.

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 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 annexed 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 annexed 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 having the aforesaid annexure. 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 Preservation of Documents Policy

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

FOREIGN EXCHANGE EARNING AND OUTGO

Foreign exchange earning by way of export and Freight were ₹ 569.27 Crore against outgo of ₹ 74.63 Crore on import of raw materails, stores, spares & consumables and ₹ 0.02 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, GUARANTEES OR INVESTMENTS BY COMPANY

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

INSURANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

i. that in the preparation of the Annual Accounts for the year ended 31st March, 2019, 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, 2019 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 AUDITOR

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 AUDITOR

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 September 2020 years pursuant to Section 139 of the Companies Act, 2013.

COST AUDITOR

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 2019-20. 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.

However, Bank of Baroda lead Bankers of the Company has filed NCLT application under Section 7 of IBC Code with Ahmedabad Branch. The matter is still pending for hearing and admission.

One of the operational creditor of the company i.e M/s SABIC Asia Pacific Pte. Ltd has referred the Company to NCLT for their dues. However, the Company & creditors have mutually agreed and settled.

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

SANJAY THAPLIYAL
Director
DIN-08294006

UJJWALA APTE
Director
DIN-00403378

Place : Mumbai
Date : 31st July, 2019

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:-

The relevant information is given below:-

A . POWER & FUEL CONSUMPTION

	For the year Ended 31.03.2019	For the year Ended 31.03.2018
1.Electricity		
Purchased Units (in thousands)	315,785	357,790
Total Amount (₹ in Crores)	166.06	161.60
Rate / per unit (₹)	5.26	4.52
2. Furnace Oil		
Consumed (Kgs in thousands)	22.01	13.05
Total Amount (₹ in Crores)	0.06	0.03
Rate/ per kg (₹)	27.61	19.17
3. Light Diesel Oil & HSD		
Consumed (Ltrs in thousands)	93.05	73.76
Total Amount (₹ in Crores)	0.53	0.35
Rate/ per Ltr (₹)	56.86	47.12
4. Natural Gas		
Consumed (Gcal)	441.83	3,235.16
Total Amount (₹ in Crores)	1.14	0.83
Rate/ per Gcal (₹)	5075.00	2,563.39
5. Coal		
Consumed (MTI)	54,267	67,631
Total Amount (₹ in Crores)	33.04	40.98
Rate/ per MT (₹)	6,087.65	6,059.45

B. CONSUMPTION PER UNIT OF PRODUCTION

	For the year Ended 31.03.2019	For the year Ended 31.03.2018
1.Electricity (kwh /Ton of Product)		
a) Polyester Filament Yarn (POY)	1,091	1,040
b) Polyester Chips	224	173
c) Polyester Processed Yarn	981	929
2. Furnace Oil (Kgs/Ton of Product)		
a) Polyester Chips	--	0.01
b) Polyester Filament Yarn (POY)	0.13	0.04
3. Light Diesel Oil & HSD (Ltrs/Ton of Product)		
a) Polyester Filament Yarn (POY)	0.47	0.27
b)Polyester Chips	0.05	0.05
c) Polyester Processed Yarn		--
4. Natural Gas (Gcal/Ton of Product)		
a)Polyester Chips	0.00	0.01
5. Coal (Kgs/Ton of Product)		
a) Polyester Chips	208.03	183.81

MANAGEMENT DISCUSSION AND ANALYSIS

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

GLOBAL ECONOMIC OVERVIEW

The global economy is projected to expand 2.9% in 2019, down 0.1 percentage points from last month's forecast. For 2020, the global economy is projected to grow 2.9% again. Global economic growth is expected to decelerate this year mostly due to softer dynamics among developed economies, which are approaching the tail-end of their current economic cycles. Nevertheless, the global economy is seen benefiting from tight labour markets, still accommodative monetary and policy stimulus in some countries like China.

The growth rate for emerging market and developing economies is estimated to rise to 5.0 percent in 2019-20. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia economies for 2017 to 2019. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, the further pickup in global activity is entirely driven by emerging markets and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight.

INDIAN ECONOMIC OVERVIEW

The Indian economy started the fiscal year 2018–19 with a healthy 8.2 percent growth in the first quarter on the back of domestic resilience. Growth eased to 7.3 percent in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the Indian rupee suffered because of the crude price shock, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Going ahead, the Indian economy is likely to sustain the rebound in FY2018–19—growth is projected to be in the 7.2 percent to 7.5 percent range and is estimated to remain upward of 7 percent for the year ahead. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development.

Among all large economies, India is likely to demonstrate a rapid and sustainable growth, at a CAGR of 9.46% from 2016 to 2021, driven by strong manufacturing-led industrial expansion and consumption demands from the private sector. According to Frost & Sullivan's analysis based on data from 2017 IMF WEO Update, the country's GDP is well positioned to cross USD 3,000 Bn (INR 200 Tn) by 2020; in the event of accelerated manufacturing and investment, this figure could even potentially balloon to USD 3,600 Bn (INR 240 Tn). India is expected to be the third largest consumer economy as its consumption may triple to USD 4 Tn by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

GLOBAL TEXTILE INDUSTRY

According to Grand View research, the global textile market is expected to reach USD 1.23 Tn by 2025 growing at 4% on the back of increasing population, rising disposable income and rapid urbanisation. The growth is coming from developing countries like China, India and Mexico where there is increase in retail outlets and super markets which is driving the demand. The global technical textiles market is expected to grow to USD 3,34,938 Mn by 2025 which is growing at a CAGR of 4.5% from 2018 to 2025. This is due to increase in demand for geotextile from developing economies and preference of consumers towards non-woven technical fabrics. The global market for technical textiles has also expanded and high expectations from various other sectors like construction have led to further development of technical textiles. The textile sector is also identifying areas in technical textile that need improvements and is committing a sufficient amount of time and resources into these areas.

INDIAN TEXTILE INDUSTRY

The Indian textiles industry, currently estimated at around USD 150 Bn, is expected to reach USD 250 Bn by 2020. India's textiles industry contributed seven per cent of the industry output (in value terms) of India in 2018.It contributed two per cent to the GDP of India and employs more than 45 Mn people in 2018.The sector contributed 15 per cent to the export earnings of India in 2018.

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth USD 3.09 Bn during April 2000 to December 2018. In May 2018, textiles sector recorded investments worth INR 27,000 Cr (USD 4.19 Bn) since June 2017. The Government of India announced a Special Package to boost exports by USD 31 bn, create one crore job opportunities and attract investments worth INR 800 Bn (USD 11.93 Bn) during 2018-2020. Investment entails ready availability of developed land with adequate infrastructure, skilled manpower and easy connectivity to ports, along with creation of new mega textile parks, lowering the cost of production and logistics, and encouraging new entrants through start-ups as well as FDI.

With these initiatives, outlook of textile manufacturing in India which at present is behind only China, looks bright and is expected to grow at a rate of 20%. With this rate, the textile market will cross US$30 billion in next 5 years. The government led by Narendra Modi has given confidence to community to boost expansion and this could result in Indian textile industry entering into golden era.

(Source: https://www.ibef.org/industry/textiles.aspx, http://www indiantextilemagazine.in/cover-story/golden-era-of-indian-textile-industry-650-billion-opportunity-by-2025/)

POLYESTER INDUSTRY

Under polyester, polyester staple fibre (PSF) and polyester filament yarn (PFY) account for 43.6% and 55.7% shares as of 2018, while Polypropylene Staple Fibre (PPSF) and Polypropylene Fibre Yarn (PPFY) make for the remaining of 0.2% and 0.6% respectively.

By year 2025, global polyester staple fibre market is estimated to touch USD 39.3 Bn at a CAGR of 6.3%. The growth is driven by global consumption of sustainable textiles. In terms of kilotons, the demand for polyester staple fibre was 15,519.7 in 2016 and this is estimated to grow at CAGR of 4.7% between 2017 and 2025. Demand was dominated by Asia Pacific, followed by Europe. Amongst the emerging countries, demand was driven by China, India and Brazil which are 3 out of 4 BRIC countries.The Asia Pacific market itself is estimated to witness CAGR of 6.7% for the polyester fibre market due to various developments across textile industry.

The consumption of PSF in India recorded sharp decline of about 18% YoY due to higher prices in FY19. Input cost for polyester also witnessed substantial increase due to crude oil prices increasing over 47%. Also, higher availability of substitute cotton in the market (over 8% increase in cotton production in Cotton Season 2017-18) at comparatively lower prices led to subdued demand for polyester during the period.

POLYETHYLENE TEREPHTHALATE (PET)

Global flexible plastic packaging market expand at a CAGR of 5.2% to USD200bn by 2022 (USD140bn in 2016). PET film is not a pure commodity, but has thousands of SKUs based on specific type, treatment, length & width combinations on specific type, treatment, length & width combinations. Global polyethylene terephthalate(PET) market was valued at approximately USD 24 Bn in 2017, and is expected to reach USD 39 Bn by 2027 and is anticipated to grow at a CAGR of 7.1%.PET is used in various application industries such as beverage packaging, consumer goods, sheets & films, food packaging, automotive, and construction.

Increasing demand for PET containers particularly from food and beverage sector and also growing demand for frozen & processed food are major factors that drive the polyethylene terephthalate market. PET act as an excellent barrier to oxygen, water and carbon dioxide as they preserve freshness and hygiene of contents while making the packaging durable. According to PCI Wood Mackenzie, the Indian flexible plastic packaging industry is about USD5.5 Bn and is expected to grow over 10% annually to USD9bn by 2022. Changing lifestyles are pushing consumers towards processed foods, which augurs well for the industry. Furthermore, growth is also fuelled by the increase in exports of packaging materials to countries with high production costs, particularly Europe and the US.

(https://www.researchnester.com/reports/global-polyethylene-terephthalate-pet-market-analysis-opportunity-outlook-2027/131).
(Source: PRNEWSWIRE)

RAW MATERIALS

PURIFIED TEREPHTHALIC (PTA)

The Global Purified Terephthalic Acid (PTA) Market is expected to reach USD 67.98 Bn by 2025, from USD 45.60 Bn in 2017 growing at a CAGR of 4.90% during the forecast period of 2018 to 2025. PTA has anti-dumping duty of around 15%.The rising disposable income, increasing demand from the paints and coatings industry, increasing demand for PET from the bottling and packaging industry and constant growth of electrical industry are some factors propelling the market growth. However, factors such as volatility in crude oil prices and implementation of strict regulations by various government bodies are restricting the market. In addition, technological advancements to increase output and reduce cost will create new growth opportunities over the forecast period.By Geography, Asia Pacific held largest market share during forecast period due to the demand for packaging of processed foods and pharmaceuticals, films, coatings, and chemicals is increasing in APAC. Countries such as China, India, Taiwan, and South Korea are extensively focusing on the production of PTA for various purposes.

(Sources: https://www.businesswire.com/news/home/20180815005454/en/73.85-Billion-Purified-Terephthalic-Acid-PTA-Market;https://www garwarefibres.com/; https://indianpetrochem.com/report/megreport)

MONOETHYLENE GLYCOL (MEG)

The current Global Capacity for MEG is at around 30 MMT out of which nearly 70% is contributed by Top 10 producers. Capacity utilization has been increased to achieve the level of nearly 100%, while no new facilities have come online. Demand for MEG has been strong in the domestic market, witnessing a CAGR of 10.3%. India's limited domestic production mandates users and distributors to procure MEG through imports. In the international market, the demand for MEG will be driven by Asia Pacific region with a growth rate of 5% to 6%. China region itself is expected to grow by 6%.Hence, there is a lucrative opportunity for investors to cater to this demand.

From a regional standpoint, Northeast Asia has become the dominant MEG consumer globally and within this region, China is by far the largest consumer. China alone accounted for about half of the MEG consumption globally. The growing textile industry in China has been a key driver for the increasing demand for polyester fibres. Most Chinese MEG consumption growth has been driven by the increasing production of PET polymer, Chinese PET capacity has grown at a sustained rate of 14.5% per year over the past 15 years. Though production has seen a modest growth, it is not enough to meet domestic demand. The concept of "Green MEG" (MEG made from Agriculture based Alcohol) is slowly catching up in the West with many PET bottle manufacturing marketing it as environmentally friendly less carbon footprint products. MEG can be used for applications that require chemical intermediates for resins, solvent couplers, freezing point depression, solvents, humectants and chemical intermediates.

(Source:https://indianpetrochem.com/report/megreport; http://cpmaindia.com/meg_about.php, https://mcgroup.co.uk/researches/monoethylene-glycol-meg)

VIII. CURRENT YEAR'S PERFORMANCE

HighLights		Year 2018-19	Year 2017-18	% Change
Production :				
Polyester Chips	MT	2,82,432	4,13,281	(31.66)
Polyester Filament Yarn(POY)	MT	1,69,690	2,07,130	(18.08)
Polyester Fabric from JOB work	MT	269.89	1,445	(81.32)
Polyester Processed Yarn	MT	74,952	84,249	(11.03)
Total Shipments				
Polyester Chips	MT	1,30,749	2,15,620	(39.36)
Polyester Filament Yarn(POY)	MT	95,949	1,25,717	(23.68)
Polyester Fabric	MT	269.89	1,445	(81.32)
Polyester Processed Yarn	MT	74,394	85,032	(12.51)
Total		**3,01,362**	**4,27,814**	**(29.56)**
Turnover	₹ in Crore	2958.27	3573.86	(17.22)
Profit before Interest, Depreciation and Tax	₹ in Crore	99.04	238.94	(58.55)
Finance Costs	₹ in Crore	251.61	306.2	(17.83)
Depreciation	₹ in Crore	99.46	94.85	4.86
Exceptional Items	₹ in Crore	697.92	--	(100.00)
Profit Before Exceptional Items and Tax	₹ in Crore	(949.95)	(162.11)	485.99
Current Taxation	₹ in Crore	--	--	--
MAT Credit Entitlement	₹ in Crore	--	--	--
Deferred Tax	₹ in Crore	(191.86)	(39.33)	
Net Profit	**₹ in Crore**	**(758.09)**	**(122.78)**	**517.44**
Earning per share (EPS)-Basic & Diluted	₹	(92.59)	(15.00)	
Equity Shares- No. of Shares as on 31st March.	Nos.	8,18,74,849	8,18,74,849	
No of Shares for Basic & Diluted EPS	Nos.	8,18,74,849	8,18,74,849	

IX. CASH FLOW ANALYSIS

(₹ in Crore)

	2018-19	2017-18
Source of Cash		
Cash from Operations	105.41	197.20
Income from Investing Activities	--	14.30
Income from Financing Activities	--	(3.01)
Proceeds from short Term Borrowing	--	775.74
Decrease in Working Capital	118.51	--
Net Gain on Foreing Currency Transactions		3.58
Sale of Investment (Net)	--	0.22
Margin Money	--	351.25
Increase in Cash & Cash Equivalent	5.53	11.31
Total	**229.45**	**1,350.59**
Uses of Cash		
Net Capital Expenditure	4.46	21.23
Repayment of Term Borrowing (net of proceeds)	25.29	119.33
Repayment of Short Term Borrowings	7.01	--
Increase in Working Capital	--	613.43
Finance Cost	153.27	216.42
Dividend Paid	-	8.35
Tax Paid (net)	0.22	1.72
Movement of Loan & Advance to Subsidiary (Net)	--	370.11
Margin Money	34.51	--
Net Loss on Foreign Currency Transactions	4.68	--
Total	**229.45**	**1,350.59**

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-2018-19
- 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 facts 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 consists of 6 Directors out of which 3 are Independent. The Company has an Executive Chairman. The proportion of Non-Executive Directors to Executive Directors and Independent Directors complies in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2019.

The Board of Directors does not have an optimum combination of Executive & Non-Executive Directors and independent directors during the period from 1st April, 2018 to 4th June 2018 and from 14th November, 2018 to 26th February, 2019 as required under Regulation 17(1)(a) & (b) of the Listing Regulations.

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 (Upto 14.11.2018)	CEO & Managing Director	Executive
Mr. N. K. Shah DIN:00232130 w.e.f 14.11.2018 (Director Commercial upto 13.11.2018)	Vice Chairman & Managing Director	Executive
Mr. Sanjay Thapliyal DIN : 08294006 w.e.f 14.11.2018	Director - Operation	Executive
Mr. S. N. Shetty DIN : 07962778 (w.e.f. 14.11.2018 to 26.02.2019)	Director – Legal & HR	Executive
Mrs. Sangita V. Chudiwala DIN:01039360	Director	Non Executive & Independent
Mr. Sharadchandra N. Thakar DIN: 02551653 (w.e.f. 13.04.2018)	Director	Non Executive & Independent
Mr. Ravi Dalmia DIN: 00634870 (w.e.f. 04.06.2018)	Director	Non Executive & Independent

CEO & CFO

Mr. RakeshGothi, Managing Director, was designated as Chief Executive Officer (CEO) of the Company upto 14th November, 2018. Subsequently Mr. Arun B Shah, was designated as Chief Executive Officer (CEO) and Chief Finance Officer (CFO) of the Company w.e.f. 14th November, 2018 to 30th April, 2019.

Independent Directors

Mrs. Sangita Chudiwala, Mr. Sharadchandra N Thakar & Mr. Ravi A Dalmia, are Independent Directors of the Company.

The Brief profiles of Director's whose appointment is to be regularised in Annual General Meeting is given in the Directors Report.

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 /She participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of Independence as provided under the Companies Act, 2013. In the opinion of the Board, the independent directors fulfill the said criteria and are independent of the management.

The certificate from Practicing Company Secretary issued as per requirements of Listing Regulations, confirming that none of the Directors in the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority is enclosed to Annual Report.

The details of tenure of the Directors as on March 31, 2019 is given below:

Name of Director	Initial Date of Appointment	Current Tenure From	Current Tenure Till	Tenure as on March 31, 2019 (in years) (Months / 12)
Executive Directors				
Mr. Bhagirath C. Arya	06-10-1983	01-10-2015	30-09-2020	4.6 Years
Mr. Rakesh Gothi	01-01-1997	01-01-2019	14-11-2018	3 Month
Mr. N. K. Shah	20-12-2000	14-11-2018	01-06-2019	4.5 Month
Mr. Sanjay Thapliyal	14-11-2018	14-11-2018		4 Month
Mrs. Ujjwala Apte	30-05-2019	30-05-2019		3 Month
Non-Executive Independent Directors				
Mrs. Sangita V. Chudiwala	29-11-2017	03-08-2018	02-08-2023	8 Month
Mr. Sharadchandra N. Thakar	13-04-2018	03-08-2018	02-08-2023	8 Month
Mr. Ravi A. Dalmia	04-06-2018	03-08-2018	02-08-2023	8 Month

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 14th November, 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 held during the year.

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 2018-2019 the Board of Directors met 7 times on 4th June, 2018, 20th June, 2018, 14th August, 2018, 4th September, 2018, 12th October, 2018, 14th November, 2018 & 11th February, 2019.

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

None of the Board of Directors are related to 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	5	No	1	Nil	Nil
Mr. Rakesh Gothi (upto 14.11.2018)	6	Yes	N.A	N.A	N.A
Mr. N. K. Shah	7	Yes	1	Nil	Nil
Mr. Sanjay Thapliyal w.e.f 14.11.2018	1	N.A	Nil	Nil	Nil
Mr. S N Shetty (w.e.f.14.11.2018 to 26.02.2019)	Nil	N.A	N.A	N.A	N.A
Mrs. Sangita V. Chudiwala	5	No	Nil	Nil	Nil
Mr. Sharadchandra N. Thakar (w.e.f. 13.04.2018)	7	Yes	Nil	Nil	Nil
Mr. Ravi A. Dalmia (w.e.f. 04.06.2018)	6	No	2	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.

Directorship in other Listed Companies in India:-

No directors are on the board of other listed Companies in India except Mr. Ravi A Dalmia. He is Managing Director on the Board of Sharad Fibres and Yarn Processors Limited.

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.

Core Skills/Expertise/Competencies available with the Board

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise /competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operational experience
- Strategic Planning
- Industry Experience
- Global Business
- Financial, Regulatory / Legal & Risk Management
- Corporate Governance

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 Listing Regulations 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 2018-2019 the Audit Committee met 5 times on 4th June, 2018, 20th June, 2018, 14th August, 2018, 14th November, 2018 and 11th February, 2019.

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. Sharadchandra Thakar (w.e.f. 13.04.2018)	Chairman	5	5
Mr. N. K. Shah	Member	5	5
Mrs. Sangita Chudiwala	Member	5	4

The audit committee have three directors as members as on 31st March, 2019 in terms of Regulation 18(1)(a) of the Listing Regulations.

The Company Secretary acted as the Secretary to the Committee.

Mr. Rakesh Gothi, CEO & Managing Director, upto 14.11.2018, Mr. Arun Shah, CEO & CFO w.e.f 14.11.2018, 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;
13. Discussion with internal auditors of any significant findings and follow up thereon;
14. 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;
15. 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;
16. 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;
17. To review the functioning of the Whistle Blower mechanism;
18. 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;
19. 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 2018-2019 the Stakeholders Relationship Committee met 4 times on 4th June, 2018, 14th August, 2018, 14th November, 2018 and 11th February, 2019.

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. Sharadchandra Thakar (w.e.f. 13.04.2018)	Chairman	4	4
Mr. Rakesh Gothi (Upto 14.11.2018)	Member	4	3
Mr. N. K. Shah	Member	4	4
Mr. Sanjay Thapliyal (w.e.f 27.02.2019)	Member	4	N.A
Mr. S N Shetty (w.e.f.14.11.2018 to (26.02.2019)	Member	4	Nil

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 3. Pending complaints as on 31st March, 2019, is Nil.

Company had received confirmation from BSE & NSE informing that no investor complaints pending as on 31st March, 2019 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 4 times on 4th June, 2018, 14th August, 2018, 14th November, 2018 and 11th February, 2019, during the financial year 2018 – 2019.

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. Sharadchandra Thakar (w.e.f. 13.04.2018)	Chairman	4	4
Mrs. Sangita Chudiwala	Member	4	3
Mr. N. K. Shah (from 14.8.2018 to 04.06.2018)	Member	4	1
Mr. Ravi A. Dalmia (w.e.f 14.08.2018)	Member	4	3

The Nomination and Remuneration Committee have three directors as members as on 31st March, 2019 in terms of Regulation 19(1)(a) of the Listing Regulations.

The Nomination and Remuneration Committeeshall have all the directors as non-executive, however, Mr. N.K. Shah, Executive Director was the member in the meeting held on 4th June, 2018, which was not in compliance with Regulation 19(1)(b) of the Listing Regulations.

The Company Secretary acted as the Secretary to the Committee.

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.

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.

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 2018-19 are as follows:

Name of the Director	Salary (In Crore)	Commission (In Crore)	Perquisites (In Crore)	Total (In Crore)	Service Contract	
					Tenure*	Notice Period**
Mr. Bhagirath Arya #	1.74	--	0.10	1.84	5 years	3 months
Mr.Rakesh Gothi	1.46	--	0.04	1.50	5 years	3 months
Mr. N. K.Shah	1.34	--	0.10	1.44	3 years	3 months
Mr. Sanjay Thapliyal ##	0.45	--	0.01	0.46	***	--
Mr. S N Shetty##	0.13	--	0.01	0.14	***	--

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.

\# Net of excess remuneration aggregating to ₹ 4.24 Crore for the year ended March 2019 recovered from the chairman by way of adjustment against the unsecured loan.

\## 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.

*** Hold office till the date of next Annual General Meeting

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 2018-19 are mentioned below.

Mr. Sharadchandra Thakar	₹ 5,20,000
Mrs. Sangita Chudiwala	₹ 3,80,000
Mr. Ravi A Dalmia	₹ 3,30,000

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.

Mr. Sharadchandra Thakar, Mrs. Sangita Chudiwala and Mr. Ravi A Dalmia, are the Non-Executive Directors. Number of shares and convertible instruments held by Non-Executive Directors:-

Sr.No	Name of Directors	No of Shares
1	Mr. Ravi Dalmia	68,108
2	Mr. Sharadchandra Thakar	Nil
3	Mrs. Sangita Chudiwala	Nil

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.

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 as on 31st March, 2019.

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 upto 14.11.2018	Chairman	4	3
Mr. N. K. Shah (w.e.f 11.02.2019 and member upto 10.02.2019)	Chairman	4	4
Mr. S. N. Shetty (w.e.f.14.11.2018 to (26.02.2019)	Member	4	Nil
Mrs. Sangita Chudiwala	Member	4	3
Mr. Sanjay Thapliyal w.e.f 27.02.2019	Member	4	N.A

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 upto 14.11.2018	Chairman	2	2
Mr. N. K. Shah	Member	2	2
Mr. S N Shetty (w.e.f.14.11.2018 to (26.02.2019)	Member	2	2
Mr. Sanjay Thapliyal w.e.f 27.02.2019	Member	2	N.A

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 organization.

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. Bhagirath C. Arya	Chairman	Nil	Nil
Mr. N. K. Shah	Member	Nil	Nil
Mr. S N Shetty (w.e.f.14.11.2018 to (26.02.2019)	Member	Nil	Nil
Mr. Sanjay Thapliyal w.e.f 27.02.2019	Member	Nil	Nil

The Company Secretary acted as the Secretary to the Committee.

CEO/CFO Certification

As the Company does not have Chief Executive Officer and Chief Financial Officer, hence compliance certificate for the year ended 31st March, 2019 have been submitted by the Executive Director, which was not in compliance with 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 30th May. 2019

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. As the Company does not have Chief Executive Officer as on 30th May, 2019, hence the necessary declaration given by the Vice Chairman and Managing Director of the Company regarding compliance of the above mentioned Code by Directors, Senior Management and the employees forms part of the Corporate Governance Report which was not in compliance with para D of Schedule V of the Listing Regulations. 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 will form part of the Annual Report.

Annual General Meetings

DATE	VENUE	TIME	SPECIAL RESOLUTIONS PASSED
3rd August, 2018	Daman Ganga Valley Resort	11.30 a.m.	1. Increase limit in borrowing power to ₹ 6000 crores 2. Waiver of excess Remuneration paid to Mr. Bhagirath Arya. 3. Investment upto ₹ 600 crores
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.

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 2018-19 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 instance of non compliance in respect of late adoption of financial statement for quarter and year ended 31st March, 2018 and Board of Directors not properly constituted with the balance of Executive Directors, Non- Executive Directors and Independent Directors for financial year ended 31st March, 2019 by the Company during the last 3 years.

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.

All significant transactions and arrangements entered into by JBF Global Pte Ltd. and JBF Petrochemicals Ltd. if any, were reviewed and noted by the Audit Committee of the Company.

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

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 as on 31st March, 2019.

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 2018-19 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, 20th September, 2019 at 3.00 p.m
Venue	Registered Office : Survey No. 273, Village Athola, Dadra & Nagar Haveli, Silvassa.
Financial Calendar [Tentative]	
Results for the quarter ended June, 2019	End 2nd week of August ' 19
Results for the quarter ended September, 2019	End 2nd week of November '19
Results for the quarter ended December, 2019	End 2nd week of February' 20
Results for the quarter ended March, 2020	End May' 20
Annual General Meeting	End September' 20

Book Closure

The Register of Members will be kept closed from 16th September, 2019 to 20th September, 2019 [Both days inclusive] for the purposes of Annual General Meeting.

Dividend

Board of Directors has not recommended dividend on Equity Share Capital for the year 2018-2019.

Unclaimed Dividend

Unclaimed Dividend of ₹.47,14,208 for the financial year 2010-2011 has been transferred to Investor Education and Protection Fund on 01.11.2018.

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 3rd August, 2018 (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 dividends are due to be transferred to the IEPF Authority. The company has also sent reminders and published newspaper advertisement about the shares to be transfered to IEPF Authority. 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.

Share Based Payments

As approved by the shareholders at its meeting held on 4th October, 2018, the Company has reserved issuance of 40,00,000 equity shares of face value of ₹ 10 each and 24,00,000 equity shares of face value of ₹ 10 each under the Employees Stock Option Plan 2018 (ESOP) & Employees Stock Purchase Scheme 2018 (ESPS) respectively.

Listing of Equity Shares

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

Listing Fees

The Annual Listing fees for the year 2019-20 has been paid to BSE Ltd. and National Stock Exchange of India Ltd.

Total fees for all services on a consolidated basis to the Statutory Auditors

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019
Audit Fees	0.51
Tax Audit Fees	0.09
Certification Charges (₹ 40,000)	0.00
Reimbursement of Expenses	0.01
Total	**0.61**

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, 2019.

Mode of Holding	No of shares held	Percentage to Total Capital
N S D L	48494878	59.23
C D S L	32616003	39.84
Total Demat Holding	**81110881**	**99.07**
Physical Holding	760968	0.93
Total Shareholding	**81871849**	**100.00**

Distribution of Shareholding : As on 31st March, 2019.

Shareholding of Shares	No of Share holders	Number of Shares held	Percentage to Total Capital
1 - 500	24504	3044976	3.72
501 - 1000	1695	1378974	1.68
1001 - 2000	883	1364045	1.67
2001 - 3000	303	777992	0.95
3001 - 4000	160	578451	0.71
4001 - 5000	139	661944	0.81
5001 - 10000	215	1596605	1.95
10001 and above	273	72468862	88.51
TOTAL	**28172**	**81871849**	**100.00**

Sharehloding Pattern under Regulation 31 of Listing Regulations as on 31st March, 2019

Group	No of Share holders	No. of Shares held	% held
Indian Promoters	4	24735702	30.21
Directors / Relatives	2	70608	0.09
Body Corporates	263	4773344	5.83
Financial Institutions, Insurance Cos., & Banks	5	2121099	2.59
Trusts & Mutual funds	6	8450	0.01
IEPF	1	177464	0.22
FCs, FPIs, NRIs & NRNs	330	30241504	36.94
Indian Public	26963	19743678	24.11
TOTAL	**27574**	**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 2018	116.00	75.00	116.85	75.00
May 2018	105.90	79.70	104.70	79.35
June 2018	91.00	50.40	93.40	50.50
July 2018	50.25	25.15	52.75	25.05
August 2018	45.55	24.85	45.35	24.80
September 2018	45.70	26.25	45.80	26.35
October 2018	25.65	18.50	25.60	19.20
November 2018	25.60	17.45	25.55	17.35
December 2018	24.40	19.15	24.40	19.10
January 2019	23.40	18.15	23.60	18.05
February 2019	20.60	12.65	20.25	12.65
March 2019	23.10	19.10	23.00	18.90

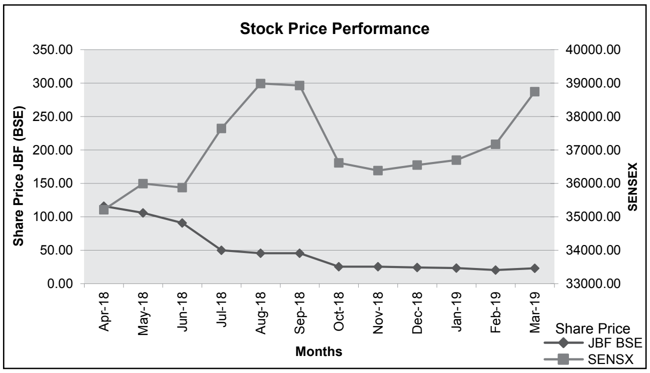
Source : website of BSE & NSE

Stock performance:

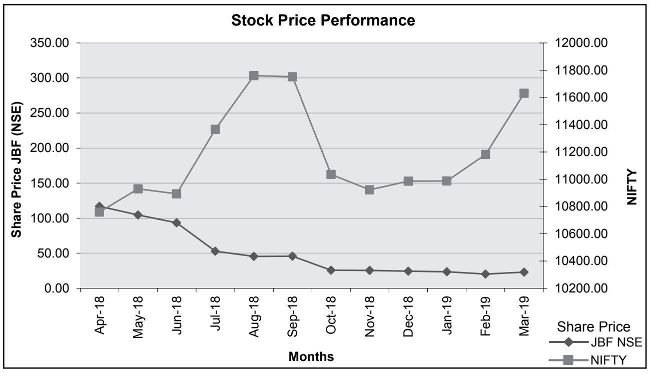
The average daily turnover of the equity shares of the company during the financial year 2018-2019 is as follows:

BSE : 67,563
NSE : 152,848

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.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

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, 2019 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, 2019 contains audit qualifications,for explanation/comments on audit qualifications refer to directors' 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, 2019, 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, 2019.

N.K.Shah
Vice Chairman and Managing Director
DIN : 00232130

Place : Mumbai
Date : 30th May, 2019

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance to sub-clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of JBF Industries Limited (CIN:L99999DN1982PLC000128) I hereby certify that:

On the basis of the information disseminated by SEBI & Ministry of Corporate Affairs and declaration received from the directors and taken on record by the Board of Directors as on 31st March, 2019, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

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

Place: Mumbai
Date : 30th May, 2019

Jagdish Patel
FCS 2613 / CO No. 1782

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, 2019. 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 the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires 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, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance 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 and declarations 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 test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Basis for Qualified Opinion:

(i) *As mentioned under the head "composition and category of directors" in the Corporate Governance Report, The Board of Directors of the Company does not have an optimum combination of Executive & Non-Executive Directors and independent directors during the period from 1st April, 2018 to 4th June 2018 and from 14th November, 2018 to 26th February, 2019 as required under Regulation 17(1)(a) & (b) of the Listing Regulations.*

(ii) *As mentioned under the head "Nomination and Remuneration Committee" in the Corporate Governance Report, Mr. N.K. Shah, Executive Director was the member in the meeting held on 4th June 2018, which was not in compliance with Regulation 19(1)(b) of the Listing Regulations*

(iii) *As mentioned under the head "CEO/CFO Certification" in the Corporate Governance Report, the Company does not have Chief Executive Officer and Chief Financial Officer, hence compliance certificate for the year ended 31st March, 2019 have been submitted by the Executive Director in the Board Meeting held on 30th May, 2019, which was not in compliance with the provisions of Regulation 17(8) in terms of Schedule II Part B of the Listing Regulations.*

(iv) *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 during the year ended on 31st March 2019 as required under Regulation 24(1) of the Listing Regulations.*

(v) *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.*

(vi) *As mentioned under the head "Code of Business Conduct and Ethics for Board of Directors, Senior Management and Employees" in the Corporate Governance Report, the Company does not have Chief Executive Officer as on 30th May, 2019, hence the necessary declaration given by the Vice Chairman and Managing Director of the Company regarding compliance of the code of conduct by Directors, Senior Management and the employees not in compliance with para D of Schedule V 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 information and 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, 2019, referred to in paragraph 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 with which 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 to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to 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: 30th May, 2019

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2019

[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, 2018 to March 31, 2019
7. Sector(s) that the Company is engaged in (industrial activity code wise):

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

8. List three key product/services that the Company manufactures/provides (as in balance sheet):
   (a) Polyester Chips (b) Polyester Yarn (c) Polyester Processed Yarn
9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5)
   On standalone basis, the Company does not have any manufacturing unit outside India.
   (b) Number of National Locations :
   JBFIL has business activity carried out in Five domestic locations. The manufacturing plants are situated at Athola and Saily (at Silvassa, Union Territory of Dadra and Nagar Haveli) and GIDC Sarigam (Gujarat). The Company has its Corporate Office at Mumbai (Maharashtra) and Marketing Office at Surat (Gujarat).
10. Markets served by the Company – Local/State/National/International
   JBFIL is serving 72% of its sale in Local/State/National market and remaining 28 % of its sale is in international market covering 36 Countries Worldwide as on 31st March, 2019.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital (INR)	:	₹ 81.87 Crores
2. Total turnover (INR)	:	₹ 2958.27 Crores
3. Total loss after taxes & exceptional items (INR)	:	₹ (758.09) 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 ₹ 50.00 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

Note:
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.

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	**00232130**	**08294006**
Name	Mr. Nilesh Kantilal Shah	Mr. Sanjay Thapliyal
Designation	Vice Chairman & Managing Director	Director - Operation

(b) Details of the BR head :

No.	**Particulars**	**Details**	
1	DIN Number (if applicable)	00232130	08294006
2	Name	Mr. Nilesh Kantilal Shah	Mr. Sanjay Thapliyal
3	Designation	Vice Chairman & Managing Director	Director - Operation
4	Telephone number	0260-2642745	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 contribute to sustainability throughout their life cycle.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Please indicate total number of employees: 2532
2. Please indicate total number of employees hired on temporary / contractual / casual basis: 1537 (out of it 47 Female labours)
3. Please indicate the Number of permanent women employees: 17
4. Please indicate the Number of permanent employees with disabilities : 01 Nos
5. Do you have an employee association that is recognized by the Management?
   No
6. What percentage of permanent employees is members of this recognized employee association? Not Applicable
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

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

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

(a) Permanent Employees – 65 %

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

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

(d) Employees with Disabilities – 100 %

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

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

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

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

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

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

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

Principle 5: Businesses should respect and promote human rights.

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

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

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

   During the financial year 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

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

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.

<u>Principle 8: Businesses should support inclusive growth and equitable development.</u>

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 ₹ 50.00 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. The Company has allready made a commitment of ₹ 5.26 Crore including unutilised amount for the earlier years.

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.

<u>Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.</u>

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   The Company has a separate technical team to attend customer complaint. The company has received 281 nos of customer complaints during the F.Y.2017-18, out of which 272 Nos. of complaints were successfully resolved at the end of FY 2017-18. Subsequently, most of these complaints 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.

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019.

[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	:	Survey No. 273, Village Athola contact details Silvassa-396 23. (India). Tel. : +91-0260-2642745/46 Fax : +91-0260-2642297
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	39.55
2	Partially Oriented Yarn / Fully Drawn Yarn / Polyester Texturised Yarn / Flat Yarn	247.10	60.45

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	201435082W	Subsidiary	85.50%	2(87)ii

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/HUF	30930607	0	30930607	37.78	20991345	0	20991345	25.64	-9939262
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	3744357	0	3744357	4.57	-161947
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):-	**34836911**	**0**	**34836911**	**42.55**	**24735702**	**0**	**24735702**	**30.21**	**-12.34**
(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)	**34836911**	**0**	**34836911**	**42.55**	**24735702**	**0**	**24735702**	**30.21**	**-12.34**

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	7900	0	7900	0.01	7900	0	7900	0.01	0
b) Banks / FI	39387	0	39387	0.05	400	212	612	0.00	-38775
c) IEPF	177464	0	177464	0.22	177464	0	177464	0.22	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0
f) Insurance	2120487	0	2120487	2.59	2120487	0	2120487	2.59	0
g) FIIs/FPOs	11220898	0	11220898	13.71	12176984	0	12176984	14.87	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (B)(1) :-	**13566136**	**0**	**13566136**	**16.58**	**14483235**	**212**	**14483447**	**17.69**	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	21718651	0	21718651	26.54	4595101	178243	4773344	5.83	-16945307
ii) Overseas									0
b) Individuals									
i) Individual shareholders holders nominal share capital upto ₹ 2 lakh	4906604	609247	5515851	6.74	8878541	573267	9451808	11.54	+3935957
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	3075683	0	3075683	3.76	8035854	0	8035854	9.82	+4960171
c) Qualified Foreign Inst.	0	0	0	0	0	0	0	0	0
d) Any Other									
i) N R I (Repat)	1043502	1346	1044848	1.28	1216629	1346	1217975	1.49	+174473
ii) N R N (Non Repat)	339996	0	339996	0.42	472175	0	472175	0.58	0
iii) Foreign Company	0	0	0	0.00	16374370	0	16374370	20.00	0
iii) Clearing Members	866555	0	866555	1.06	451294	0	451294	0.55	-415261
iv) Hindu Undivided Fly	875694	0	875694	1.07	1797606	0	1797606	2.20	+921912
v) Directors / Relatives	25970	0	25970	0.03	70608	0	70608	0.09	+44638
vi) Office Bearers	0	0	0	0.00	7116	0	7116	0.01	0
vii) NBFC's (RBI)	5554	0	5554	0.01	550	0	550	0.00	0
viii) Trusts									
Sub-Total (B)(2) :-	**32858209**	**610593**	**33468802**	**40.91**	**41899844**	**752856**	**42652700**	**52.10**	
Total Public Shareholding (B)=(B)(1)+(B)(2)	**45529797**	**995435**	**46525232**	**56.83**	**56383079**	**753068**	**57136147**	**69.79**	
Total (A)+(B)	**80876414**	**995435**	**81871849**	**100.00**	**81118781**	**753068**	**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**	**81118781**	**753068**	**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	27206969	33.23	99.80	17845063	21.80	99.69	-0.11
2	Chinar Arya Mittal	1834500	2.24	98.12	3132204	3.83	57.47	40.12
3	Vaidic Resources Private Ltd	3906304	4.77	99.62	3744357	4.57	99.60	0
4	Cheerag Bhagirath Arya	1875060	2.29	100.00	0	0	0	0
5	Veena B. Arya	14078	0.02	0.00	14078	0.02	0	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	27206969	33.23	27711	-	06.04.2018	17845063	21.80
				265480	-	04.06.2018		
				10297	-	15.06.2018		
				166868	-	22.06.2018		
				210183	-	30.06.2018		
				74275	-	06.07.2018		
				87551634	-	13.07.2018		
				3434754	-	20.07.2018		
				428003	-	27.07.2018		
				2472130	-	03.08.2018		
				978641	-	17.08.2018		
				417848	-	24.08.2018		
2	Vaidic Resources Pvt Ltd	3906304	4.77	76500	-	15.06.2018	3744357	4.57
				34069	-	22.06.2018		
				51378	-	30.06.2018		
3	Cheerag B Arya	1875060	2.29	765560	-	27.07.2018	0	0.00
				1109500	-	27.07.2018		
4	Veena Arya	14078	0.02	-	-	-	14078	0.02
5	Chinar Arya Mittal	1834500	2.24	-	515000	10.08.2018	3132204	3.83
					38947	22.02.2019		
					110514	01.03.2019		
					245744	08.03.2019		
					157657	15.03.2019		
					118172	22.03.2019		
					111670	29.03.2019		

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

For Each of the Top 10 Shareholders No. of Shares		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	2179683	2.66	3001100	3.67
5	CRESTA FUND LTD	823110	1.01	0	0.00
6	AADI FINANCIAL ADVISORS LLP	1238361	1.51	1238361	1.51
7	ERISKA INVESTMENT FUND LTD	1475132	1.80	1475132	1.80
8	AI MEHWAR CMEERCIAL INVESTMENT LIC – (Noosa)	0	0.00	1057000	1.29
9	LTS INVESTMENT FUND LTD	0	0.00	978745	1.20

v) INDEBTENDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
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**
Change in Indebtedness during the financial year				
Addition in long term				--
Addition in Short Term Borrowings		73.02	--	73.02
Reduction in long term	(39.87)	(8.36)	--	(48.23)
Exchange Difference	13.30		--	13.30
Net changes in working capital	(35.72)	(0.38)	--	(36.10)
Transaction Cost	1.12		--	1.12
Net Change	**(61.18)**	**64.28**		**3.11**
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	2,037.36	278.36	--	2,315.72
ii) Interest due but not paid	166.79	--	--	166.79
iii) Interest accrued but not due	6.53	--	--	6.53
TOTAL (i+ii+iii)	**2,210.68**	**278.36**	**--**	**2,489.04**

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	27206969	33.23	-9361906	17845063	21.80
2	Rakesh Gothi (upto 14.11.2018)	22770	0.02	-22770	0	0
3	Nilesh Kantilal Shah	2500	0	-	2500	0
4	Sangita Chudiwala	0.00	0	-	0.00	0
5	Sharadchandra Thakar	0.00	0	-	0.00	0
6	Ravi A Dalmia	53585	0.65	14523	68108	0.83
7	Ujjwala 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:

Sl. No.	Particulars of Remuneration	Mr. B. C. Arya Chairman	Mr.Rakesh Gothi CEO & MD Upto 14.11.2018	Mr. N. K. Shah Vice-Chairman & Managing Director w.e.f 14.11.2019	Mr. Sanjay Thapliyal Director w.ef. 14.11.2018	Mr. S. N. Shetty Director w.e.f 14.11.2018 to 26.2.2019	Total Amount ₹ In Lacs
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	121.65	139.51	133.11	48.13	10.37	452.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.66	10.66	10.46	1.30	0.25	27.52
	(c) Profits in lieu of salary under	--	--	--	--	--	--
2.	Stock Option	--	--	--	--	--	--
3.	Sweat Equity	--	--	--	--	--	--
4.	. Commission	--	--	--	--	--	--
	- as % of profit	--	--	--	--	--	--
	- others, specify…	--	--	--	--	--	--
5.	Others, please specify	--	--	--	--	--	--
	Total (A)	**132.11**	**144.36**	**143.57**	**49.43**	**10.62**	**480.29**

B. Remuneration to other directors:

1. Independent Directors

Sl. No.	Particulars of Remuneration	Name of Directors			
		Mrs. Sangita Chudiwala	Mr. Sharadchandra Thakar	Mr. Ravi Dalmia	Total Amount ₹ In Lacs
	- Fee for attending Board/Committee Meetings	3,80,000	5,20,000	3,30,000	12,30,000
	- Commission	--	--	--	--
	- Others, please specify	--	--	--	--
	Total (B)(1)	**3,80,000**	**5,20,000**	**3,30,000**	**12,30,000**

2. Other Non Executive Directors

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount ₹ In Lacs
		Mrs. Arya	
	Fee for attending Board/Committe	--	--
	- Commission	--	--
	- Others, please specify	--	--
	Total (B)(1)	**--**	**--**

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Ajay Agarwal CFO (upto 30.06.2018)	Mrs. Ujjwala Apte Company Secretary	Mr Arun B. Shah CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26.87	42.20	93.99	163.06
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.66	0.29	2.36	3.31
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	1.48	1.48
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - others, specify…	--	--	--	--
5	Others, please specify	--	--	--	--
	Total	**27.53**	**42.49**	**97.83**	**167.85**

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	There has been instance of non compliance in respect of late adoption of financial statement for quarter ended 31st March, 2018 and Board of Directors not properly constituted with the balance of Executive Directors, Non- Executive Directors and Independent Directors for financial year ended 31st March, 2019 by the Company during the last 3 years.				
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 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 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 2018-19	% increase/ (Decreses) in remuneration in the financial year 2018-19	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	184.40	-68.65%	61.47	Profit before tax decreased by ₹ 485.98% and Profit after tax decreased by ₹ 517.43 %in the financial year 2018-19 as compared to previous year.
2	Mr. Rakesh Gothi	Managing Director	150.48	40.39%	50.16	
3	Mr. N.K. Shah	Director- Commercial	143.79	6.61%	47.93	
4	Mr. S N Shetty	Additional Director	13.57			
5	Mr Sanjay Thapliyal (from 14.11.2018)	Additional Director	46.11			
6	Ms.Sangita Vikash Chudiwala (From 29.11.2017)	Non-Executive Independent Director	**	**	**	**
7	Mr Ravi A Dalmia (From 04.06.2018)	Non-Executive Independent Director	**	**	**	**
8	Mr. Sharadchandra N Thakar (From 13.04.2018)	Non-Executive Independent Director	**	**	**	**
9	Mr. Ajay Agrawal (upto 30.06.2018)	Chief Financial Officer	29.32	-62.38%	-	
10	Mr Arun Shah	Chief Financial Officer	96.53	0.00%	32.18	
11	Mrs. Ujjwala Apte	Company Secretary	45.02	9.42%	15.01	Profit before tax decreased by ₹ 394.05% and Profit after tax decreased by ₹ 444.60 %in the financial year 2018-19 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 2018-19

The median remuneration of employees of the Company during the financial year was ₹ 3.00 lacs. In the financial year, there was no increase in the median remuneration of employees.

iii) Number of permanent employees on the rolls of Company as on 31st March 2019:

There were 2626 permanent employees on the rolls of Company as on 31 March 2019

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

Nil average percentage increase in the salaries of the employees for the year 2018-19 .The profit before Tax for the financial year ended 31 March 2019 decreased . 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,2019	As on 31st March,2018	As on last Offer as on 10/06/2005	Percantage Decreased
Market Captlization	16701.86 Lacs	68977.03 Lacs		-75.79%
PE	- 0.22	63.87	**	-96.08%
Market Quotation of Equity Share	₹ 20.40	₹ 277.85	₹ 157.15	-75.79%

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, 2019:

Due to Retirement of Mr. Rakesh Gothi, on 14/11/2018, The CSR Committee of the Board was reconstituted consisting Mr. N. K. Shah, Vice Chairman & Manging Director and Mr. Sanjay Thapliyal Whole-time Director of the Company was appointed as members of Committee and Mrs. Sangita Chudiwala, Independent Director of the Company. The Chairman of the Committee is Mr. N. K. Shah.

Average net profit of the Company for last three financial years : ₹ 20.73 Crore.

Budget for CSR expenditure for the year 2018-19 : ₹ 41 lacs

Total Budget for CSR expenditure for the Financial Year : ₹ 5.26 Crore including unutilised amount for the earlier years.

Already committed for various CSR activities as above : ₹ 5.26 Crore including unutilised amount for the earlier years.

Expenditure made from April, 2018 to March, 2019 : 50.00 lacs spent for the year 2016-17 carry forward.

Balance to be spent : ₹ 4.62 Crore.

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. Promoting gender equality.
5. Rural development projects keeping ecological balance.

Reasons for not spending the stipulated CSR expenditure:

The Company had committed an amount of ₹ 500.80 lacs as CSR budget for F.Y. 2018-19 and had already committed the expenses towards CSR activities During the year, the Company has spent an amount of ₹ 52.39 lacs from the previously carried forward amount of unspent CSR budget of previous years. However, due to businesss losses and 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. 2018-19.

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"

N. K. Shah
Vice Chairman & Managing Director
Chairman, CSR Committee

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2019

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, 2019 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; to the extent applicable

(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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit period)
  (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)
  (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
  (g Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; (Not applicable to the Company during the Audit period)
  (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  (i) 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
  (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period)
  (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

(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 is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, except that Mr. Sanjay Thapliyal was appointed as Additional Director on 14th November, 2018 whose DIN was obtained on 3rd December, 2018.

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 by the consent of the majority Board members 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. 2018-19, 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 the Audited Financial Statement of the Company for the year ended 31stMarch, 2019 are subject to Auditors qualified remarks in the Independent Auditors Report.

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 as per the provisions of Foreign Exchange Management Act, 1999, reporting of actual transactions of External Commercial Borrowings (ECB) in Form ECB 2 were filed after the time prescribed.

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

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

Place: Mumbai
Date : 30th May, 2019

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

Annexure A'

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

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

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

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

Place: Mumbai
Date : 30th May, 2019

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 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.

INDEPENDENT AUDITOR'S REPORT

To The Members of JBF Industries Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of JBF Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, excepts for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements 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 2019, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

(i) As mentioned in the Note 33.2 to the standalone financial statements, Company has provided interest @ 9% p.a. on borrowings aggregating to ₹ 2431.06 Crore for the period from 1st April 2018 to 31st March, 2019 as against the documented rates resulting into lower provision of finance cost for the year ended 31st March, 2019 by ₹ 103.16 Crore, which is not in compliance with IND AS -23 "Borrowings Costs" read with IND AS-109 on "Financial Instruments".

Had the interest been recognized at the documented rate, finance cost, net loss after tax, total other comprehensive income and EPS for the year ended would have been ₹ 354.77 Crore, ₹ (861.25) Crore, ₹ (861.40) Crore and ₹ (105.19) Crore respectively as against the repor ted figure of ₹ 251.61Crore, ₹ (758.09) Crore, ₹ (758.24) Crore and ₹ (92.59) Crore respectively in the above standalone financial statements. Further current financial liabilities-others and other equity as at 31st March, 2019 would have been ₹ 1,088.09 Crore and ₹ 518.66 Crore respectively as against reported figure of ₹ 984.93 Crore and ₹ 621.82 Crore respectively in the above standalone financial statements.

(ii) As mentioned in the Note 45 to the standalone financial statements, Company has exposure in subsidiaries by way of investments, loans and other receivables aggregating to ₹ 1,508.24 Crore (as at 31st March, 2018 ₹ 1,458.04 Crore), in respect of which the Company could not carry out impairment assessments due to the reasons mentioned therein. We are unable to obtain sufficient appropriate audit evidence about the recoverable amount of the Company's exposure. Consequently we are unable to determine whether any adjustments to these amounts are necessary and consequential impacts on the standalone financial statements of the Company.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matters

We draw your attention to the:-

(i) Note 37.2 to the standalone financial statements, regarding invocation of corporate guarantee given by the Company to the lenders of JBF Petrochemical Limited ("JPL"). The Company has denied above invocation and is of the view that above invocation is not legally tenable for the reasons explained therein and hence no provision against the claims under the invoked corporate guarantee is considered necessary.

(ii) Note 32.2 to the standalone financial statements, regarding managerial remuneration of ₹ 0.60 Crore paid to whole time directors is subject to approvals of shareholders.

(iii) Note 50 to the standalone financial statements, regarding non- preparation of consolidated financial statements due to the reasons mentioned therein."

(iv) Note 20.9 to the standalone financial statements, regarding non- receipt of balance confirmation as at 31st March, 2019 from one of the financial institutions with respect to borrowings of ₹ 50.68 Crore.

Our opinion is not modified in respect of these matters.

Material Uncertainty Related to Going Concern

Note 46 to the standalone financial statements, regarding preparation of financial statements on going concern basis, not withstanding 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, some of the lenders have even called back the loans, one of the secured lenders has applied before NCLT under Insolvency and Bankruptcy Code, 2016. 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 it's obligations. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion, Emphasis of matters & Material Uncertainty Related to Going Concern section, we have determined the matters described below to be key audit matters to be communicated in our report.

(i) Carrying Value of Trade Receivables

Key Audit Matters	How our audit addressed the key audit matter
As mentioned in note no. 11 to the standalone financial statements, total trade receivable were aggregating to ₹ 816.01 Crore as on 31st March 2019, out of above ₹ 497.26 Crore were provided. The collectability of the Company's trade receivables and the valuation of allowance for impairment of trade receivables is required a significant management judgment. Management considers Specific factors including the age of the balance, location of customers, existence of disputes, recent historical payment patterns and any other available information concerning the credit worthiness of counterparties. Management uses this information to determine whether a provision for impairment is required either for a specific transaction or for a customer's balance overall. Accordingly, it has been determined as a key audit matter.	Our audit procedures included the following: • We selected a sample of the larger trade receivable balances where a provision for impairment of trade receivables was recognized and understood the rationale behind management's judgment. • Assessing the ageing of trade receivables, the customer's historical payment patterns and whether any post year-end payments had been received up to the date of completing our audit procedures. • Reviewing the available evidence including correspondences, if any, legal notices related to disputes, where applicable & credit status of significant counterparties as available. • Assessing the Company's provisioning policy and evaluating with reference to applicable accounting standards. • Considered the completeness and accuracy of the disclosures.

(ii) Impairment of Property, Plant & Equipment

Key Audit Matters	**How our audit addressed the key audit matter**
As at 31st March 2019 value of property, plant and equipment is ₹ 1340.41 Crore. Management's assessment of the valuation of property, plant and equipment was significant to our audit because this process is complex and requires significant management judgment. Furthermore, there is an increased risk of impairment due to the recently deteriorated market outlook and losses incurred by the Company. Accordingly, the management identified impairment indications in one of its plant and management's assessment results an impairment loss of ₹ 5.00 Crore. Determining the recoverable amounts of the assets requires a number of significant judgments and estimates, especially in respect of the amounts of future cash flows and the applied discount rate. Accordingly, it has been determined as a key audit matter.	We carried out procedures to understand management's process for identifying impairment triggers and considered management's assessment of impairment in the above mentioned areas. Our audit procedures included the following: • Evaluating the appropriateness of the Company's judgment regarding identification of assets which may be impaired. • Assessing the appropriateness of the Company's valuation methodology applied in determining the recoverable amount including key assumptions used • Testing the arithmetical accuracy of the recoverable amount calculated by the management. • Considered the completeness and accuracy of the disclosures, which are included in note 5 of the standalone financial statements.

(iii) Inventories

Key Audit Matters	How our audit addressed the key audit matter
As of 31st March, 2019, inventories appear on the standalone financial statements for an amount of ₹ 305.16 Crore, which constitutes 17.28% of the total current assets. As indicated in Note no. 10 to the standalone financial statements, inventories are valued at the lower of cost and net realizable value. The Company may recognize an inventory allowance if inventory items are damaged, if the selling price has declined, or if the estimated costs to completion or to be incurred to make the sale have increased. We focused on this matter because of the: • Significance of the inventory balance. • Complexity involved in determining inventory quantities on hand due to the number and diversity of inventory storage locations. • Valuation procedure including of obsolete inventories.	Our audit procedures included the following: • Reviewing the Company's process and procedures for physical verification of inventories at year end. • Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods. • Reviewing of the reported acquisition cost on a sample basis. • Analysing of the Company's assessment of net realizable value, as well as reviewing the assumptions and calculations for stock obsolescence. • Assessing the appropriateness of disclosures provided in the standalone financial statements.

(iv) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting)

Key Audit Matters	How our audit addressed the key audit matter
Revenue is recognized net of discounts & rebates earned by the customers on the Company's sales. The discounts & rebates recognized based on sales made during the year. Revenue is recognized when control of the underlying products have been transferred along with satisfaction of performance obligation. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations and determination of transaction price of the identified performance obligations. Additionally, new revenue accounting standard contains disclosures which involve collection of information in respect of disaggregated revenue. Accordingly, it has been determined as a key audit matter.	We assessed the Company's processes and controls for recognizing revenue as part of our audit. Our audit procedures included the following : • Assessing the environment of the IT systems related to invoicing and measurement as well as other relevant systems supporting the accounting of revenue. • Examining customer invoices and receipts of payment on a test basis. With regard to the expected impact of the initial application of Ind AS 115 from the financial year 2018 onward, our audit approach included, among other items: • Assessing the Company's process to identify the impact of adoption of the new revenue accounting standards. • Verifying the completeness of disclosure in the financial statements as per Ind AS 115.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the standalone financial statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by Section 143(3) of the Act, we report that:

a. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above,* 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 statement of change in equity and the Cash Flow Statement 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 specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended.

e. The matters described in paragraph *"Basis for Qualified Opinion"* and "Material Uncertainty Related to Going Concern" 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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" to this report.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act except remuneration paid to two of the whole time directors amounting to ₹ 0.60 Crore, which is subject to the shareholder's approval.

i 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 2019 on its financial position in its standalone financial statements as referred in Note 37 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 provision, 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, 2019.

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

Gopal Chaturvedi
Partner
Membership No.: 090903

Place: Mumbai
Date: 30th May, 2019

ANNEXURE - "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (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 2019)

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, 2019 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 2019 :-

The Company did not have an appropriate internal control system for customer settlement through credit note, credit evaluation, pricing authorization 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.

The Company has exposures of ₹ 1508.24 Crore as at 31st March, 2019 in its subsidiaries by way of investment in equity shares, loans including interest thereon and other receivables. The Company does not have any adequate MIS system from them and in the absence thereof, the Company could not carried out impairment testing as referred in paragraph (ii) of Basis for qualified opinion.

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 2019, 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, 2019, 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: 30th May, 2019

ANNEXURE - "B" TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 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, 2019)

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, 2019 (₹ In Crore)	Net Block as at 31st March, 2019 (₹ In Crore)
Building in Mumbai (No. of property1)	0.09	0.07
Land at Silvassa (No. of properties 7)	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 were stipulated at the time of granting of loan. The Company discontinued to recognize the interest on loan to one of the subsidiary companies w. e. f. 1st April 2018. The repayments of principal amounts and payment of interest were overdue as on the balance sheet date.

c. Principal amount of ₹ 772.30 Crore and interest thereon of ₹ 110.68 Crore are overdue from one of the subsidiary companies for more than 90 days. As per the information and explanation given to us, no steps have been taken by the Company to recover of principal and interest (refer note 45 to the standalone financial statements).

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 loansexcept discontinuance of interest recognition on the loans granted to one of the subsidiary companies. During the year Company has not made any investments,not provided any security or given any guarantee.

v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 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, goods and services tax, duty of customs, cess and any other statutory dues with the appropriate authorities as applicable during the year. 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, 2019 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 ₹ 1.76 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
		1.12	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	Income Tax Appellate Tribunal
		0.00#	2009-10	Income Tax Appellate Tribunal
		0.00#	2009-10	Income Tax Appellate Tribunal
		0.00#	2010-11	Income Tax Appellate Tribunal
		0.00#	2011-12	Commissioner Of Income Tax (Appeals)
Total	**1.76**			

(#)Net of ₹ 29.99 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 ₹ 2,109.85 Crore. Lender wise details of such default is as under:-

(₹ In Crore)

S.No.	Bank/Financial Institution	Total Default	Below 90 days	Above 90 days
1	Andhra Bank	142.40	5.05	137.35
2	Axis Bank Ltd.	72.18	1.28	70.89
3	Bank of Baroda	245.96	10.45	235.51
4	Bank of India	306.95	15.69	291.26
5	Canara Bank	88.41	24.80	63.60
6	ICICI Bank	124.58	6.90	117.68
7	IDBI Bank	220.70	7.00	213.71
8	IFCI Limited	27.43	0.83	26.60
9	Indian Overseas Bank	90.85	3.23	87.62
10	Lakshmi Vilas Bank	28.25	6.21	22.04
11	South Indian Bank	23.56	11.16	12.40
12	Standard Chartered Bank	119.00	6.01	112.99
13	State Bank of India	379.75	0.67	379.08
14	Syndicate Bank	37.89	6.22	31.67
15	Tamilnad Mercantile Bank Limited	16.45	2.61	13.84
16	ECL Finance Limited	45.98	12.83	33.15
17	Union Bank of India	139.54	2.98	136.56
	Total	**2,109.85**	**123.90**	**1,985.95**

Further, lenders of the Company have classified all the credit facilities given to the Company as at 31stMarch, 2019 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 no term loan was raised and therefore the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.

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 (net of recovery) in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act except remuneration paid to two of the whole time directors amounting to ₹ 0.60 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 clause (xii) paragraph 3 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 clause (xv) paragraph 3 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
Dated: 30th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Crore)

	Particulars	Note No.	As at 31st March, 2019		As at 31st March, 2018	
I.	**ASSETS**					
1	**Non-current Assets**					
	(a) Property, Plant and Equipment	5	1,340.41		1,430.74	
	(b) Capital Work-in-Progress	5	25.60		36.44	
	(c) Investment Properties	6	0.23		0.23	
	(d) Other Intangible Assets	5	6.11		1.00	
	(e) Financial Assets					
	(i) Investments	7	423.74		424.31	
	(ii) Others	8	131.72		134.18	
	(f) Other Non-current Assets	9	65.17	**1,992.98**	65.55	**2,092.45**
2	**Current Assets**					
	(a) Inventories	10	305.16		326.48	
	(b) Financial Assets					
	(i) Trade Receivable	11	318.75		852.46	
	(ii) Cash and Cash equivalents	12	12.98		18.51	
	(iii) Bank Balance other than (ii) above	13	38.93		4.69	
	(iv) Loans	14	833.09		839.79	
	(v) Others	15	126.96		327.85	
	(c) Current Tax Assets (Net)	16	40.69		40.47	
	(d) Other Current Assets	17	89.61	**1,766.17**	87.91	**2,498.16**
	TOTAL ASSETS			**3,759.15**		**4,590.61**
II.	**EQUITY AND LIABILITIES**					
	EQUITY					
	(a) Equity Share Capital	18	81.87		81.87	
	(b) Other Equity	19	621.82	**703.69**	1,384.65	**1,466.52**
	LIABILITIES					
1	**Non-current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	20	--		406.20	
	(ii) Other Financial Liabilities	21	22.55		77.98	
	(b) Provisions	22	9.92		9.45	
	(c) Deferred Tax Liabilities (Net)	23	--	**32.47**	192.07	**685.70**
2	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	24	1,623.03		1,586.11	
	(ii) Trade Payable	25				
	A) Total outstanding dues of Micro and Small Enterprises		13.25		7.11	
	B) Total outstanding dues of Creditors other than Micro and Small Enterprises		389.69		368.44	
			402.94		375.55	
	(iii) Other Financial Liabilities	26	984.93		459.73	
	(b) Other Current Liabilities	27	5.00		9.23	
	(c) Provisions	28	7.09	**3,022.99**	7.77	**2,438.39**
	TOTAL EQUITY AND LIABILITIES			**3,759.15**		**4,590.61**
	Significant accounting policies and notes to Standalone financial statements	1 to 53				

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 : 30th May, 2019.

For & on behalf of the Board of Directors

N.K.SHAH
Vice Chairman & Managing Director
DIN-00232130

SANJAY THAPLIYAL
Director
DIN-08294006

SHARADCHANDRA THAKAR
Director
DIN-02551653

UJJWALA APTE
Company Secretary
Membership No. A3330

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crore)

	Particulars	Note	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
I.	Revenue from Operations	29	2,958.27	3,573.86
II.	Other Income	30	19.13	125.80
III.	**Total Income (III)**		**2,977.40**	**3,699.66**
IV.	**Expenses:**			
	Cost of Material Consumed		2,437.05	2,705.82
	Purchases of Stock-in-Trade		0.42	5.90
	Changes in Inventories of Finished Goods and Work-in-Progress	31	(19.60)	85.38
	Excise Duty Expense		--	72.39
	Employee Benefits Expense	32	79.38	96.77
	Finance Costs	33	251.61	306.20
	Depreciation,Amortisation and Impairment Expense	34	99.46	94.85
	Other Expenses	35	381.11	494.46
	Total Expenses (IV)		**3,229.43**	**3,861.77**
V.	**Loss Before Exceptional Item & Tax (III - IV)**		**(252.03)**	**(162.11)**
VI	**Exceptional Items**	47	**697.92**	--
VII.	**Loss After Exceptional Item & BeforeTax (V - VI)**		**(949.95)**	**(162.11)**
VIII.	**Tax Expense:**	23		
	(1) Current Tax		--	--
	(2) Deferred Tax Credit		(191.86)	(39.33)
IX.	**Loss After Tax (VII-VIII)**		**(758.09)**	**(122.78)**
X.	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains / (losses) on defined benefit plans		(0.23)	(0.78)
	Income tax effect on above		0.08	0.27
	(ii) Items that will be reclassified to profit or loss:		**--**	--
	Total Other Comprehensive Income		**(0.15)**	**(0.51)**
XI.	**Total Comprehensive Income for the year (IX + X)**		**(758.24)**	**(123.29)**
XII.	**Earnings per Equity Share of ₹ 10 each (Basic and Diluted) (in ₹)**	36	**(92.59)**	**(15.00)**
	Face Value per Share (in ₹)		**10.00**	**10.00**
	Significant accounting policies and notes to Standalone financial statements	1 to 53		

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 : 30th May, 2019.

For & on behalf of the Board of Directors

N.K.SHAH
Vice Chairman & Managing Director
DIN-00232130

SANJAY THAPLIYAL
Director
DIN-08294006

SHARADCHANDRA THAKAR
Director
DIN-02551653

UJJWALA APTE
Company Secretary
Membership No. A3330

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital (₹ in Crore)

Particulars	As at 1st April, 2017	Changes during 2017-18	As at 31st March, 2018	Changes during 2018-19	As at 31st March, 2019
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, 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**
Total Comprehensive Income for the year	--	--		--	(758.09)	--	(0.15)	(758.24)
Share Issue Expenses (Net of Deferred Tax)	--	--	(0.79)	--	--	--	--	(0.79)
Changes in Foreign Currency Monetary Item Translation Differences Account	--	--	--	--	--	(2.07)	--	(2.07)
Transition impact of IND AS 115 (refer note 29.2)					(1.73)			(1.73)
Balance as at 31st March, 2019	**10.62**	**7.50**	**808.72**	**77.94**	**(268.99)**	**(11.24)**	**(2.73)**	**621.82**

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 : 30th May, 2019.

For & on behalf of the Board of Directors

N.K.SHAH
Vice Chairman & Managing Director
DIN-00232130

SANJAY THAPLIYAL
Director
DIN-08294006

SHARADCHANDRA THAKAR
Director
DIN-02551653

UJJWALA APTE
Company Secretary
Membership No. A3330

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

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, 2019 were approved and adopted by board of directors in their meeting held on 30th May,2019

Note 2 BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

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

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

Note 3 SIGNIFICANT ACCOUNTING POLICIES:

3.1 Property, Plant and Equipment:

Property, plant and equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation, amortisation and 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. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

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 / disposed off during the year, is provided on pro-rata basis with reference to the date of addition / deletion. 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. The effects of any revision are included in the statement of profit and loss when the changes arises.

Capital work-in-progress includes cost of property, plant and equipment under installation as at the balance sheet date.

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

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

3.2 Investment Properties:

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes, trade discounts and rebates. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any. In case of Investment properties, the company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

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

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

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

3.3 Intangible Assets :

Intangible assets are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets. In case of Intangible Assets, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

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 useful lives and method of amortisation 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, Packing materials and Consumables are determined on FIFO Basis. Waste, by products and trial run products are valued at net realisable value. Finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

3.6 Cash and Cash equivalents:

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

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

3.7 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the statement of profit and loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.8 Discontinued operation and non-current assets (or disposal groups) held for sale:

Discontinued operation:

A discontinued operation is a component of the Company that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Non-current assets (or disposal groups) 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 Statements 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.

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.

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 Other Income:

Revenue Recognition

Sale of Goods and Services:

The Company derives revenues primarily from sale of Polyester Chips, Polyester Yarn and Processed Yarn.

Transition:

On transition to Ind AS 115 "Revenue from contracts with customer", the Company has elected to adopt the new revenue standard as per modified retrospective approach method. As per the modified retrospective approach method, the Company has recognized the cumulative effect of initially applying the Ind AS 115 as at 1st April, 2018 in Retained Earnings. The comparative financial statement for year ended 31st March, 2018 is not restated."

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract balances:

Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Other Income:

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

Interest Income:

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

Dividend Income:

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

Rental Income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the statement of profit or loss.

3.13 Foreign Currency Reinstatement and Translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

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, are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to 1st April, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

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).

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

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

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 encashments accounted as Short-term employee benefits and is determined based on projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.

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 or Loss 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 or Loss 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 30th March,2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2019.

(i) Issue of Ind AS 116 - "Leases"

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

(ii) Amendment to Existing issued Ind AS

The MCA has also notified certain amendments to the following Accounting Standards:

i. Ind AS 103 – Business Combinations

ii. Ind AS 109 - Financial Instruments

iii. Ind AS 12 – Income Taxes

iv. Ind AS 19 – Employee Benefits

v. Ind AS 23 – Borrowing Costs

(iii) 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, 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**	**1,408.99**	**2.47**	**1.28**	**1.77**	**0.78**	**1,720.39**	**2.97**
Additions	--	--	6.43	1.10	0.04	--	1.13	0.05	8.75	6.10
Disposals / Transfers	--	--	--	0.56	0.00	0.98	0.00	0.01	1.55	--
					(₹ 25,246)		(₹ 28,527)			
As at 31st March, 2019	**1.00**	**36.22**	**274.31**	**1,409.53**	**2.51**	**0.30**	**2.90**	**0.82**	**1,727.59**	**9.07**
DEPRECIATION , AMORTISATION AND IMPAIRMENT										
As at 1st April, 2017	**0.03**	**--**	**20.31**	**172.85**	**1.11**	**0.52**	**0.84**	**0.24**	**195.90**	**1.36**
Depreciation/Amortisation 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**
Depreciation/Amortisation for the Year	0.01		10.47	82.18	0.25	0.11	0.33	0.12	93.47	0.99
Disposals	--		--	0.16	0.00	0.77	--	0.01	0.94	--
					(₹ 20,742)					
Impairment for the Year (Refer Note 5.3)	--		--	5.00	--	--	--	--	5.00	--
As at 31st March, 2019	**0.05**	**-**	**41.08**	**342.41**	**1.63**	**0.04**	**1.50**	**0.47**	**387.18**	**2.96**
NET BOOK VALUE:										
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**
As at 31st March, 2019	**0.95**	**36.22**	**233.23**	**1,067.12**	**0.88**	**0.26**	**1.40**	**0.35**	**1,340.41**	**6.11**
Capital Work-in-Progress										
As at 31st March, 2018										**36.44**
As at 31st March, 2019										**25.60**

5.1 Buildings include cost of shares in Co-operative Societies ₹ 8,000/- (as at 31st March, 2018 ₹ 8,000/-).

5.2 Property, Plant and Equipment are pledged as collateral against borrowings, the details related to which have been described in Note 20 and 24.

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, the management has estimated provision of ₹ 5.00 Crore (31st March 2018 ₹ Nil) impairment loss on property, plant and equipment at Athola Chips Plant during the year ended 31st March, 2019.

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 ₹ Nil (31st March, 2018 ₹ 0.25 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, 2017	0.23
Additions	--
Disposals / Transfers	--
As at 31st March, 2018	0.23
Additions	--
Disposals / Transfers	--
As at 31st March, 2019	0.23
DEPRECIATION	
As at 1st April, 2017	--
Depreciation during the year	--
Disposals / Transfers	--
As at 31st March, 2018	--
Depreciation during the year	--
Disposals / Transfers	--
As at 31st March, 2019	**--**
NET BOOK VALUE:	
As at 31st March, 2018	**0.23**
As at 31st March, 2019	**0.23**

6.1 The Company's investment properties as at 31st March, 2019 consists of land held for undetermined future use.

6.2 As at 31st March, 2019 and 31st March, 2018, the fair values of the properties are ₹ 3.27 Crore and ₹ 3.18 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, 2019			As at 31st March, 2018		
	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 no-7.2)	--	--	27.50	--	--	27.50
Others						
Carried at Fair Value Through Profit and Loss						
Planet 41 Mobi Venture Ltd	3,60,000	10	--	3,60,000	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	0.07	48,000	5	0.10
Total Equity Instruments			**423.74**			**424.31**
Total Non-current Investments			**423.74**			**424.31**

7.1 Aggregate amount of Investments and Market value thereof

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Book Value (₹ in Crore)	Market Value (₹ in Crore)	Book Value (₹ in Crore)	Market Value (₹ in Crore)
Quoted Investments	0.07	0.07	0.10	0.10
Unquoted Investments	423.67	--	424.21	--
	423.74	**0.07**	**424.31**	**0.10**

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, 2019	As at 31st March, 2018
Financial Assets measured at cost	423.67	423.67
Financial Assets measured at fair value through Profit and Loss	0.07	0.64
	423.74	**424.31**

7.4 Refer Note No.45 for Impairment of Subsidiaries Exposures.

Note 8 - Non-current Financial Assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good		
Security Deposits	0.36	2.82
Guarantee Commission Receivable from related party (refer note 40)	131.36	131.36
Total	**131.72**	**134.18**

8.1 Refer Note no.45 for Impairment of Subsidiaries Exposures.

Note 9 - Other Non-current Assets

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
Unsecured, Considered Good				
Capital Advances		0.50		0.96
MAT Credit Entitlement		64.09		64.09
Prepaid Expenses		0.58		0.50
Unsecured, Considered Doubtful				
Other	0.08		0.08	
Less : Provision for Doubtful Advance	0.08	--	0.08	--
Total		**65.17**		**65.55**

9.1 The Company was liable to pay MAT under section 115JB of the Income Tax Act, 1961 (The Act) in earlier years 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 Fifteen 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.

Note 10 - Inventories

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
Raw Materials :				
Goods-in-Transit	31.00		92.03	
Others	23.50	54.50	27.59	119.62
Work in Progress		30.83		24.70
Finished Goods :				
Goods-in-Transit	49.36		14.01	
Others	145.77	195.13	144.40	158.41
Stores and Spares :				
Goods-in-Transit	0.28		1.15	
Others	24.42	24.70	22.60	23.75
Total		**305.16**		**326.48**

10.1 Inventories are pledged / hypothecated as collateral against borrowings, the details related to which have been described in Note 20 and 24.

10.2 For mode of Valuation of Inventories Refer Note No.3.5

Note 11 - Current Financial Assets - Trade Receivable

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
Unsecured :				
Considered Good	318.75		790.46	
Significant increase in credit risk	--		62.00	
Credit Impaired	489.67		82.79	
	808.42		935.25	
Less : Provision for Credit Impaired (refer note 39, 42 and 47)	489.67	318.75	82.79	852.46
Total		**318.75**		**852.46**

11.1 Trade receivables as at 31st March, 2018 include amounts due from certain parties aggregating to ₹ 62.00 Crore which were overdue and where significant increased in credit risk and hence considered doubtful, however Management was of the view that these amounts will be recovered in due course and no provisions had been considered necessary at that time.

11.2 Debts includes due from related parties ₹ 154.85 Crore (as at 31st March, 2018 ₹ 98.06 Crore) (Refer note 40)

Note 12 - Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with Banks in current accounts	12.93	18.45
Cash on Hand	0.05	0.06
Total	**12.98**	**18.51**

12.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with Banks in current accounts	12.93	18.45
Cash on Hand	0.05	0.06
Total	**12.98**	**18.51**

Note 13 - Bank balances Other than Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
For Unpaid Dividend Accounts	0.72	0.99
Deposit lien with banks as Margin Money against bank guarantees and letter of credits	38.21	3.70
Total	**38.93**	**4.69**

Note 14 - Current Financial Assets - Loans

(₹ in Crore)

Particulars		As at 31st March, 2019		As at 31st March, 2018
Secured :				
Considered Good				
Inter Corporate Deposits		--		55.00
Credit Impaired				
Inter Corporate Deposits	55.00			
Less : Provision for Credit impaired (refer Note 47)	55.00	--		--
Unsecured :				
Considered Good				
Inter Corporate Deposit to Related Parties		833.09		784.79
Credit Impaired				
Inter Corporate Deposits to Others	5.00		5.00	
Less : Provision for Credit impaired	5.00	--	5.00	--
Total		**833.09**		**839.79**

14.1 Unsecured inter-corporate Deposits includes ₹ 5.00 Crore (as at 31st March, 2018 ₹ 5.00 Crore) backed by personal guarantee of a promoter of a borrower.

14.2 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 ₹ 10.00 each representing 1.62% of the paid up equity share capital of SPCL.

As TVC and SPCL failed to meet its commitments for repayment, the Company invoked the pledge and got transferred above mentioned equity shares in its own Demat account. As the Company does not intends to hold these shares as investment to acquire control of TVC and SPCL but as a security till the above loans are repaid, it continue to disclose the above loans as ICD as against the investment. Further TVC has not been considered as an associate within the meaning of Indian Accounting Standards 28 "Accounting for investment in associates & Joint Venture in Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).

14.3 Inter corporate deposit (ICD) of ₹ 60.00 Crore (as at 31st March, 2018 ₹ 60.00 Crore) and interest accrued and due thereon of ₹ 36.93 Crore (as at 31st March, 2018 ₹ 36.93 Crore) (as included in the note 15) aggregating to ₹ 96.93 Crore (as at 31st March, 2018 ₹ 96.93 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 and provision of credit impaired of ₹ 96.93 Crore (Previous year ₹ 7.18 Crore) has been made in respect of these receivables. The Company continues its efforts to recover theses receivables.

14.4 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, 2019	As at 31st March, 2018
JBF Petrochemicals Ltd (step down Subsidiary)	772.30	727.64
JBF Global Pte Ltd. (Subsidiary)	60.79	57.15
Total	**833.09**	**784.79**

b) Above loan maximum outstanding during the year

(₹ in Crore)

Name of the Company	Maximum amount outstanding during the year
JBF Petrochemicals Ltd	772.30
JBF Global PTE Ltd	63.65

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, 2019	No of Equity Shares as at 31st March, 2018
JBF Rak LLC	3,29,034	3,29,034
JBF Petrochemicals Ltd (refer Note No.40.5)	53,24,54,424	53,24,54,424
JBF Trade Finvest Pte. Ltd	100	100
Total	**53,27,83,558**	**53,27,83,558**

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

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

14.7 Refer Note No.45 for Impairment of Subsidiaries Exposures.

14.8 Refer Note No.49 for assignment of loan.

Note 15 - Current Financial Assets - Others

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
Unsecured, Considered Good :				
Interest Receivables		120.59		148.98
Security Deposits		6.01		--
Claims and Discounts Receivables		--		178.75
Others		0.36		0.12
Unsecured, Considered Doubtful :				
Claims and Discounts Receivables	191.34	--	--	--
Less : Provision for Doubtful (refer Note 47)	191.34	--	--	--
Interest Receivables	36.93	--	2.18	--
Less : Provision for Doubtful (refer Note 47)	36.93	--	2.18	--
Total		**126.96**		**327.85**

15.1 Interest Receivable includes ₹ 113.83 Crore (as at 31st March, 2018 ₹ 111.93 Crore) due from related parties. (refer Note -40)

15.2 Others Includes mainly Loan to staff and salary and wages recoverable.

15.3 Refer Note 14.3 in respect of Interest Receivable on Inter Corporate Deposits.

15.4 Refer Note No.45 for Impairment of Subsidiaries Exposures.

15.5 Claims & discounts receivables of ₹ 191.34 crore (as at 31st March, 2018 ₹ 178.75 Crore) from suppliers, are overdue for the extended period of time. Efforts are being made to recover the above receivables. On prudence, provision of ₹ 191.34 Crore (as at 31st March, 2018 ₹ Nil) has been made in respect of these receivables.

Note 16 - Current Tax Assets (Net)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Income Tax-Advance Tax & TDS (Net)	40.69	40.47
Total	**40.69**	**40.47**

Note 17 - Other Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018
Unsecured, Considered Good :			
Assets held for sale (refer Note 17.2)		0.33	0.59
Balance with Goods and Service Tax Authorities		31.04	11.28
Advances to suppliers		19.11	20.40
Goods and Service Tax Receivable		8.99	3.94
Claims and refund receivable		14.89	34.45
Export Incentives Receivable		--	14.61
Others		3.73	2.64
Unsecured, Considered Doubtful :			
Export Incentives Receivable	13.88		
Less : Provision for Doubtful (refer Note 47)	2.36	11.52	--
Total		**89.61**	**87.91**

17.1 Others Includes prepaid expenses and licence in hand.

17.2 Assets held for sale represents plant and machineries discarded in earlier years and not in use and are carried at estimated net realisable value as determined by the management.

Note 18- Equity Share Capital

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorised		
100,000,000 (As at 31st March, 2018: 1,00,000,000) Equity Shares of ₹ 10/- each	100.00	100.00
12,500,000 (As at 31st March, 2018: 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, 2018: 81,871,849) Equity Shares of ₹ 10 each fully paid up	81.87	81.87
Total	**81.87**	**81.87**

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	(in Nos.)	(₹ in Crore)	(in Nos.)	(₹ in Crore)
Shares outstanding at the beginning of the year	8,18,71,849	81.87	8,18,71,849	81.87
Shares outstanding at the end of the year	8,18,71,849	81.87	8,18,71,849	81.87

18.2 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.

18.3 Details of Shareholders holding more than 5% of Equity Share Capital:

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagirath Arya	1,78,45,063	21.80	2,72,06,969	33.23
KKR Jupiter Investors Pte. Ltd	1,63,74,370	20.00	1,63,74,370	20.00

18.4 75,00,000 Equity share of ₹ 10/- each were bought back and extinguished in the Financial Year 2013-14.

18.5 Dividend paid and proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Dividend declared and paid		
Final dividend declared and paid for the year ended on 31st March, 2018 at ₹ Nil per share and for the year ended 31st March, 2017 at ₹ 0.50 per share.	--	4.09
Dividend Distribution Tax on final dividend	--	0.83
Proposed Dividends		
Final dividend proposed for the year ended on 31st March, 2019 at ₹ Nil per share and for the year ended 31st March, 2018 at ₹ Nil per share.	--	--
Dividend Distribution Tax on proposed dividend	--	--

Note 19 - Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March 2018	
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	809.51		810.28	
Less: Share Issue Expenses (Net of Deferred Tax)	0.79	808.72	0.77	809.51
General Reserve				
As per Last Balance Sheet		77.94		77.94
Retained Earnings				
As per Last Balance Sheet	490.83		618.53	
Less: Loss for the year	(758.09)		(122.78)	
Less: Final Dividend Payments (Dividend per share ₹ Nil previous year ₹ 0.50)	--		(4.09)	
Less: Transition impact of IND AS 115 (refer Note 29.2)	(1.73)		--	
Less: Dividend Distribution Tax	--	(268.99)	(0.83)	490.83
Foreign Currency Monetary Item Translation Difference Account				
As per Last Balance Sheet	(9.17)		(12.94)	
Change in Foreign Currency Monetary Item Translation Difference	(2.07)	(11.24)	3.77	(9.17)
Items Of Other Comprehensive Income-Remeasurement of Defined Benefit Plan				
As per Last Balance Sheet	(2.58)		(2.07)	
Add: Comprehensive Income for the year	(0.15)	(2.73)	(0.51)	(2.58)
Total Other Equity		**621.82**		**1,384.65**

19.1 Nature and Purpose of Reserve

1. 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.

2.Capital Redemption Reserve

Capital redemption reserve was created against buy back of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

3.Securities Premium Reserve

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. General Reserve:

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

5. Retained Earnings:

Retained earnings represents the accumulated profits / losses made by the Company over the years.

6.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.

7.Remeasurements of Defined Benefit Plans:

Other comprehensive income comprises of re-measurements of defined benefit obligations.

Note 20 - Non-current Financial Liabilities - Borrowings

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured Loans:		
(a) Term Loans		
from Banks	56.87	125.39
from Financial Institution	27.50	37.50
(b) External Commercial Borrowings	110.85	143.30
(c) Vehicle Loans	--	0.01
Unsecured Loans		
(d) Term Loans		
from Corporate Body	--	100.00
Less:Transferred to other current financial liabilities (Reclassified pursuant to Ind AS-1) (Refer Note 20.8)	(195.22)	--
Total	**--**	**406.20**

20.1 Term loans referred to in (a) above and current maturities of long term borrowings referred in Note 26:-

i) ₹151.35 Crore (as at 31st March, 2018 ₹ 164.48 Crore) carrying interest at the rate of 10.70% 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.₹ 98.30 Crore (as at 31st March, 2018 ₹ 119.86 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) ₹ 5.95 Crore (as at 31st March, 2018 ₹ 6.86 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, 2018 ₹ 27.50 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) ₹ 22.40 Crore (as at 31st March, 2018 ₹ 24.95 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) ₹ Nil (as at 31st March, 2018 ₹ 50.00 Crore) is secured by way of pledged of Equity Shares of the Company by the promoter.

20.2 External Commercial Borrowings referred to in (b) above and current maturities of long term borrowings referred in Note 26:-

₹ 220.06 Crore (as at 31st March, 2018 ₹208.44 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.

20.3 Vehicle loans referred to in (c) above and current maturities of long term borrowings referred in Note 26:-

₹ Nil (2018: ₹ 0.05 Crore) carrying interest at the rate of 8.18-8.88 % are secured by specific charge on the vehicles covered under the said loans.

20.4 Unsecured Term loans referred to in (d) above and current maturities of long term borrowings referred in Note 26:-

i) ₹33.10 Crore (as at 31st March, 2018 ₹ 33.04 Crore) carrying interest at the rate of 3.50%.

ii) ₹134.66 Crore (as at 31st March, 2018 ₹ 143.08 Crore) carrying interest at the rate of 14.00 % is secured by way of pledged of Equity Shares of the Company by the promoters.

20.5 Terms of Repayment

i) Secured Term Loans from Banks

Loan of ₹ 41.25 Crore is repayable in 9 quarterly installments starting from May 2020 and ending on May 2022 of which first installment is of ₹ 3.75 Crore,next 8 installments are of ₹ 4.69 Crore each. Loan of ₹ 4.37 Crore is repayable in 1 installments of ₹ 4.37 Crore in May 2020. Loan of ₹ 11.88 Crore is repayable in 5 equal quarterly installments of ₹ 2.38 Crore starting on April 2020 and ending on April 2021.

ii) Secured Term Loans from Financial Institutions

Loan of ₹ 27.50 Crore is repayable in 11 equal quarterly installments of ₹ 2.50 Crore starting from May 2020 and ending on November 2022.

iii) Secured External Commercial Borrowings

Loan of ₹ 110.85 Crore is repayable 4 installment of ₹ 27.71 Crore (USD 4000000 each) starting from September 2020 and ending March 2022.

20.6 Term loans from banks (including current maturities of long term borrowings of ₹ 202.47) aggregating to ₹ 243.71 Crore (as at 31st March, 2018 ₹252.84 Crore) is guaranteed by one of the Directors of the company in his personal capacity.

20.7 As on 31st March, 2019, the Company has overdue of principal of ₹ 285.44 Crore (Previous Year : ₹ 127.00 Crore) and Interest (as per documented rate) of ₹ 89.35 Crore (Previous Year: ₹ 26.46) for a period of less than 2 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 24 given to the Company as at 31st March, 2019 as Non Performing Asset (NPA) in their books of account.

20.8 The agreements in respect of non-current borrowings as at 31st March, 2019 of ₹ 195.22 Crore (as at 31st March, 2018 ₹ 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 has classified these borrowings as current financial liabilities which is in line with the compliance of IND AS 1 "Presentation of Financial Statements".

20.9 As per practice, the Company called the balance confirmation from all the banks/financial institutions as at 31st March, 2019. One of the financial institutions did not respond and hence no confirmations are received for the borrowings aggregating to ₹ 50.68 Crore from that financial institution.

20.10 Refer Note 46. in respect of Going Concern.

Note 21 - Non-current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cumulative Redeemable Preference Shares	22.55	77.98
	22.55	77.98

21.1 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 lende 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.

21.2 The details of Cumulative Redeemable Preference Shares (CRPS) shareholders holding :

Name of Preference Shareholder of 2.5% CRPS	As at 31st March, 2019	As at 31st March, 2018
Bank of India	75,709	75,709
Percentage	100%	100%

Name of Preference Shareholder of 20% CRPS	As at 31st March, 2019	As at 31st March, 2018
Bank of India	1,415,000	1,415,000
Percentage	100%	100%

21.3 Dividend paid and proposed:-

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Dividend declared and paid		
Final dividend declared and paid for the year ended on 31st March	--	2.85
Dividend Distribution Tax on final dividend	--	0.58
Proposed Dividends		
Final dividend proposed for the year ended on 31st March	--	--
Dividend Distribution Tax on proposed dividend	--	--

21.4 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.

21.5 As on 31st March, 2019, the Company has defaulted in repayment to preference shareholder of ₹ 26.61 Crore (as at 31st March, 2018 ₹ Nil).

Note 22 - Non-current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		
Gratuity (Unfunded) (refer Note 38)	9.92	9.45
Total	**9.92**	**9.45**

Note 23 Income Tax

23.1 The major components of Income Tax Expenses for the year ended 31st March, 2019 and 31st March, 2018 are as follows:

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Recognised in Statement of Profit and Loss:		
Current Income Tax	--	--
Deferred Tax - Relating to origination and reversal of temporary differences	(191.86)	(39.33)
Total Tax Expenses	**(191.86)**	**(39.33)**

23.2 Reconciliation between tax expenses (income) and accounting profit multiplied by tax rate for the year ended 31st March, 2019 and 31st March, 2018:

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Accounting profit before tax	(949.95)	(162.11)
Applicable tax rate	34.94%	34.94%
Computed Tax Expenses	**(331.95)**	**(56.65)**
Tax effect on account of:		
Lower tax rate and indexation benefits etc.	(0.37)	10.36
Allowed on payment basis	(0.27)	(0.02)
Expenses not allowed	0.20	0.32
Deduction under section 35D of the Income Tax Act	(0.79)	(0.79)
Unused Tax Losses for which no Deferred Tax Assets is recognised	48.83	3.53
Deferred Tax Assets not recognised	88.06	--
Others	4.43	3.92
Income tax expenses recognised in statement of profit and loss	**(191.86)**	**(39.33)**

23.3 Deferred Tax relates to the following:

(₹ in Crore)

Particulars	Balance Sheet		Retained Earnings	Statement of profit and loss / OCI	
	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2018	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Property Plant and Equipment and Investment Property	252.79	256.35	--	(3.56)	17.17
Redeemable preference share liability	(0.49)	3.66	--	(4.15)	(2.70)
Financial Assets	9.61	9.61	--	--	5.36
Disallowance Under the Income-tax Act, 1961	(2.32)	(2.52)	--	0.20	(0.39)
Others	(18.14)	(35.56)	--	17.42	(21.14)
Trade Receivables	(155.95)	--	9.05	(165.00)	--
Inventories	(14.97)	--	(8.13)	(6.83)	--
Unabsorbed Depreciation	(69.54)	(37.90)	--	(31.64)	(37.90)
Deduction under section 35D of the Income Tax Act*	(0.99)	(1.57)	--	--	--
	--	**192.07**	**0.92**	**(193.56)**	**(39.60)**

*Recognised in other equity.

23.4 Reconciliation of Deferred Tax Liabilities (Net):

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening balance as at 1st April	192.07	230.90
Deferred Tax expenses recognised in statement of profit and loss	(191.86)	(39.33)
Deferred Tax (income) recognised in OCI	(0.08)	(0.27)
Deferred Tax expenses recognised in other equity	(0.13)	0.77
Closing balance as at 31st March	**--**	**192.07**

23.5 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
2019-20	230.28	2027-28

The Company doesn't expect sufficient taxable income in the near future against which the unused tax losses can be utilised. DTA on unused tax losses not recognised.

Note 24 - Current Financial Liabilities - Borrowings

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Secured Loans		
from Banks	1,476.33	1,505.86
(b) Buyer's Credit	36.10	42.29
	1,512.43	**1,548.15**
Unsecured Loans		
(c) Working Capital Loans		
from Banks	--	0.38
(d) Supplier's Credit (backed by Letter of Credit)	66.65	35.90
(e) From Body Corporate (refer note 49)	20.45	
(f) From A Director (refer note 49)	23.50	1.68
	110.60	**37.96**
TOTAL	**1,623.03**	**1,586.11**

24.1 Working Capital Loans as referred to in (a) above of ₹ 1476.33 Crore (as at 31st March, 2018 ₹ 1505.86 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.

24.2 Buyers Credit referred to in (b) above of ₹ 36.10 Crore, (as at 31st March, 2018 ₹ 42.29 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.

24.3 As on 31st March, 2019, the Company has overdue of Working Capital loan of ₹ 1512.43 Crore (Previous Year : ₹ 1139.55 Crore) and Interest of ₹ 196.02 Crore (Previous Year: ₹ 60.04 Crore) included in Interest Accrued and Due in Note no. 26 for a period of less than 2 year.

24.4 The Company has borrowed ₹ 300.00 Crore from a financial institution ("lender") against the pledge of 2,95,70,479 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 ₹ 34.43 Crore. The realisation value has been adjusted against the outstanding borrowing & interest 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. The loan from director as on 31st March, 2019 is net of recovery of ₹ 11.59 Crore against the excess remuneration paid to executive director.

Note 25 - Current Financial Liabilities - Trade Payables

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Micro, Small and Medium Enterprises	16.43	7.11
Others	386.51	368.44
Total	**402.94**	**375.55**

25.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

(₹ in Crore)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
a)	The principal amount and the interest due thereon (to be shown seperately) remaining unpaid to any supplier at the end of each accounting year;		
	Principal Amount Outstanding	16.43	7.11
	Interest Due thereon	0.14	
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	--	--
c)	The amount of 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 the Micro, Small and Medium Enterprises Development Act, 2006	--	--
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.14	--
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	--	--

Note 26 - Current Financial Liabilities - Others

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cumulative Redeemable Preference Shares (refer note 21.1)	92.80	25.52
Borrowing reclassified from Non-Current Borrowings pursuant to Ind AS-1) (refer note 20.8)	195.22	--
Current Maturities of long-term Borrowings		
- Term Loans	388.25	255.12
- External Commercial Borrowings	109.21	65.14
- Vehicle Loans	--	0.04
Unpaid Dividends	0.72	0.99
Creditors for Capital Expenditure	3.91	5.29
Interest accrued but not due on borrowings	6.53	5.37
Interest accrued and due on borrowings (refer note 33.2)	166.79	86.50
Interest accrued and due on others	3.91	--
Other Payables		
Salary, Wages and Bonus Payable	8.22	7.11
Provision for expenses and Other Payable	9.37	8.65
Total	**984.93**	**459.73**

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

Note 27 - Other Current Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deposit from customers	0.10	0.14
Deposit against Excise Liabilities	--	1.30
Advances from Customers	3.45	3.61
Statutory Dues & other Liabilities	1.45	4.18
Total	**5.00**	**9.23**

Note 28 - Current Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Gratuity (Unfunded) (refer Note 38)	1.72	2.32
Leave Encashment (Unfunded)	5.37	5.45
Total	**7.09**	**7.77**

Note 29 - Revenues from Operations

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Sale of Products	2,955.80	3,562.27
Sales of Service (JOB work)	0.12	--
Other Operating Revenue	2.35	11.59
Revenue from Operations	**2,958.27**	**3,573.86**

29.1 Disaggregated Revenue :

(i) Revenue based on Geography :

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019
Domestic	2,383.65
Export	574.62
Revenue from Operations	**2,958.27**

(ii) Revenue by Business Segment :

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019
Polyester Chips	1,168.96
Partially Oriented Yarn	983.57
Polyester Processed Yarn	799.11
Polyster Fabric from JOB work	3.33
Other	3.30
Revenue from Operations	**2,958.27**

(iii) Reconciliation of Revenue from Operation with contract price:

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019
Contract Price	2,996.30
less :Reduction towards variables considerations components *	(38.03)
Revenue from Operations	**2,958.27**

* The reduction towards variable consideration comprises of volume discounts, rate difference and Quality claim etc.

29.2 Transitional Provision – Ind AS 115 : Revenue from Contracts with Customer:

In accordance with the transition provisions in Ind AS -115, the Company has adopted the new revenue standard as per modified retrospective method. As a results of change in accounting policies, adjustments to the transition provision has been made in respective item as at 1st April, 2018 with corresponding Impact to equity (net of tax). Details of changes made in item along with equity have given in below table:-

Particulars	₹ in Crore (Increase / (Decrease)
Trade Receivables	(25.90)
Inventories	23.25
Deferred Tax Liabilities	0.92
Net Impact on equity (Increase / Decrease)	**(1.73)**

Note 30 - Other Income

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Interest Income from Financial Assets Measured at Amortised Cost		
- Inter Corporate Deposits	1.82	59.04
- Fixed Deposits with Banks	0.16	16.75
- Others	5.83	3.43
Gain on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	--	15.23
Gain on Foreign Currency Transactions (Net)	1.41	--
Guarantee Commission	--	30.16
Sundry Credit Balances Written Back (Net)	0.95	--
Export Incentive	5.85	--
Miscellaneous Income	3.11	1.19
Total	**19.13**	**125.80**

Note 31 - Changes in Inventories of Finished Goods and Work-in-Progress

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
At the End of the Year		
Finished Goods	195.13	158.41
Work-in-Progress	30.83	24.70
	225.96	**183.11**
At the Beginning of the Year		
Finished Goods	158.41	241.76
Work-in-Progress	24.70	26.73
	183.11	**268.49**
Add: Transitional impact of Ind AS 115 (Refer note 29.2)	23.25	--
Changes in Inventories of Finished Goods and Work-in-Progress	**(19.60)**	**85.38**

Note 32 - Employee Benefits Expense

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Salaries, Wages & allowances	71.23	87.65
Contribution to Provident Fund, ESIC and Other Fund	4.49	4.80
Gratuity (refer Note 38)	2.10	2.77
Employees Welfare and Other Amenities	1.56	1.55
Total	**79.38**	**96.77**

32.1 Employee benefits expenses for the year ended 31st March 2019 is net of excess remuneration aggregating to ₹ 11.59 Crore for the year ended 31st March 2017, 31st March, 2018 and 31st March, 2019 recovered from the chairman by way of adjustment against the unsecured loan.

32.2 During the year Company has paid an amount of ₹ 0.60 Crore to whole time directors, which is subject to shareholders' approval.

Note 33 - Finance Cost

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Interest Expenses on Financial Liabilities Measured at Amortised Cost*	240.80	290.64
Other Borrowing Costs	8.98	11.39
Interest expense on redeemable preference shares		
Applicable Net Loss on Foreign Currency Transaction and Translation	1.83	4.17
Total	**251.61**	**306.20**

* Include dividend on redeemable preference shares and dividend distribution tax of ₹ Nil and ₹ Nil (for the year ended 31st March, 2018 ₹ 2.85 Crore and ₹ 0.58 Crore) respectively (refer Note 21.4).

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

33.2 The Company has provided interest @ 9% p.a. on borrowings aggregating to ₹ 2,431.06 Crore as against the documented rate since Company expects that ultimate interest liability will not be more than 9% p.a. Accordingly, finance costs on borrowings for the year ended 31st March, 2019 is lower by ₹ 103.16 cores respectively, which is not in compliance with IND AS -23 "Borrowing Costs" read with IND AS-109 on "Financial Instruments".

Note 34 - Depreciation, Amortisation and Impairment Expenses

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Depreciation of Tangible Asssets (refer Note 5)	93.47	94.24
Amortisation of Intangible Asssets (refer Note 5)	0.99	0.61
Impairment of Fixed Assets (refer Note 5)	5.00	
Total	**99.46**	**94.85**

Note 35 - Other Expenses

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Manufacturing Expenses		
Stores & Spares Consumed	10.12	10.41
Power & Fuel	202.38	203.78
Repairs to Building	0.83	0.94
Repairs to Plant & Machinery	2.22	3.92
Security Charges	2.17	2.46
Labour Charges	18.08	15.56
Other Manufacturing Expenses	9.39	9.56
Selling and Distribution Expenses		
Packing Material Consumed	68.11	86.97
Freight & Forwarding Charges (Net)	25.49	40.37
Sales Promotion, & Advertising Expenses	0.09	0.10
Brokerage & Commission	4.78	11.60
Administrative and General Expenses		
Rent	8.14	7.82
Rates & Taxes (Net)	0.66	0.45
Insurance	1.60	1.81
Payment to Auditors (refer Note 35.1)	0.63	0.64
Repairs & Maintenance - Others	1.89	1.77
Travelling & Conveyance Expenses	3.39	3.27
Legal, Professional & Consultancy Charges	12.89	3.13
Provision for Credit Impaired / Doubtful Advances	--	57.74
Sundry Debit Balances Written off (Net)	--	15.97
Donation	0.04	0.14
Net Loss on Foreign Currency transaction	--	2.21
Currency & Interest rate Swap Loss (Net)	--	2.49
Loss on Financial Instruments measured at Fair Value through Profit or Loss (Net)	0.57	--
Loss on Sale of Current Investment (Net)	--	0.03
Loss on Sale of Property, Plant and Equipment (Net)	0.40	1.27
Bank Charges	1.51	4.04
Corporate Social Responsibility Expenses (refer Note 35.2)	0.50	0.78
General Expenses	5.23	5.23
Total	**381.11**	**494.46**

35.1 Details of Payment to Auditors

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
a) Auditors:		
Audit Fees	0.51	0.51
Tax Audit Fees	0.09	0.09
Certification Charges (₹ 40,000)	0.00	0.01
Reimbursement of Expenses	0.01	0.01
b) Cost Audit Fees	0.02	0.02
Total	**0.63**	**0.64**

35.2 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 ₹ 0.41 Crore (Previous Year ₹ 2.51 Crore)

(b) Expenditure related to Corporate Social Responsibility is ₹ 0.50 Crore (for the year ended 31st March, 2018 ₹ 0.78 Crore) and Nil (for the year ended 31st March, 2018 ₹ 1.73 Crore) remained unspend.

Details of expenditure towards CSR given below:

(₹ in Crore)

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
(i) Rural Sanitation	--	0.16
(ii) Rural Community Crematorium	--	0.05
(iii) Education	0.50	0.57
(iv) Others	--	--
Total	**0.50**	**0.78**

Note 36 - Earnings Per Equity Share

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Net Loss for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (₹ In Crore)	(758.09)	(122.78)
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 ₹)	(92.59)	(15.00)
Face value per equity share (in ₹)	10.00	10.00

Note 37 - Contingent Liabilities and Commitments

37.1 Contingent Liabilities (To the extent not provided for)
Claims against the Company not acknowledged as debts

(₹ in Crore)

Particulars	As at 31st March 2019	As at 31st March 2018
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
Income Tax (amount paid under protest of ₹ 29.99 Crore)	29.99	29.99
Excise Duty / Service Tax *	1.76	1.76
Others (amount paid under protest of ₹ 1.36 Crore)	2.95	2.95
Guarantees		
Bank Guarantees	30.29	36.07
(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, 2019) (refer Note 37.2)	--	2,922.24
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)	14.02	0.06
Dividend Accrued on Cumulative Redeemable Preference Shares:		
20% Cummulative Redeemable Preference Shares	5.66	2.83
2.5% Cummulative Redeemable Preference Shares	0.04	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.

37.2 The Company had issued a corporate guarantee of USD 463.96 Million (equivalent of ₹ 3,214.38 Crores) to the lenders of JBF Petrochemicals limited ("JPL"), a step down subsidiary. One of the lenders of JPL vide it's letter dated 24th April, 2018 invoked corporate guarantee to the extent of USD 252.00 Million (equivalent of ₹ 1,745.89 Crores) as JPL has defaulted in servicing its borrowings towards principal and interest thereon. Company has denied above invocation and is of the view that above corporate guarantee was valid only up to one year from the Commercial operation date i.e. 31st March, 2017 and all obligation of the Company towards above lenders stand rescinded, have fallen away and ceased to exist as on 1st April, 2018. In view of the above, invocation of corporate guarantee on 24th April, 2018 is not legally tenable and hence no provision is required towards the guarantee so invoked. Company has discontinued recognition of guarantee commission w.e.f. 1st April, 2018.

37.3 Commitments

(₹ in Crore)

Particulars	As at 31st March 2019	As at 31st March 2018
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	17.58	19.18
Related to Intangible Assets	--	0.16

37.4 Management is of the view that above litigations will not have any material impact on the financial position of the company.

Note 38- Employee Benefits

38.1 As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

(a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the years are as under:

(₹ in Crore)

Particulars	2018-19	2017-18
Employer's Contribution to Provident Fund	1.81	1.95
Employer's Contribution to Pension Scheme	2.51	2.67
Employer's Contribution to Other Funds	0.17	0.18

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.

	Gratuity (Unfunded)	
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
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%	7.75%
Withdrawal Rates	1.00%	1.00%

(₹ in Crore)

	Gratuity (Unfunded)	
Particulars	**2018-19**	**2017-18**
Movement in Present Value of Defined Benefit Obligation		
Obligation at the beginning of the year	11.77	9.43
Current service cost	1.18	1.22
Past service cost*	--	0.85
Interest cost	0.92	0.70
Benefits paid	(2.46)	(0.75)
Actuarial loss on obligation	0.23	0.32
Obligation at the end of the year	**11.64**	**11.77**
Amount Recognised in the Statement of Profit and Loss		
Current service cost	1.18	1.22
Past service cost*	--	0.85
Interest cost	0.92	0.70
Total	**2.10**	**2.77**
*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)
Due to Experience Adjustments	0.23	0.54
Total	**0.23**	**0.32**

(c) Net Liability recognised in the balance sheet

(₹ in Crore)

Amount recognised in the balance sheet	As at 31st March, 2019	As at 31st March, 2018
Present value of obligations at the end of the year	11.64	11.77
Less: Fair value of plan assets at the end of the year	--	--
Net liability recognized in the balance sheet	**11.64**	**11.77**
- Current	1.72	2.32
- Non-current	9.92	9.45

(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.

38.2 Sensitivity Analysis:

(₹ in Crore)

Particulars	Changes in Assumptions	Effect on Gratuity Obligation (Increase / (Decrease))
For the year ended 31st March, 2018		
Salary Growth Rate	+1%	1.08
	-1%	(0.93)
Discount Rate	+1%	(0.92)
	-1%	1.09
For the year ended 31st March, 2019		
Salary Growth Rate	+1%	1.08
	-1%	(0.94)
Discount Rate	+1%	(0.92)
	-1%	1.08

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

38.3 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.

38.4 The following payments are expected towards Gratuity in future years:

(₹ in Crore)

Year ended	Cash flow
31st March, 2020	1.33
31st March, 2021	0.29
31st March, 2022	0.40
31st March, 2023	0.75
31st March, 2024	0.68
31st March, 2025 to 31st March, 2029	6.19

38.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 20 years (as at 31st March, 2018: 19.04 years).

Note 39 - 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 Credit Impaired / Doubtful Advance	Total
As at 31st March, 2017	**18.78**	**32.31**	**51.09**
Provision during the year	--	57.74	57.74
Payment during the year	(18.78)	--	(18.78)
As at 31st March, 2018	**--**	**90.05**	**90.05**
Provision during the year	--	697.92	697.92
Payment/Reversed during the year	--		--
As at 31st March, 2019	**--**	**787.97**	**787.97**

Note 40- Related Party Disclosure

Disclosure of Related Party Transactions on a standalone basis

In accordance with the requirements of IND AS 24, "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported period, are as detail below:

40.1 List of Related Parties :

	Name of the Related Party	Country of Incorporation	% of Equity Interest	
			As at 31st March, 2019	As at 31st March, 2018
(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 40.5)	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 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 and Chief Executive Officer (up to - 14.11.2018)

Mr. N. K. Shah - Director Commercial up to 13.11.2018 and Vice Chairman & Managing Director from 14.11.2018

Mr. Ajay Agrawal - Chief Finance Officer (up to - 23.05.2018)

Mr. Arun Shah - Chief Finance Officer (w.e.f 04.06.2018) and Chief Executive Officer (w.e.f 14.11.2018)

Mr. S.N. Shetty - Director (from 14.11.2018 to 26.02.2019)

Mr. Sanjay Thapliyal - Additional Director (from 14.11.2018)

Mrs. Ujjwala Apte - Company Secretary

(c) Relative of Key Management Personnel

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

40.2 Transactions with Related Parties :

(₹ in Crore)

Name of Transactions	Name of the Related Party	2018-19	2017-18
Transactions with subsidiaries / associates			
Sale of Goods	JBF RAK LLC	--	34.41
	JBF Bahrain SPC	193.34	113.70
	JBF Petrochemicals Ltd	--	0.60
Interest Income	JBF Petrochemicals Ltd	--	57.92
	JBF Global PTE Ltd	1.82	1.08
Guarantee Commission Income	JBF Petrochemicals Ltd	--	30.16
Reimbursement of expenses to	JBF Petrochemicals Ltd	--	23.30
Transactions with other related parties:			
Directors Sitting Fees	Mrs. Veena Arya	--	0.01
Remuneration	Mrs. Chinar Mittal	0.29	0.29
Managerial Remuneration	Mr. B.C.Arya	1.84	5.88
	Mr. Rakesh Gothi (upto 14/11/2018)	1.50	1.07
	Mr. N.K.Shah	1.44	1.35
	Mrs.Ujjwala Apte	0.43	0.41
	Mr. Ajay Agrawal (upto 30/06/2018)	0.29	0.78
	Mr. Arun B. Shah (from 04/06/18 to 31/03/2019)	0.98	--
	Mr. S. N. Shetty (from 14/11/18 to 26/02/2019)	0.14	--
	Mr. Sanjay Thapliyal (from 14/11/2018)	0.46	
Dividend Paid	Mr. B.C.Arya	--	1.39
	Vaidic Resources Pvt. Ltd	--	0.20
	Mr. Rakesh Gothi (2018-2019 Nil and 2017 - 2018 ₹ 11385)	--	0.00
	Mr. N.K.Shah (2018-19 Nil and 2017 - 18 ₹ 1350)	--	0.00
	Mr. Cheerag Arya	--	0.09
	Mrs. Chinar Arya Mittal	--	0.09
	Mrs. Veena Arya (2018-19 Nil 2017 - 18 ₹ 7039)	--	0.00
Loan Given	JBF Petrochemicals Ltd (refer note 49)	44.66	404.99
Loan Refunded/Adjusted	JBF Petrochemicals Ltd	--	37.06
	JBF Global PTE Ltd	--	0.24
Loan Taken/Adjusted	Vaidic Resources Pvt. Ltd (refer note 49)	20.45	--
Loan Taken/Adjusted	Mr. Cheerag Arya (refer Note 24.4)	5.37	--
Loan Repaid/Adjusted	Mr. Cheerag Arya	5.37	--
Loan Taken/Adjusted	Mr. B. C. Arya (refer note 24.4 and 49)	33.41	1.68
Loan Repaid/Adjusted	Mr. B. C. Arya (refer Note 32.1)	11.59	--

(₹ in Crore)

Name of Transactions	Name of the Related Party	As at 31st March, 2019	As at 31st March, 2018
Transactions with related parties			
Current Financial Assets - Others	JBF Petrochemicals Ltd	110.68	110.68
	JBF Global PTE Ltd	3.15	1.25
Investment -Non Current	JBF Global PTE Ltd	396.17	396.17
Current Financial Assets - Loans	JBF Petrochemicals Ltd	772.30	727.64
	JBF Global PTE Ltd	60.79	57.15
Non-current Financial Assets - Others	JBF Petrochemicals Ltd	131.36	131.36
Trade Receivables	JBF RAK LLC	0.92	7.67
	JBF Bahrain SPC	147.64	84.10
	JBF Petrochemicals Ltd	6.29	6.29
Current Financial Liabilities - Borrowings	Mr. B. C. Arya	23.50	1.68
	Vaidic Resources Pvt. Ltd	20.45	--
Current Financial Liabilities - Others	Mr. B. C. Arya	1.44	
Guarantee Given (refer Note 37.2)	JBF Petrochemicals Ltd	--	3,022.08

40.3 Compensation to key management personnel of the Company

(₹ in Crore)

Nature of transaction	2018-19	2017-18
Short-term employee benefits	7.59	10.10
Post-employment benefits	0.08	0.43
Total compensation paid to key management personnel	**7.67**	**10.53**

40.4 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.

40.5 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 41 - Fair Values

41.1 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, 2019	As at 31st March, 2018
Financial Assets designated at fair value through profit or loss:-		
- Investments	0.07	0.64
Financial Liabilities designated at fair value through profit or loss:-		
- Derivative Financial Liabilities	--	--

b) Financial Assets Measured at Amortised Cost:

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets Designated at Amortised Cost:-				
- Trade Receivable	318.75	318.75	852.46	852.46
- Cash and Cash Equivalents	12.98	12.98	18.51	18.51
- Bank Balance other than cash and cash equivalents	38.93	38.93	4.69	4.69
- Loans	833.09	833.09	839.79	839.79
- Others	258.68	258.68	462.03	462.03
	1,462.43	**1,462.43**	**2,177.48**	**2,177.48**
Financial Liabilities				
Financial Liabilities designated at amortised cost:-				
- Borrowings (Including Current Maturity)	2,315.71	2,315.71	2,312.61	2,312.61
- Trade Payable	402.94	402.94	375.55	375.55
- Other Financial Liabilities	314.80	314.80	217.41	217.41
	3,033.45	**3,033.45**	**2,905.57**	**2,905.57**

41.2 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 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.

41.3 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, 2019		
	Level 1	Level 2	Level 3
Financial Assets designated at fair value through profit or loss (Investments):			
-- Equity investments	0.07	--	--
Total	0.07	--	--

(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

There were no transfers between Level 1 and Level 2 during the year.

41.4 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, 2019 and 31st March, 2018.

(₹ in Crore)

Particulars	As at 31st March, 2019	Valuation Technique	Inputs used	Sensitivity
Financial Assets Designated at Fair Value Through Profit or Loss (Investments):				
-- Unlisted Equity Investments	--	Book Value	Financial statements	No material impact on fair valuation

(₹ 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

41.5 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, 2018	**0.54**
Loss on financial instruments measured at fair value through profit or loss (net)	0.54
Purchase / Sale of financial instruments	--
Amount Transferred to / from Level 3	--
Fair value as at 31st March, 2019	**--**

41.6 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 42 :- 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 directo The Company's documented risk management policies are effective tool in mitigating the various financial risk to which the business is exposed to in the course of daily operations This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

42.1 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 2019 and 31st March 2018

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, 2019 and 31st March, 2018.

(a) Foreign Exchange Risk and Sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD and Euro. The Company has obtained foreign currency loans and has foreign currency trade payables, derivative instruments and receivables and is therefore, exposed to foreign exchange risk. The Company is regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD,AED, YEN and Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

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

Unhedged Foreign currency exposure as at 31st March, 2019	**Currency**	**Amount in FC**	**(₹ in Crore)**
Trade Receivables	USD	48,180,802	333.80
Loan given	USD	8,774,655	60.79
Interest on Loan	USD	455,144	3.15
Trade Payable	USD	9,496,964	65.80
Trade Payable	JPY	12,759,600	0.80
Borrowings and interest thereon	USD	35,703,575	247.35
Foreign Commission	USD	616,210	4.27
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	**2018-19**		**2017-18**	
	1% Increase - Decrease in PBT	**1% Decrease - Increase in PBT**	**1% Increase - Decrease in PBT**	**1% Decrease - Increase in PBT**
USD	0.80	(0.80)	(0.93)	0.93
YEN	(0.01)	0.01	(0.01)	0.01
EURO	--	--	(0.01)	0.01
Increase / (Decrease) in profit before tax	**0.80**	**(0.80)**	**(0.95)**	**0.95**

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'2019	As at 31st March'2018
Interest free borrowings	43.95	1.68
Interest bearing borrowings	2,271.76	2,310.93
Total Borrowing	2,315.71	2,312.61
% of Borrowings out of above bearing variable rate of interest	87.98	85.46

Interest rate sensitivity

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

(₹ in Crore)

Particulars	2018-19		2017-18	
	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	10.19	(10.19)	9.88	(9.88)

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 Texturising 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.

42.2 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 from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends (refer Note 47).

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 customers 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. No single customer accounted for 10% or more of revenue in any of the years presented. Therefore, the Company does not expect any material risk on account of non-performance by Company's counterparties. (refer Note 47).

The Company has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the trade receivable and provision made.

(₹ in Crore)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivable	816.01	497.26	935.25	82.79

b) Financial instruments and cash deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. Investment of surplus funds are also managed by finance department. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

42.3 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 as per books of account 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, 2019			
		0-1 Years	1-5 Years	Above 5 Years	Total
Borrowings (refer Note 20.7)	1,754.16	366.33	195.22	--	2,315.71
Trade Payable	--	402.94	--	--	402.94
Other Financial Liability	167.51	124.75	22.55	--	314.80
Total	**1,921.67**	**894.02**	**217.77**	**--**	**3,033.46**

(ii) 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 20.7)	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**	**--**	**2,905.56**

iii) Refer Note 46.

42.4 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 43 - 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, 2019	As at 31st March, 2018
Total Debt	2,431.06	2,416.11
Less:- Cash and cash equivalent	12.98	18.51
Less:- Other bank balance	38.93	4.69
Net Debt	**2,379.15**	**2,392.91**
Total Equity (Equity Share Capital plus Other Equity)	703.69	1,466.52
Total Capital (Total Equity plus Net Debt)	**3,082.84**	**3,859.43**
Gearing ratio	**77.17%**	**62.00%**

Note 44 - 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 45 - Subsidiaries Exposures

The Company as on 31st March, 2019 has an aggregate exposure of ₹ 1508.24 Crore (31st March, 2018 ₹ 1430.54 Crore) (excluding corporate guarantee as mentioned in Note no. 37.2) 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, 2019. The details of above exposure are as under:

(₹ in Crore)

Name of the Company	Nature of Transactions	As at 31st March, 2019	As at 31st March, 2018
(i) JBF Petrochemicals Limited	Inter - Corporate Deposits	772.30	727.64
	Interest thereon	110.68	110.68
	Trade Receivables	6.29	6.29
	Guarantee Commission Receivable	131.36	131.36
	Deemed Equity Investment	27.50	27.50
Total (A)		**1,048.13**	**1,003.47**
(ii) JBF Global Singapore Ltd	Investment In Equity	396.17	396.17
	Inter - Corporate Deposits	60.79	57.15
	Interest thereon	3.15	1.25
Total (B)		**460.11**	**454.57**
Total Exposure (A+B)		**1,508.24**	**1,458.04**

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 no. 40.5 and corporate guarantee of the Company as mentioned in note no. 37.2 One of the lenders of JPL has made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016. No audited consolidated financial statements of JGPL are available after March 2017. Negotiation with the lenders of above subsidiaries to find an amicable solution is in process.

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 46 - Going Concern

The Company underwent significant financial stressdue to suspension of manufacturing operations at its subsidiary, 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. Further one of the operating creditors and one of the secured lenders of the Company have applied before NCLT under Insolvency and Bankruptcy Code, 2016, none of which has been admitted so far.

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 47 - Exceptional Item

Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
Provision for credit impaired/doubtful advances	697.92	--
Total	697.92	--

During the year, the Company has made provision for credit loss impaired/doubtful advances in respect of trade receivables, inter-corporate deposits and other receivables of ₹ 414.47 Crore, ₹ 55.00 Crore and ₹ 228.45 Crore respectively which has been shown as an exception items.

Note 48 - Lease

The Company having operating leases of premises. These lease arrangements range for a period between 11 months and 18 years which are all cancellable leases except two lease agreement, which is non-cancellable as on 31st March, 2019. Most of the leases are renewable for further period on mutually agreeable terms.

With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:

Particulars	(₹ in Crore)
For a period not later than one year	1.63
For a period later than one year and not later than five years	5.86
For a period later than five years	15.32

Note 49

During the year the Company has entered deed of assignment with JBF Petrochemicals Limited (JPL), a subsidiary of the Company and transferred their borrowings of ₹ 44.66 Crore from JPL. The same borrowings (net of adjustments) have been shown as unsecured loan as at 31st March, 2019 under the head Current financial liabilities – borrowings in the note no. 24 to standalone financial statements. The above has resulted into an increase in Inter Corporate Deposits to related parties by ₹ 44.66 Crore under the head Current Assets loan in the note no. 14 to the standalone financial statements

Note 50- Consolidation

Due to financial restructuring/negotiation with lenders and/or investors, Company did not receive the audited financial statements of its subsidiaries, hence the Company could not prepare the consolidated financial statements of the Company.

Note 51- Share Based Payments

As approved by the shareholders at its meeting held on 4th October, 2018, the Company has reserved issuance of 40,00,000 equity shares of face value of ₹ 10 each and 24,00,000 equity shares of face value of ₹ 10 each under the Employees Stock Option Plan 2018 (ESOP) & Employees Stock Purchase Scheme 2018 (ESPS) respectively.

Note 52

As approved by the Board of Directors at its meeting held on 14th August, 2018 and 4th September, 2018, Company has filed Scheme of Compromise and Arrangement amongst Company and its respective shareholder and creditors in respect of waiver of penal interest, restructuring with financial creditors, conversion of ICD creditors and specified creditors into equity and finalization of terms and schedule repayment of all operational creditors. The scheme and transactions contained herein are subject to regulatory approvals.

Note 53 - Previous year's figures have been regrouped and rearranged, 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 : 30th May, 2019.

For & on behalf of the Board of Directors

N.K.SHAH
Vice Chairman & Managing Director
DIN-00232130

SANJAY THAPLIYAL
Director
DIN-08294006

SHARADCHANDRA THAKAR
Director
DIN-02551653

UJJWALA APTE
Company Secretary
Membership No. A3330

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2019

(₹ in Crore)

	Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss Before Tax as per Statement of Profit and Loss		**(949.95)**		**(162.11)**
	Adjusted for :				
	Depreciation, Amortisation and Impairment Expense	99.46		94.85	
	Currency & Interest Rate Swap Loss (Net)	--		2.49	
	Unrealised Loss / (Gain) on Foreign Currency Transactions (Net)	8.32		2.12	
	Loss on Sale of Current Investments (Net)	--		0.03	
	Loss on Sale of Property, Plant and Equipment (Net)	0.40		1.27	
	Loss/(Gain) on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	0.57		(15.23)	
	Finance Costs	251.61		306.20	
	Provision for Credit Impaired/Doubtful Advances	--		57.74	
	Interest Income	(1.98)		(75.97)	
	Guarantee Commission	--		(30.16)	
	Sundry Balances Written Off / (Back) (Net)	(0.95)	357.44	15.97	359.31
	Operating Profit Before Working Capital Changes		**(592.51)**		**197.20**
	Adjusted for :				
	Trade & Other Receivables		48.54		(37.77)
	Inventories		44.57		123.18
	Trade and Other Payables		25.40		(698.84)
	Cash Generated from / (used in) Operations		**(474.00)**		**(416.23)**
	Direct taxes paid		(0.22)		(1.72)
			(474.22)		--
	Exceptional Items		697.92		--
	Net Cash from/(used in) Operating Activities		**223.70**		**(417.95)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment		(4.93)		(21.45)
	Sale of Property, Plant and Equipment		0.47		0.22
	Sale of Current Investments		--		0.22
	Movements in Loans and Advances of Subsidiary Company (Net)		--		(370.11)
	Interest on Investment / Loans		--		14.30
	Net Cash from/(used in) Investing Activities		**(4.46)**		**(376.82)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowings		--		2.27
	Repayment of Long Term Borrowings		(25.29)		(121.60)
	Movement in Short Term Borrowings (net)		(7.01)		775.74
	Margin Money (Net)		(34.51)		351.25
	Guarantee Commission Received		-		(3.01)
	Net Gain/(Loss) on Foreign Currency Transactions		(4.68)		3.58
	Finance Costs Paid		(153.27)		(208.26)
	Currency & Interest Rate Swap (Loss)		--		(8.16)
	Dividend Paid Including Tax Thereon on Preference Share		--		(3.43)
	Dividend Paid Including Tax thereon on Equity Share		--		(4.92)
	Net Cash from/ (used in) Financing Activities		**(224.76)**		**783.46**
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)		**(5.53)**		**(11.31)**
	Opening Balance of Cash and Cash Equivalents		**18.51**		**29.82**
	Closing Balance of Cash and Cash Equivalents		**12.98**		**18.51**

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

(₹ in Crore)

Particulars	**31.03.2019**	**31.03.2018**
Opening Balance of Liabilities arising from Financing Activities	2,312.61	1,651.06
Add : Changes from Cash Flow from financing Activities (Net)	(32.30)	656.41
Add : Transaction Costs	1.13	2.96
Add : Effects of changes in Foreign Exchange Rates	13.17	2.18
Add:- Assigment of Loan from Subsidiary Company considered as non-cash item	21.10	--
Closing Balance of Liabilities arising from Financing Activities	**2,315.71**	**2,312.61**

Notes :

1. Bracket indicates cash outflow.
2. Previous Year's figures have been regrouped and rearranged, wherever necessary to make them comparable.
3. Non cash transactions not considered above:-
   -Assignment of loan from Subsidiary Company of ₹ 44.66 Crore (Previous year ₹ Nil)
   -Invokation of pledge of equity shares held by the lender of ₹ 32.75 Crore (Previous year ₹ 1.68 Crore)
4. 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 Pathak H.D. & Associates
Chartered Accountants
(Firm Registration no. 107783W)
GOPAL CHATURVEDI
Partner
Membership no. 090903
Place : Mumbai
Date : 30th May, 2019.

For & on behalf of the Board of Directors

N.K. SHAH
Vice Chairman & Managing Director
DIN-00232130

SANJAY THAPLIYAL
Director
DIN-08294006

SHARADCHANDRA THAKAR
Director
DIN-02551653

UJJWALA APTE
Company Secretary
Membership No. A3330

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.

Website : www.jbfindia.com
e-mail : sec.shares@jbfmail.com

Sunshine Creations