



JBF Industries Limited

ANNUAL
REPORT
2023
2024

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

Corporate Information

Suspended Board of Directors

Mrs. Ujjwala Apte
Executive Director

Mr. S. N. Shetty
Executive Director

Mr. Yash Gupta
Executive Director
(upto 11.02.2024)

Mrs. Sangita V. Chudiwala
Independent Director

Mr. Ravi A. Dalmia
Independent Director

Mrs. Bindu D. Shah
Independent Director
(w.e.f. 25.04.2023)

Company Secretary

Mrs. Ujjwala Apte

Statutory Auditors

S.C. Ajmera & Co.
Chartered Accountants

Resolution Professionals

Mr. Mukesh Verma

Main Bankers / Lenders

CFM Asset Reconstruction Private Limited
Tamilnad Mercantile Bank Ltd

Registered Office

1st Floor, Building No. B-2
Tirupati Residency, Near Tirupati Balaji
Temple Basera Road, Silvassa of The
Union Territory of Dadra & Nagar Haveli
and Daman & Diu
Silvassa - 396230, India.

E-mail Address

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

Subsidiaries

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

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

JBF GLOBAL EUROPE BVBA
Nijverheidsweg 4, 2430 Laakdal, Belgium

JBF BAHRAIN W.L.L.
PO Box 50397, Salman Industrial City, Al, Kingdom of Bahrain

R & T Agents

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

Annual General Meeting

Monday, 30th September, 2024
at 11.30 a.m. (IST) via two-way
Video Conferencing ('VC') facility or
Other Audio Visual Means ('OAVM')

RESOLUTION PROFESSIONALS REPORT

DEAR SHAREHOLDERS,

Your Resolution Professional (RP) has pleasure to present the 42nd Annual Report and the Company's Audited Financial Statement for the year ended 31st March, 2024.

The Company's financial performance for the year ended on 31st March, 2024 is summarized below:

| PARTICULARS | Year ended on 31st March, 2024 | Year ended on 31st March, 2023 |
|--|-----------------------------------|-----------------------------------|
| Revenue from Operations | 1.94 | 1097.17 |
| Other Income | 0.01 | 12.35 |
| Profit/(Loss)from the year before Finance cost, Depreciation and exceptional items | (4.74) | (33.67) |
| Less : Finance Cost | 0.09 | 235.18 |
| Less : Depreciation and Amortisation Expenses | 0.00 | 14.20 |
| Less : Exceptional Item | 2.37 | 1,503.59 |
| Profit / (Loss) Before Tax | (7.20) | (1786.64) |
| Current Tax | -- | -- |
| MAT Credit Entitlement | -- | -- |
| Short/(Excess) Provision of Tax of Earlier Years (Net) | 3.43 | 64.09 |
| Deferred Tax | 0.00 | 2.73 |
| Profit / (Loss) for the year | (10.64) | (1853.46) |
| Other Comprehensive Income | 0.00 | (5.08) |
| Total Comprehensive Income for the year | (10.64) | (1858.55) |

CORPORATE INSOLVENCY RESOLUTION PROCESS

During the year under review, vide an order dated 25th January, 2024, passed by the Hon'ble NCLT, Ahmedabad Bench, the Company was admitted to Corporate Insolvency Resolution Process (CIRP) and Mr. Dhaval C. Khamar, Registration No. IBB/IPA-001/IP-P02574/2021-2022/13944 was appointed as Interim Resolution Professional. Later, Mr. Mukesh Verma was appointed as the Resolution Professional of the Company w.e.f. 15th April, 2024.

Pursuant to Section 17 of the Insolvency and Bankruptcy Code, 2016, the powers of Board of Directors of the Company stand suspended effective from the CIRP commencement date i.e. 25th January, 2024 and such powers along with the management of affairs of the company were vested with the Resolution Professional.

Accordingly, Company has prepared Resolution Professionals' Report instead of Board report and said report has been signed by Resolution Professional only instead of Chairman or any director on behalf of Board of Directors as required u/s 134 of the Companies Act, 2013.

PHYSICAL HANDOVER OF SECURED ASSETS & RELINQUISHMENT OF MANAGEMENT CONTROL TO CFM ASSET RECONSTRUCTION PRIVATE LIMITED (ASSET RECONSTRUCTION COMPANY)

As you are aware, on 13th August, 2021, all the lenders (except Tamilnad Mercantile Bank Ltd) (TMB) have assigned the debts along with all the rights and interests on the secured assets to CFM Asset Reconstruction Private Limited (CFM) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) by executing two Assignment Agreements both dated 13th August, 2021. A total of 14 fourteen lenders aggregating approximately 99 % of the total debt of the Company have assigned their debt to an Asset Reconstruction Company called CFM Asset Reconstruction Private Limited as on 31st March, 2022.

CFM Asset Reconstruction Private Limited has sold all secured assets by way of private treaty under the SARFAESI Act, 2002 to Madelin Enterprises Private Limited (MEPL) & CFM has sent intimation for sale of all the assets of the company to Madelin Enterprises Private Limited (MEPL). Accordingly, manufacturing operations from all locations have been discontinued.

DIVIDEND

With the handover of the secured assets of the Company to Madelin Enterprises Pvt Ltd (MEPL), no dividend is recommended on equity shares of the Company for the year 2023-24.

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, 2024 was ₹ 81.87 crores and Preference Share Capital as on 31st March, 2024 was ₹ 14.91 crores.

RESERVES & SURPLUS

You are well aware that, the balance standing in the Equity Share Capital account along with Other Equity account (Reserves and Surplus) has completely been eroded due repossession of assets by the Lender. The net worth of the Company has turned negative as on the Balance Sheet date.

PERFORMANCE OF THE COMPANY

The Company's revenue for financial year 2023-24 was ₹ 1.94 crores against ₹ 1097.17 crores for the previous year. This was primarily due to discontinuation of manufacturing operations of the Company.

DIRECTORS

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 Obligation and Disclosure Requirements) Regulations, 2015.

As your Company is under CIRP, no change is proposed. Power of Board of Directors have been suspended pursuant to section 17 of the IBC 2016 on the commencement of the CIRP

Mr. Yash Gupta was appointed as an Executive Director on 12.02.2021 for the period of three years. Accordingly his tenure as Executive Director of the Company has ended on 11.02.2024.

BOARD EVALUATION

As the Company is under CIRP since 25th January, 2024, no formal annual evaluation has been done for the directors performance and that of the committees and individual directors as required under the provisions of Section 134 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 during the Financial Year 2023-24.

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 five Committees namely Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

During the year under review, 6 (Six) Board Meetings were held on 11th April, 2023, 30th May, 2023, 27th June, 2023, 02nd August, 2023, 14th August, 2023 & 02nd November, 2023. The details of the attendance at these meetings and other details such as constitution of the Committees and the meetings held during the financial year 2023-24 are included in the Corporate Governance Report which is 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. | Mrs. Ujjwala Apte | Executive Director & Company Secretary (Power Suspended) |

NUMBER OF MEETINGS OF THE BOARD & AUDIT COMMITTEE

During the year Six Board Meetings and Three 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 SEBI (LODR).

SUBSIDIARIES

Company has an overseas subsidiary under the name and style of JBF Global Pte Ltd based out at Singapore, which has subsidiaries, namely JBF Petrochemicals Limited at Mangalore, India, JBF Trade Invest Pte Ltd at Singapore and JBF RAK LLC at UAE with its own subsidiaries, JBF Bahrain WLL and JBF Global Europe BVBA at Belgium.

Resolution Professional would like to bring to the attention of all stakeholders that the step down subsidiary namely JBF Petrochemicals Limited (JPL) had defaulted in payment of interest and repayment of principal to its lenders in FY17-18. The consortium of lenders with IDBI Bank as the lead banker had made an application under the Insolvency Bankruptcy Code, 2016 (IBC) to recover their dues before the National Company Law Tribunal, Ahmadabad in May 2018. This subsidiary has been taken over by GAIL through the CIRP.

JBF Trade Invest Pvt Ltd was struck off and Restructuring process is going on for JBF RAK LLC at UAE.

The Company had issued a corporate guarantee of USD 463.96 Million (equivalent of ₹ 3,775.87 Crore) to the lenders of JBF Petrochemicals limited ("JPL"), a step down subsidiary. One of the lenders of JPL vide its letter dated 24th April, 2018 invoked corporate guarantee to the extent of USD 252.00 Million (equivalent of ₹ 2,069.24 Crore) 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. Further IDBI bank has filed IA with NCLT Ahmedabad against rejection of their claim in CIRP process.

As on 31st March 2023, M/s. Madelin Enterprises Pvt.Ltd., has acquired the holding of our Company in the Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date. One of the operational creditors of JBF RAK LLC, situated at UAE (JBF RAK), had made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 against the Company. for supply of raw materials to JBF RAK and claimed for a debt of Rs. 12,848 lakh (US\$19,899,091.53) as per notice dated 17th February, 2020. This application stand dismissed as infructuous. The operational creditor of JBF RAK LLC has filed its claim with R, which also has been rejected by him and matter is subjudice, as rejection is contended by the operational Creditor.

EXPLANATION/COMMENTS ON AUDIT QUALIFICATIONS

1.The Company's business as a "Going concern" –

As on the date of Balance Sheet, the lenders (except TMB) have assigned all their debts to CFM. CFM has taken physical possession of the secured assets of the Company on 11th November, 2021. Further, CFM has exercised its right to sell the secured assets by way of private treaty under the SARFAESI Act, 2002 to recover their dues.

Also, CFM has been in the helm of affairs of all the plants and corporate affairs of the Company w.e.f. 13th August, 2021 which is as per the provisions of the SARFAESI Act, 2002.

On 11th November 2021, CFM took physical possession of the secured assets of JBF. Further the Company was in receipt of Intimation for sale of secured assets by way of private treaty under the SARFAESI Act, 2002 on 11th May, 2022 and thereafter, proceeded to sell the same by way of private treaty under the SARFAESI Act to Madelin Enterprises Private Limited (MEPL).

Further to the above mentioned points, we would like to bring to your kind attention that the part of the secured assets including land, building, sundry debtors, investments, cash and bank balances, deposits, intangible assets (including the SAP software) and other movable assets have been sold to the MEPL by CFM on 6th June 2022 and balance assets were sold by CFM to MEPL on 20th December, 2022. In addition, MEPL has also taken over the affairs and operations of all the three plants and the corporate office and the suspended Board of Directors have no control over the same. With effect from 1st December,2022 manufacturing operations from all locations have been discontinued.

2. INTEREST @ 9% ON BORROWINGS

As the Company was admitted to CIRP by the Hon`ble NCLT vide its order dated 25th January 2024, therefore, the Company has provided interest @ Nil% p.a. w.e.f. 1st April 2023 on term loan, Cash Credit limits and Cumulative Redeemable Preference Shares (CRPS) on its borrowings aggregating to ₹ 2,47,379 lakhs (Term Loan ₹ 64,121 lakhs and Cash Credit ₹ 1,71,862 lakhs and CRPS ₹ 11,396 lakhs) as against the documented rate as required as per IND AS -23 "Borrowing Costs" read with IND AS-109 on "Financial Instruments" since Company is unable to service interest liability. Aggregate amount of interest not provided for as at 31st March, 2024 is ₹116,481 lakhs. The Same has been qualified by the Auditors in their report on the results and was also qualified by the Auditors in their reports on the Financial Statements & results for the earlier year/ quarters.

3. CLAIM FILED BY AN OPERATIONAL CREDITOR OF JBF RAK LLC, (step-down subsidiary of the company)

In respect of Audit Qualification as referred in (II) (a) (ii) above -application filed by one of the operational creditors of JBF RAK LLC, a subsidiary of the Company, against the Company - in view of the negotiation with the above creditors by the JBF RAK LLC and based on past settlement by the Company with above creditors in respect of raw material purchased by the Company, there will be no liability on account of it and hence, management of the Company does not expect any liability on account of above claim. The company has shown this amount as Contingent Liability.

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.

CORPORATE SOCIAL RESPONSIBILITY

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/ RP Report. The CSR Policy adopted by the Company is uploaded on the website of the Company at www.jbfindustries.co.in

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

Disclosure Pertaining To The Remuneration And Other Details As Required Under Section 197(12) Of The Act Read With Rule 5(2) Of The Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014 Is Given In Annexure And Forms Part of This Report. However, As Per The Provisions of The Section 136(1) Of The Act, This Report Is Sent To The Shareholders Excluding The Said Information. Any Shareholder Interested In Obtaining Such Particulars May Write To The Company At The Registered Office Of The Company.

COMPANY POLICIES:

The Company has formulated various policies which are available on our website: www.jbfindustries.co.in

ANNUAL RETURN:

As required under Section 134(3)(a) and Section 92(3) of the Act, the data on Annual Return has been uploaded on the Company's website viz: www.jbfindustries.co.in

MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, WHICH HAVE OCCURRED AFTER THE END OF THE FINANCIAL YEAR:

There were no material changes and commitments that may affect the financial position of the Company, which may have occurred between the end of the financial year and the date of this report.

MATERIAL ORDERS PASSED BY THE TRIBUNAL:

Hon`ble NCLT, Ahmedabad Bench has passed an order dated 25th January, 2024 admitting the CIRP of the Company.

MAINTENANCE OF COST RECORDS:

The provisions of Section 148(1) of the Act were not applicable to the Company during the year under review.

NOMINATION & 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. This Committee had no say in the appointment of the above mentioned employees/executives post 13th August, 2021.

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 a team to evaluate business risks. However, post 13th August, 2021 with CFM reigning control over the business operations of the Company, the said Committee had a very limited role to play into the business affairs of the Company.

Prior to 13th August, 2021, the Board of Directors used to regularly review 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 a robust related party transaction policy. As a policy all related party transactions including sale and purchase which are entered into with subsidiary companies, if any, are placed before the Audit Committee and also before the Board for approval quarter on quarter. Omnibus approval is obtained on a quarterly / annual basis for such transactions which are of repetitive nature.

There are no material related party transactions during the period under review with the Promoters, Directors or Key Managerial Personnel. The Company has also formulated a policy on materiality as regards to 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.

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

Prevention of Sexual Harassment at Workplace 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.

FIXED DEPOSITS

During the year Company has not accepted any Fixed Deposits from the general public.

STATEMENT OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

No new directors have been appointed during the period

CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business of the Company during the year under review.

INTERNAL FINANCIAL CONTROLS:

Your Company's internal controls systems commensurate with the nature and size of its business operations. Adequate internal controls, systems and checks

are in place and the management exercises financial controls on the operations through a well-defined budget monitoring process and other standard operating procedures.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS BY COMPANY

On 13th August, 2021, all the lenders (except Tamilnad Mercantile Bank Ltd) had assigned the debts along with all the rights and interests on the secured assets to CFM Asset Reconstruction Private Limited (CFM) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) by executing two Assignment Agreements both dated 13th August, 2021. A total of 14 fourteen lenders aggregating approximately 99 % of the total debt of the Company had assigned their debt to an Asset Reconstruction Company called CFM as on 13th August, 2021. The Board of Directors' are no longer in the helm of affairs of the Company w.e.f - 13th August, 2021. CFM was closely monitoring and managing the day to day plant and corporate office operations through Deloitte Touche Tohmatsu India LLP, Mumbai who had been appointed as the nodal agency by CFM. Further, to the intimation of the said assignment, CFM had also issued a demand notice under Section 13(2) of the SARFAESI Act, 2002 and the rules framed there under to recover the entire dues including principal and interest. In response to the said notice, the Company had given an "In principle consent" to handover the secured assets which includes land, building, movable assets, inventory, sundry debtors, investments in subsidiaries & step-down subsidiary, intangible assets (including the SAP accounting software) and other current and non-current assets of the Company to CFM. On 11th November 2021, CFM took physical possession of the secured assets of JBF. Further the Company was in receipt of Intimation for sale of secured assets by way of private treaty under the SARFAESI Act, 2002 on 11th May, 2022 and thereafter, proceeded to sell the same by way of private treaty under the SARFAESI Act to Madelin Enterprises Private Limited (MEPL).

The Company was admitted by the Hon'ble NCLT vide its order dated 25th January 2024 & Corporate Insolvency Resolution Process (CIRP) is in progress.

INSURANCE

All the properties of the Company including buildings, plant and machinery and stock have been repossessed by CFM and proceeded to sell the same by way of private treaty under the SARFAESI Act to Madelin Enterprises Private Limited (MEPL) on June 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable Indian Accounting Standards (IND-AS) have been followed along with proper explanation relating to material departures, if any;
- the Directors/RP 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, 2023 and of the profit/ loss of the Company for the year ended on that date;
- that the Directors/RP 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;
- the annual accounts have been prepared on a going concern basis;
- that the Directors/RP 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
- that the Directors/RP had devised proper systems that were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS:

As there were no manufacturing operations in the Company during the year under review, the information relating to segment-wise/product wise performance, Opportunities and threats, industry developments etc. were not applicable to the Company and hence not provided.

FUTURE OUTLOOK:

At present, your Company is under CIRP. Any decision of the Hon'ble NCLT will have binding effect on all stakeholders. Further, at present there are no manufacturing operations in the Company.

CONCERNS:

At present, your Company is under CIRP. Any decision of the Hon'ble NCLT will have binding effect on all stakeholders.

Details of significant changes in key financial ratios, along with detailed explanations thereof:

There were significant changes in the following ratios:

| Ratio | % Variance | Reason for Variance |
|----------------------------------|------------|---|
| Trade Receivables Turnover Ratio | -95.31% | Not Comparable, Due to repossession of all the assets by the Lender |
| Net Profit Ratio | 128.06% | Due to Provision of Exceptional Items |
| Return on Capital Employed | -88.65% | Due to Provision of Exceptional Items |

Details of Change in Return on Net Worth:

The Entire Net Worth has been eroded and hence Return on Net Worth is not applicable.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board/RP 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 Mr. Harsh Kothari of M/s. Harsh Kothari & Associates a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year 2023-2024. The Secretarial Audit Report is included as and forms an integral part of this Report.

SECRETARIAL AUDIT OBSERVATION AND MANAGEMENT RESPONSE ON THE SAME

- The meeting of the Board of Directors was held at a shorter notice on 14.08.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice. Management Response/Comments: The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The meetings of CSR Committee were held at a shorter notice on 14.08.2023 and 02.11.2023. However, the Notice of the aforesaid meetings does not mention about the fact that the meetings are held at a shorter notice. Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The meeting of Stakeholders Relationship Committee was held at a shorter notice on 02.11.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice. Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The meeting of Audit Committee was held at a shorter notice on 14.08.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice. Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The Notice for the Board Meeting and the Nomination and Remuneration Committee meeting held on 27.06.2023 was not given to the Directors and Members within the time frame stipulated in the Act. Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.
- All the e-forms were filed with the Registrar of Companies within the stipulated time period except the following e-forms which were filed with a delay and payment of additional fee:
 - Form MGT-14 for Board Meeting held on 11.04.2023;

- Form IEPF-2 for the FY ended 31.03.2023;
- Form ADT-1 for appointment of Statutory Auditors upto FY 2028.

Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.

- The listed entity is not fully complied with the provisions of SS-1 issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable. Management Response/Comments : As on 31st March 2024 the Company was under CIRP and it has complied with provisions of SS-1 as far as practically possible.
- The Company has not paid Annual Listing Fee for FY 2023-24 to BSE Limited. Management Response/Comments : Company has not received the Invoice after the reminders.
- The Financial Statements for the period 31.12.2023 were not approved and submitted to the respective Stock Exchanges within the stipulated time frame as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Management Response/Comments :The delay was due to initiation of CIRP of the Company which effect from 25.01.2024
- The Website of the Company is not updated as per Regulation 46 of the Listing Regulations and all the requirements under the said regulation are not uploaded. The Company is in the process of Complying with the said requirement at the earliest Management Response/Comments : The delay was inadvertent and without any malafide intention. The management will be careful in future.
- Policies are partially adopted by the Company and not timely updated as per SEBI Regulations. The Company is in the process of Complying with the said requirement at the earliest Management Response/Comments :The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The Company is yet to submit the SDD Compliance certificate as per Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. Further the Company does not have a proper system and software for maintaining the UPSI. Management Response/Comments:The Company is in the process of Complying with the said requirement at the earliest The delay was inadvertent and without any malafide intention. The management will be careful in future.
- The Company has not received Annual Disclosure and of Designated Persons as per SEBI (Prohibition of Insider Trading) Regulations, 2015. observation is self explanatory
- The tenure of Mr. Yash Gupta as Director of the Company ended on 11.02.2024. However, Form DIR-12 to this effect is not filed by the Company. Management Response/Comments :The delay was due to initiation of CIRP of the Company which effect from 25.01.2024

STATUTORY AUDITOR

The Members of the Company had at the previous Annual General Meeting held on 13th December, 2023 approved the appointment of M/s. S.C.Ajmera & Co., Chartered Accountants, Udaipur (Registration No. 002908C) as the Statutory Auditors of the Company for Five years w.e.f. from 1st April, 2023. Further, there are no frauds, details of which as required to be reported under Section 143(12) of the Act.

INTERNAL AUDITOR

Company has not appointed internal Auditor for the Financial year 2023-2024

ENVIRONMENT AND SAFETY

At JBF, health and safety of our employees have always been the highest priority. JBF takes responsibility of its employees to promote and safeguard their health and working environment. The target is to realize "Zero Accidents". JBF is one among the best companies in terms of safety performance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

As the Company does not have any manufacturing operations, it does not account for substantial energy consumption. However, the Company adopts all possible measures to conserve energy.

The provisions relating to technology absorption were not applicable to the Company during the year under review.

There were no foreign exchange earnings and outgo during the year under review.

ACKNOWLEDGEMENT

The Resolution Professional would like to express their grateful appreciation for the assistance, support and co-operation received from the Lenders, Government Authorities, employees and Shareholders during the year under review.

For JBF Industries Limited

Mr. Mukesh Verma
Resolution Professional (RP)

Place : Mumbai
Date : 14th August, 2024

Registration No: IBBI/PA-001/IP-
P01665/2019-2020/12522

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 31.03.2024 | For the year Ended 31.03.2023 |
|--------------------------------------|-------------------------------------|-------------------------------------|
| 1. Electricity | | |
| Purchased Units (in thousands) | NA | 1,44,997 |
| Total Amount (₹ in Crores) | NA | 94.69 |
| Rate / per unit (₹) | NA | 6.53 |
| 2. Furnace Oil | | |
| Consumed (Kgs in thousands) | NA | 5.84 |
| Total Amount (₹ in Crores) | NA | 0.08 |
| Rate/ per kg (₹) | NA | 139.04 |
| 3. Light Diesel Oil & HSD | | |
| Consumed (Ltrs in thousands) | NA | 44.58 |
| Total Amount (Rs in Crores) | NA | 0.40 |
| Rate/ per Ltr (₹) | NA | 90.32 |
| 4. Natural Gas | | |
| Consumed (Gcal) | NA | 1,373.83 |
| Total Amount (₹ in Crores) | NA | 1.09 |
| Rate/ per Gcal (₹) | NA | 7,935.40 |
| 5. Coal | | |
| Consumed (MTI) | NA | 48,479 |
| Total Amount (₹ in Crores) | NA | 68.43 |
| Rate/ per MT (₹) | NA | 14,116.20 |

B. CONSUMPTION PER UNIT OF PRODUCTION

| | For the year Ended 31.03.2024 | For the year Ended 31.03.2023 |
|--|-------------------------------------|-------------------------------------|
| 1.Electricity (kwh /Ton of Product) | | |
| a) Polyester Chips | NA | 131 |
| b) Polyester Filament Yarn (POY) | NA | 443 |
| c) Polyester Processed Yarn | NA | 2,184 |
| 2. Furnace Oil (Kgs/Ton of Product) | | |
| a) Polyester Chips | NA | 0.00 |
| b) Polyester Filament Yarn (POY) | NA | 0.19 |
| 3. Light Diesel Oil & HSD (Ltrs/Ton of Product) | | |
| a) Polyester Chips | NA | 0.05 |
| b) Polyester Filament Yarn (POY) | NA | 0.31 |
| c) Polyester Processed Yarn | NA | 0.00 |
| 4. Natural Gas (Gcal/Ton of Product) | | |
| a) Polyester Chips | NA | 0.00 |
| 5. Coal (Kgs/ Ton of Product) | | |
| a) Polyester Chips | NA | 130.76 |

Manufacturing operations of the company has been discontinued in FY 2022-23, therefore above information is not applicable in FY 2023-24.

CORPORATE GOVERNANCE REPORT

The Resolution Professional present the Company’s Report on Corporate Governance for the year ended 31st March, 2024 in terms of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time (“the Listing Regulations”).

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 shareholder 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 5 Directors out of which 3 are Independent. The proportion of Non-Executive Directors to Executive Directors and Independent Directors complies with terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2024. As the Company is undergoing Corporate Insolvency Resolution Process w.e.f. 25.01.2024, the powers of the Board of Directors stand suspended w.e.f. 25.01.2024.

The Category and Designation of the Directors is as follows :

| Name of Director | Designation | Category |
|--|--------------------------------|--------------------------------|
| Mrs. Ujjwala Apte Din : 00403378 | Director– Company Secretary | Executive |
| Mr. S N Shetty DIN: 07962778 | Director – Legal & HR | Executive |
| Mrs. Sangita V. Chudiwala DIN:01039360 | Director | Non-Executive & Independent |
| Mr. Ravi Dalmia DIN: 00634870 | Director | Non-Executive & Independent |
| Mrs. Bindu D Shah (Din: 07131459) w.e.f 25.04.2023 | Director | Non-Executive & Independent |

Independent Directors (Power Suspended)

Mrs. Sangita Chudiwala, Mr. Ravi A Dalmia & Mrs. Bindu D Shah are Independent Directors of the Company.

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.

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 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 11.04.2023.

Separate Meeting of the Independent Directors

The Company was admitted under CIRP vide an order dated 25.01.2024 passed by the National Company of Law Tribunal (NCLT), Ahmedabad Bench, and the management of the Company is undertaken by the Resolution Professional, therefore company could not able to arrange Separate Meeting of the Independent Directors.

Familiarization Programme for Independent Directors

Every quarter presentation is given to Independent Directors about the business scenario, the information of the Industries and progress of the different projects of the Company along with the photograph and other details.

Non-Executive Directors’ Compensation and Disclosures

The Sitting Fees 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 2023-2024 the Board of Directors (Power Suspended) met 6 times on 11th April, 2023, 30th May, 2023, 27th June, 2023, 02nd August, 2023, 14th August, 2023 & 02nd November, 2023

During the year on 25th April, 2023 & 05th May, 2023 urgent matters were passed by circular resolutions as and when required.

Disclosure of Relationship Between Directors Inter-Se.

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 Director | Attendance Particulars | No of Directorship and Committee Membership / Chairmanship | | | |
|---------------------------------------|------------------------|--|----------|---------------------|------------------------|
| | | Board Meetings | Last AGM | *Other Directorship | **Committee Membership |
| Mr. S. N. Shetty | 6 | Yes | Nil | Nil | Nil |
| Mrs. Ujjwala G. Apte | 6 | Yes | Nil | Nil | Nil |
| Mr. Yash Gupta | 6 | Yes | Nil | Nil | Nil |
| Mrs. Sangita V Chudiwala | 6 | Yes | Nil | Nil | Nil |
| Mr. Ravi Dalmia | 6 | Yes | Nil | Nil | Nil |
| Mrs. Bindu D Shah w.e.f 25.04.2023 | 5 | Yes | 2 | 2 | 2 |

* 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 Mrs. Bindu D Shah, who is Director on the Board of Fineotex Chemicals Limited & Kamadgiri Fashion 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.

I confirm that in the opinion of the Board/RP, all Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

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

The following is the list of core skills/ expertise/competencies of the Directors identified by the Board of Directors as required in the context of the Company's business: -

| S.No | Name | Status | Skills/Expertise/Competencies |
|------|--|--------------------|-------------------------------|
| 1 | Mr. S. N. Shetty | Executive Director | Legal and Human Resource |
| 2 | Mrs. Ujjwala G Apte | Executive Director | Company Secretary |
| 3 | Mr. Ravi Dalmia | Director | General |
| 4 | Mrs. Sangita V Chudiwala | Director | General |
| 5 | Mrs. Bindu D Shah w.e.f from 25.04.2023 | Director | Administrator |

Board Committees

i. Audit Committee

Composition and Meeting of the Audit Committee

During the Financial Year 2023-2024 the Audit Committee met 3 times on 30th May, 2023, 14th August, 2023 & 02nd November, 2023.

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. Ravi Dalmia | Chairman | 3 | 3 |
| Mrs. Sangita Chudiwala | Member | 3 | 3 |
| Mr. Yash Gupta | Member | 3 | 3 |

The audit committee have three directors as members as on 31st March, 2024 in terms of Regulation 18(1)(a) of the Listing Regulations.

The Company Secretary acted as the Secretary to the Committee. GM-Finance, and Statutory 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 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 information's:

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.

Management letters / letters of internal control weaknesses issued by the statutory auditors;

And

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 2023-2024 the Stakeholders Relationship Committee met 2 times on 30th May, 2023 & 02nd November, 2023.

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. Ravi Dalmia | Chairman | 2 | 2 |
| Mrs. Ujjwala Apte | Member | 2 | 2 |
| Mr. S. N. Shetty | Member | 2 | 2 |

The Stakeholders Relationship Committee have three directors as members as on 31st March, 2024 in terms of Regulation 20(2A) of the Listing Regulations. The Chairman of the Committee was present at annual general meeting held on 29th September, 2022,

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 0. There are no pending complaints as on 31st March, 2024.

Company had received confirmation from BSE & NSE informing that no investor complaints pending as on 31st March, 2024 at their end.

Terms of Reference of the Committee

The Stakeholders Relationship Committee meets Twice in a year 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.

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. Ravi A. Dalmia | Chairman | 2 | 2 |
| Mrs. Sangita Chudiwala | Member | 2 | 2 |
| Mrs. Bindu D Shah w.e.f 25.04.2024 | Member | 2 | 1 |

The Nomination and Remuneration Committee has Three Directors as members as on 31st March, 2024 in terms of Regulation 19(1)(a) of the Listing Regulations.

During the year on 11th April, 2023, & 02nd November, 2023 urgent matter were passed by Nomination & Remuneration Committee by circular resolution.

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. An Independent Director shall hold office for a term up to five consecutive years and will be eligible for re-appointment on passing of an 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.

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 whole-time directors for the financial year 2023-24 are as follows:

| Name of the Director | Salary (In Lacs) | Commission (In Lacs) | Perquisites (In Lacs) | | Total (In Lacs) Tenure* | Service Contract | |
|----------------------|------------------|----------------------|-----------------------|------|-------------------------|------------------|----------|
| | | | | | | Notice Period** | |
| Mrs. Ujjwala Apte | 48.88 | -- | -- | 6.46 | 55.35 | 3 years | 3 months |
| Mr. S. N. Shetty | 62.77 | -- | -- | 2.24 | 65.01 | 3 years | 3 months |
| Mr. Yash Gupta | 42.04 | -- | -- | 7.87 | 49.91 | 3 years | 3 months |

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

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

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 ₹ 20,000, ₹ 10,000, ₹ 5,000, ₹ 5,000, ₹ 5,000, ₹ 5,000 and ₹ 5,000 per meeting respectively to all the Non-Executive Directors.

The details of sitting fees paid during financial year 2023-24 are mentioned below.

| | |
|------------------------------------|------------|
| Mrs. Sangita Chudiwala | ₹ 1,80,000 |
| Mr. Ravi A. Dalmia | ₹ 1,75,000 |
| Mrs. Bindu D Shah w.e.f 25.04.2023 | ₹ 85,000 |

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.

Mrs. Sangita Chudiwala, Mr. Ravi A Dalmia and Mrs. Bindu D Shah are the Non-Executive Directors, Number of shares and convertible instruments held by Non-Executive Directors as on 31st March, 2024:-

| Sr. No | Name of Directors | No of Shares |
|--------|------------------------------------|--------------|
| 1 | Mr. Ravi Dalmia | Nil |
| 2 | Mrs. Sangita Chudiwala | Nil |
| 3 | Mrs. Bindu D Shah w.e.f 25.04.2023 | 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:

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, 2024.

During the Financial Year 2023-2024 the Corporate Social Committee met 3 times on 30th May, 2023, 14th August, 2023, & 02nd November, 2023.

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. S. N. Shetty | Chairman | 3 | 3 |
| Mrs. Ujjwala Apte | Member | 3 | 3 |
| Mrs. Sangita Chudiwala | Member | 3 | 3 |

The Company Secretary acted as the Secretary to the Committee.

CSR programs 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 minimization 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.

During the Financial Year 2023-2024 the Risk Management Committee met One time on 30th May, 2023.

| Name | Position | Meetings Held | Meetings Attended |
|------------------------|----------|---------------|-------------------|
| Mr. S. N. Shetty | Chairman | 1 | 1 |
| Mrs. Ujjwala Apte | Member | 1 | 1 |
| Mrs. Sangita Chudiwala | Member | 1 | 1 |

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. Ravi A Dalmia | Member | -- | -- |
| Mr. S. N. Shetty | Member | -- | -- |

There were no Finance Committee meeting held during the year 2023-2024

CEO/CFO Certification

Provisions of Regulation 17 of Listing Regulations were not applicable to the Company during the year under review as the Company was under CIRP.

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.jbfindustries.co.in/about/>. As the Company does not have Chief Executive Officer, the necessary declaration is given by the Executive 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.

Annual General Meetings

| DATE | VENUE | TIME | SPECIAL RESOLUTIONS PASSED |
|----------------------|-----------------------------------|------------|--|
| 13th December, 2023 | two-way Video Conferencing ('VC') | 11.30 a.m. | 1. Re-appointment of Mrs. Sangita Chudiwala as (Independent Director) Special Resolution was passed. 2. Re-appointment of Mrs. Sangita Chudiwala as (Independent Director) Special Resolution was passed. |
| 29th September, 2022 | two-way Video Conferencing ('VC') | 11.30 a.m. | No Special Resolution was passed. |
| 28th September, 2021 | two-way Video Conferencing ('VC') | 11.30 a.m. | No Special Resolution was passed. |

No resolution was passed through postal ballot during the year.

Related Party Transactions

During the Financial year 2023-24 no material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company.

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 and accordingly no consolidated financial results have been published from March'2018.

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.jbfindustries.co.in/about/ of the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013:

The Company has in place a Policy for Prevention Prohibition and Redressal of Sexual Harassment at work place which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. The Company

has constituted an Internal Complaint Committee for its Head Office and plants under Section 4 of the captioned Act. No complaint has been filed before the said committee till date.

Subsidiary Company

The Minutes of the Board Meetings and financial statements of subsidiary companies were not placed before the Board as the Balance Sheet were not available due to restructuring of debt.

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: <https://jbfindustries.co.in>

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 | 30th September, 2024 at 11.30 a.m. |
|------------------|--|
| Venue | Registered Office : 1st Floor, Building No.B-2, Tiriupati Residency, Tirupati Balaji Temple, Basera Road, Dadra & Nagar Haveli & Daman and Diu, Silvassa – 396230. |
| Financial Year | 1st April to 31st March. |

Book Closure

The Register of Members will be kept closed from Tuesday 24th September,2024 to Monday 30th September, 2024 [Both days inclusive] for the purposes of Annual General Meeting.

Dividend on Equity Capital

Resolution Professional has not recommended dividend on Equity Share Capital for the year 2023-2024.

Unclaimed Dividend

Unclaimed Dividend of ₹ 5,26,904/- for the financial year 2015-2016 has been transferred to Investor Education and Protection Fund on 27.12.2023.

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 13th December, 2023 (date of last Annual General Meeting) are available on the website of the Company <https://www.jbfindustries.co.in/about> 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 transferred 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.

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 2023-2024 has been paid to National Stock Exchange of India Ltd. Bombay Stock Exchange has not raised the Invoice due to suspension on BSE Limited

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

S C Ajmera & Co

(₹ in Crore)

| Particulars | For the Year Ended 31st March, 2024 |
|----------------|-------------------------------------|
| Audit Fees | 0.16 |
| Tax Audit Fees | 0.01 |
| Total | 0.17 |

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 dematerialization 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.

Dematerialization of Shares: As on 31st March, 2024.

| Mode of Holding | No of shares held | Percentage to Total Capital |
|---------------------------|-------------------|-----------------------------|
| N S D L | 39937843 | 48.78 |
| C D S L | 41406708 | 50.58 |
| Total Demat Holding | 79352698 | 99.36 |
| Physical Holding | 527298 | 0.64 |
| Total Shareholding | 81871849 | 100.00 |

Distribution of Shareholding: As on 31st March, 2024.

| Shareholding of Shares | No of Share holders | Number of Shares held | Percentage to Total Capital |
|------------------------|---------------------|-----------------------|-----------------------------|
| 1 - 500 | 28576 | 3831115 | 4.68 |
| 501 - 1000 | 3366 | 2837931 | 3.47 |
| 1001 - 2000 | 2157 | 3401629 | 4.15 |
| 2001 - 3000 | 845 | 2184317 | 2.67 |
| 3001 - 4000 | 466 | 1690252 | 2.07 |
| 4001 - 5000 | 461 | 2214350 | 2.70 |
| 5001 - 10000 | 712 | 5426491 | 6.63 |
| 10001 and above | 658 | 60285764 | 73.63 |
| TOTAL | 37241 | 81871849 | 100.00 |

Shareholding Pattern under Regulation 31 of Listing Regulations as on 31st March, 2024

| Group | No. of Share holders | No. of Shares held | % held |
|---|----------------------|--------------------|---------------|
| Indian Promoters | 4 | 18756614 | 22.91 |
| Directors / Relatives | 2 | 13849 | 0.01 |
| Body Corporates | 209 | 2721729 | 3.32 |
| Financial Institutions, Insurance Cos., & Banks | 4 | 2023746 | 2.48 |
| Trusts & Mutual Fund | 6 | 8038 | 0.00 |
| IEPF | 1 | 176984 | 0.22 |
| FCs, FPIs, NRIs & NRNs | 342 | 18444394 | 22.53 |
| Indian Public | 36667 | 39726495 | 48.53 |
| TOTAL | 37235 | 81871849 | 100.00 |

DEMAT ISIN Number in NSDL & CDSL (INE 187A01017)

Share Code on BSE - 514034

Share Code on NSE - JBFIND

Trading in Equity Shares of the Company is permitted only in Dematerialized 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 2023 | 7.20 | 6.14 | 7.15 | 6.10 |
| May 2023 | 5.84 | 4.77 | 5.80 | 4.80 |
| June 2023 | 4.99 | 3.91 | 5.80 | 4.80 |
| July 2023 | 3.72 | 3.16 | 3.80 | 3.20 |
| August 2023 | 3.47 | 3.01 | 3.50 | 2.90 |
| September 2023 | 4.21 | 3.64 | 4.10 | 3.65 |
| October 2023 | 4.42 | 4.42 | 4.30 | 4.30 |
| November 2023* | NIL | NIL | NIL | NIL |
| December 2023* | NIL | NIL | NIL | NIL |
| January 2024* | NIL | NIL | NIL | NIL |
| February 2024* | NIL | NIL | NIL | NIL |
| March 2024* | NIL | NIL | NIL | NIL |

*From 3rd October, 2023 trading in the Script of JBF Industries Limited has been suspended from Bombay Stock Exchange & National Stock Exchange of India Limited due to penal reasons

Stock performance:

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, 2024 are disclosed in Financial Statements.

There are no manufacturing facilities of the Company as on 31st March 2024. All the assets of the Company have been transferred under (SARFAESI Act) to CFM Asset Reconstruction Private Limited on 06th June, 2022.

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. Shareholders’ Rights

The quarterly and half yearly financial performance results are published in the newspapers and are also posted on the website (<https://www.jbfindustries.co.in/about>) of the Company and hence, it is not being sent to the shareholders separately.

2. Audit qualifications

The Company’s Standalone Financial Statement for the year ended 31st March, 2024 contains audit qualifications, for explanation/ comments on audit qualifications refer to directors’ report.

3. Separate posts of Chairman and CEO

The Company does not have Managing Director & CEO as on 31st March, 2024.

4. Reporting of Internal Auditor

The Company does not have Internal Auditor as on 31st March, 2024..

Compliance Certificate

A Certificate from the Auditors of the Company regarding compliance of condition of corporate governance for the year ended on 31st March, 2024, 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

As the Company was under CIRP/Liquidation during the year under review, the powers of the Boards stand suspended and the provisions of Regulation 17(5) (a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 were not applicable to the Company.

| | |
|--|--|
| Place : Mumbai Date : 14th August, 2024 | Mr. Mukesh Verma Resolution Professional (RP) Registration No: IBB/IPA-001/ IP-P01665/2019-2020/12522 |
|--|--|

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We have examined the relevant records, forms, returns and disclosures received from the Directors of JBF Industries Limited (hereinafter called “the Company”) having CIN: L99999DN1982PLC000128 and registered office at Survey No.273, Village Athola, Silvassa, Dadra & Nagar Haveli, Silvassa-396230, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) and Schedule V Para C Sub-Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e., www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority. Further, the DIN status of Mr. Yash Saran Gupta (DIN: 06843474) and Mr. Ravi Amarchand Dalmia (DIN: 00634870) as on the date of issuance of this certificate is being shown as “Deactivated” on the MCA portal.

| Sr. No. | Name of the Director | DIN | Date of appointment in the Company* |
|---------|---------------------------|----------|-------------------------------------|
| 1. | Ujjwala Girish Apte | 00403378 | 02/06/2022 |
| 2. | Ravi Amarchand Dalmia | 00634870 | 04/06/2018 |
| 3. | Sangita Vikas Chudiwala | 01039360 | 29/11/2017 |
| 4. | Yash Saran Gupta** | 06843474 | 12/02/2021 |
| 5. | Seetharam Narayana Shetty | 07962778 | 02/06/2022 |
| 6. | Bindu Darshan Shah | 07131459 | 25/04/2023 |

* Date of appointment is as per the MCA portal
** Tenure as Director has ended on 11.02.2024.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Harsh Kothari & Associates,
Practising Company Secretary

Harsh Kothari
CP No.: 22951
Membership No.: F12935
Peer Review No.: 2054/2022
UDIN: F012935F001059090

Place: Mumbai
Date: 28.08.2024

Auditors Certificate of Corporate Governance

To
The Resolution Professional,
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, 2024. 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

- 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.
- The Company was admitted under CIRP vide an order dated 25.01.2024 passed by the National Company of Law Tribunal (NCLT), Ahmedabad Bench and the management of the Company is undertaken by the Resolution Professional and the powers of the Board of Directors stand suspended w.e.f. 25.01.2024.
- 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

- 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.
- 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.
- 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.
- The procedures selected depend on the auditors' judgement, including the assessment of the risks associated with non-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.
- 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:

- As mentioned under the head "Separate meeting of Independent Directors" in the Corporate Governance Report, no separate meeting of Independent Directors was held during the financial year as required by the code of Independent Directors under Schedule IV of the Companies Act, 2013 and the Regulation 25(3) of the Listing Regulations.
- 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, 2024 have been submitted by the Executive Director in the which was not in compliance with the provisions of Regulation 17(8) in terms of Schedule II Part B of the Listing Obligation and Disclosure Requirement, 2015.
- 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 subsidiaries 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 Obligation and Disclosure Requirement, 2015.
- 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, hence the necessary declaration given by the Executive 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 Obligation and Disclosure Requirement, 2015.

- As mentioned in the Nomination and Remuneration Committee (NRC), The remuneration, 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. However, the Remuneration paid to the director's by the company is in accordance with the provisions of Schedule V of the Act.
- As mentioned in the Discretionary Requirements – Part E of Schedule II, the company does not have internal Auditor during the financial year ended 31st March 2024.

QUALIFIED OPINION

- Based on the procedures performed by us as referred in paragraph 8 and 9 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, 2024, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

- As mentioned under the head, "Finance Committee", no meeting of the Finance Committee has been conducted during the year.
- 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.
- 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 S.C. Ajmera & Co

Chartered Accountants
Firm Reg. No. 002908C

SC Ajmera – Partner

Membership No.081398
UDIN-24081398BKHQZM5406

Place: Udaipur
Date : 14th August, 2024

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, 2024:

The CSR Committee of the Board was reconstituted consisting of Mr. S. N. Shetty as (Chairman) and Mrs. Ujjwala Apte as (Member) of the Committee and Mrs. Sangita Chudiwala, Independent Director of the Company as (Member)

Average net profit of the Company for last three financial years is negative.

Budget for CSR expenditure for the year 2023-24 : ₹ Nil

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

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

Expenditure made from April, 2023 to March, 2024 : ₹ Nil spent.

Balance to be spent : ₹ Nil

Reasons for not spending the stipulated CSR expenditure:

Average Net Profit of the Company for last three years is negative. Therefore Company has not calculated budget for Corporate Social Responsibility expenditure.

S. N. Shetty

Executive Director – Legal & HR
Chairman, CSR Committee

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
JBF Industries Limited
CIN: L99999DN1982PLC000128
Regd. Office: B2-04, Tirupati Residency, Silvassa,
Valsad, Umbergaon, Gujarat, India, 396230

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JBF Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws applicable to the Company:
 - (a) Insolvency and Bankruptcy Code, 2016.

I 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 Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The meeting of the Board of Directors was held at a shorter notice on 14.08.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice.
2. The meetings of CSR Committee were held at a shorter notice on 14.08.2023 and 02.11.2023. However, the Notice of the aforesaid meetings does not mention about the fact that the meetings are held at a shorter notice.
3. The meeting of Stakeholders Relationship Committee was held at a shorter notice on 02.11.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice.
4. The meeting of Audit Committee was held at a shorter notice on 14.08.2023. However, the Notice of the aforesaid meeting does not mention about the fact that the meeting was held at a shorter notice.
5. The Notice for the Board Meeting and the Nomination and Remuneration Committee meeting held on 27.06.2023 was not given to the Directors and Members within the time frame stipulated in the Act.
6. All the e-forms were filed with the Registrar of Companies within the stipulated time period except the following e-forms which were filed with a delay and payment of additional fee:
 - a. Form MGT-14 for Board Meeting held on 11.04.2023;
 - b. Form IEPF-2 for the FY ended 31.03.2023;
 - c. Form ADT-1 for appointment of Statutory Auditors upto FY 2028.
7. The listed entity is not fully complied with the provisions of SS-1 issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.
8. The Company has not paid Annual Listing Fee for FY 2023-24 to BSE Limited.
9. The Financial Statements for the period 31.12.2023 were not approved and submitted to the respective Stock Exchanges within the stipulated time frame as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
10. The Website of the Company is not updated as per Regulation 46 of the Listing Regulations and all the requirements under the said regulation are not uploaded.
11. Policies are partially adopted by the Company and not timely updated as per SEBI Regulations.
12. The Company is yet to submit the SDD Compliance certificate as per Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading)

Regulations, 2015. Further the Company does not have a proper system and software for maintaining the UPSI.

13. The Company has not received Annual Disclosure and of Designated Persons as per SEBI (Prohibition of Insider Trading) Regulations, 2015.
14. The tenure of Mr. Yash Gupta as Director of the Company ended on 11.02.2024. However, Form DIR-12 to this effect is not filed by the Company.

I further report that:

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors upto 25.01.2024. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except the Board Meeting and Nomination and Remuneration Committee Meetings held on 27.06.2023, 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.

Decisions at the Board Meetings were taken unanimously.

I 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 the applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further Report that, during the audit period:

Vide an order dated 25.01.2024, passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the Company was admitted under Corporate Insolvency Resolution Process and the powers of the Board of Directors stand suspended w.e.f. 25.01.2024.

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

For Harsh Kothari & Associates,
Practicing Company Secretaries

Harsh Kothari
Proprietor
Membership No.: F12935
COP No.: 22951
Peer Review Certificate No. 2054/2022
UDIN: F012935F000530199

Place: Mumbai
Date: June 5, 2024

Annexure A

To,
The Members,
JBF Industries Limited
CIN: L99999DN1982PLC000128
Regd. Office: B2-04, Tirupati Residency, Silvassa,
Valsad, Umbergaon, Gujarat, India, 396230

My report of even date is to be read along with the letter

1. Maintenance of secretarial records is the responsibility of management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I 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 and regulations, standards is the responsibility of the management. My 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 Harsh Kothari & Associates,
Practicing Company Secretaries

Harsh Kothari
Proprietor
Membership No.: F12935
COP No.: 22951
Peer Review Certificate No. 2054/2022
UDIN: F012935F000530199

Place: Mumbai
Date: June 5, 2024

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

To

The Resolution Professional

JBF Industries Limited

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 2024, 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

(i) As mentioned in Note 24.1 to the Standalone Financial Statements, provision of interest @ NIL% p.a. on its borrowings aggregating to ₹ 2,473.79 Crores for the year ended from 1st April 2023 to 31st March 2024 as against the documented rate, resulting into lower provision of finance cost for the year ended 31st March, 2024 by ₹ 343.90 Crores, which is not in compliance with Ind AS -23 "Borrowings Costs" read with Ind AS-109 on "Financial Instruments".

Aggregate amount of Interest not provided for as at 31st March, 2024 is ₹ 1164.81 crores. Had the interest been provided at the documented rate, finance cost, net loss after tax for the year, total comprehensive income and EPS for the year ended 31st March, 2024 would have been ₹ 343.99 Crores, ₹ (354.54) Crores, ₹ (354.54) Crores, ₹ (43.30) as against the reported figure of ₹ 0.09 Crores, ₹ (10.64), ₹ (10.64) Crores and ₹ (1.30) in the above Statements. Further current financial liabilities-others and other equity as at 31st March, 2024 would have been ₹ 1,622.81 crores and ₹ (4,094.17) crore respectively as against reported figure of ₹ 458 crores and ₹ (2929.36) crores respectively in the above results.

(ii) As mentioned in Note 27.3 to the Standalone Financial Statements regarding the application filed with the National Company Law Tribunal (NCLT), by one of the operational creditors of JBF RAK LLC (JBF RAK), situated at UAE, a subsidiary of the company, against the Company, for supply of raw materials to JBF RAK and claim of ₹ 128.48 Crores (US\$ 19,899,091.53) as per notice dated 17th February, 2020. No provision has been considered for the above claim for the reasons stated therein. The matter described in above has uncertainties related to the outcome of the legal proceedings and hence we are unable to quantify the provisions for above claim at this stage, if any, and its consequential impacts on the financial statements of the Company.

We concluded our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw your attention to:-

(i) Note 27.2 to the Standalone Financial Statements, regarding invocation of corporate guarantee given by the company to the lender of JBF Petrochemicals

Ltd. ("JPL"). The company has denied above invocation and is of the view that above invocation is not tenable for the reasons explained therein and hence no provision against the claims under the invoked corporate guarantee is considered necessary.

(ii) Note 36 to the Standalone Financial Statements that Company's secured assets including the manufacturing plants situated in Sarigam, Athola and Saily are no longer in the possession of the Company. Further, the management is also of the view that the operations of the Company without the manufacturing plants will be severely affected. With effect from 1st December, 2022 manufacturing operations from all locations have been discontinued. The Company's ability to sustain itself and generate revenues has been critically dented. Further, there is a significant and material impact on the "going concern" status of the Company and its future operations. The company has also transferred MAT credit entitlement of ₹ 64.09 Crores to Statement of Audited Financial Results under the head Tax Expenses "Short/(Excess) Provision of Tax of Earlier Years (Net)" as there is no possibility of earning revenue in future. The Company will find it difficult to meet its financial commitments. Therefore, the company ceases to continue as a going concern.

Further, the Company has received demand notice from Tamilnad Mercantile Bank Ltd, (TMBL) under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") and the Rules framed thereunder for recovery of their dues vide letter dated 23rd November, 2021 amounting to ₹ 32.94 Crores plus future interest as applicable thereon in terms of loan agreement. TMBL has denied to release the charge on assets of the company. However, the remaining 14 lenders have assigned their debts to Asset Reconstruction Company CFM on dated 13.08.2021 and also transferred all the assets (fixed assets, investment and current assets) of the company to CFM on dated 11.11.2021. CFM has taken physical possession of all secured assets of JBF.

CFM has sent intimation for sale of all the secured assets of the company to Madelin Enterprises Private Limited (MEPL) for total consideration of ₹ 881 Crores on dated 11.05.2022.

However, TMBL has not agreed to the decision of remaining 14 lenders, therefore, it has in principal charge over the secured assets of the company on pro-rata basis, which have been subsequently transferred to CFM and finally to MEPL.

Thereafter, TMBL approached NCLT Ahmedabad for recovery of their dues from the Company and CFM. The matter is now pending before the NCLT Ahmedabad and it is subjudice.

(iii) Note 41 to the statement, regarding non-preparation of consolidated financial statement due to the reasons mentioned therein. The company has subsidiaries and is required to present consolidated financial results. The Company has not prepared and presented the consolidated financial statements/results required by Companies Act, 2013 and IND AS 110 "Consolidated Financial Statements" and the Listing Regulation. However, as on 31st March 2023, M/s. Madelin Enterprises Pvt. Ltd., has acquired the holding of JBF Industries Ltd. in its Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer of shares in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date.

(iv) Note 45 to the standalone financial statements, regarding the vacancy of the post of the Chief Executive Officer and Chief Financial officer since 1st May, 2019 and 1st July 2023 due to the reason as mentioned therein.

(v) The company has not appointed any Internal Auditor, which is required by section 138 of the Companies Act 2013.

(vi) The company has paid remuneration to Directors amounting to ₹ 1,70,26,048 as against the maximum limit of ₹ 60 Lacs as laid down under Schedule V of the Companies Act, 2013, which is in excess of limit laid down under section 197 of the Companies Act, 2013.

Our opinion is not modified in respect of these matters.

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, Material Uncertainty Related to Going Concern & Emphasis of matters section, we have determined the matters described below to be key audit matters to be communicated in our report.

| Key Audit Matters | How our audit addressed the key audit matter |
|--|--|
| (i) Carrying value of trade receivables | |
| <p>As mentioned in Note 7 to the Standalone Financial Statements, total trade receivables were aggregating to ₹ 7.91 Crore as on 31st March 2024, out of above ₹ 2.37 Crore were provided.</p> <p>The collectability of the Company’s trade receivables and the valuation of allowance for impairment of trade receivables requires 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 counter parties. 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.</p> <p>Accordingly, it has been determined as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • 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. • Assessing the Company’s provisioning policy and evaluating with reference to applicable accounting standards. • Considered the completeness and accuracy of the disclosures. |

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.

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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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.

The Company was admitted under CIRP vide an order dated 25.01.2024 passed by the National Company of Law Tribunal (NCLT), Ahmedabad Bench and the management of the Company is undertaken by the Resolution Professional and the powers of the Board of Directors stand suspended w.e.f. 25.01.2024.

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 scepticism 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 with reference to Standalone Financial Statements 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 the Board of Directors.
- Conclude on the appropriateness of the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 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 year 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, 2020 ("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 or 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 "Emphasis of Matter" 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 not in accordance with the provisions of section 197 of the Act. The Remuneration paid Directors is in excess of limit laid down under section 197 of the Act.
 - i) With respect to the other matters to be included in the Auditor's Reporting 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 2024 on its financial position in its Standalone Financial Statements as referred in Note 27 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The management has represented that

- a. to the best of its knowledge and belief, other than as disclosed in the notes no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind to the accounts, of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been paid during the year by the company.
- vi. Based on our examination which included test checks, either the accounting software used by the company does not have the feature to maintain audit trail or it was not enabled throughout the year.

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

(SC Ajmera – Partner)
Membership No. 078398
UDIN: 24081398BKHQYW7572

Place: Udaipur
Date: 30.05.2024

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 2024)

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, 2024 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 judgment, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 2024: -

The Company did not have an appropriate internal control system for customer settlement

through credit note, credit evaluation, pricing authorization, establishing customer credit limits and 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.

Further, the company ceases to be going concern as referred in paragraph (ii) of Emphasis of Matters in the report on the audit of the standalone financial statements.

The Company also does not have Chief Executive Officer and Chief Financial officer since 1st May, 2019 and 1st July 2023 respectively as referred in paragraph (iv) of Emphasis of Matters in the report on the audit of the standalone financial statements.

The company does not have the Internal auditor during the Financial Year as referred in paragraph (v) of Emphasis of Matters in the report on the audit of the standalone financial statements.

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 2024, 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 2024, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

For S.C. Ajmera & Co.

Chartered Accountants

FRN 002908C

(SC Ajmera – Partner)

Membership No. 081398

UDIN: 24081398BKHQYW7572

Place: Udaipur

Date: 30.05.2024

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, 2024 on the matters required by the Companies (Auditor's Report) Order, 2020 ("The Order") issued by Central Government in the terms of sub section (11) of Section 143 of Companies Act, 2013)

- i. In respect of Tangible & Intangible Assets:
- The Company does not have any Property, Plant and Equipment. Therefore, clause (a)(A) is not applicable.
 - The company does not have any intangible assets. Therefore, clause (a)(B) is not applicable
 - As explained to us, no physical verification of Property, Plant and Equipment was carried as the company does not have any tangible assets, hence clause (b) of this Para is not applicable.
 - According to the information and explanations given to us and based on the examination, we report that, the company does not hold any immovable properties as at the balance sheet date.
 - According to the information & explanation given to us and based on our examination of the records of Company, no revaluation of property, plant & equipment or intangible assets or both has been done as the company does not have any assets. Hence, clause (d) of this Para is not applicable.
 - According to the information & explanation given to us, no proceedings has been initiated or are pending against the company for holding Benami Property under the Benami transactions prohibition Act , 1988 (45 of 1988) and rules made thereunder. Hence, clause (e) of this Para is not applicable.
- ii. In respect of Inventories :
- As explained to us, no physical verification of inventory has been carried out as the company does not have any inventory. Hence clause (a) of this para is not applicable.
 - During the year, the company has not been sanctioned, any working capital from banks, Financial institutions, on the basis of security of current assets. Hence clause (b) of this Para is not applicable.
- iii. According to the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investments, not provided any security or given any guarantee during the year.
- 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:
- The Company has been generally regular in depositing undisputed statutory dues, including Goods & Service Tax , provident fund, employees' state insurance, income tax, services tax, duty of customs, Cess and any other statutory dues with the appropriate authorities as applicable during the year except some cases of custom duty & goods and services tax. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 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 |
| Total | | 1.76 | | |

- viii. According to the information & explanation given to us and based on our examination of the books of accounts & records of Company , there has been no transactions recorded in books of accounts that have been surrendered or disclosed as income during the year in the Tax assessments under Income Tax Act , 1961.
- ix. 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 bank and financial institutions aggregating to Rs. 2530.55 Crore. Lender wise details of such default are as under:-

| Sr No | Name of Bank | Amount claimed by the lender | Amount admitted by the Resolution Professional |
|-------|----------------------------------|------------------------------|--|
| 1 | CFM Asset Reconstruction Pvt Ltd | 2501.53 | 2494.40 |
| 2 | Tamilnad Mercantile Bank | 43.29 | 36.15 |
| | Total | 2544.82 | 2530.55 |

Further, lenders of the Company have classified all the credit facilities given to the Company as at 31st March 2024 as Non-Performing Asset (NPA) in their books of account.

- x. The Company has,
- Not raised moneys by way of initial public offer or further public offer during the year. Accordingly, the provisions of clause 3 (x) (a) of the Order are not applicable to the Company.
 - Not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of clause 3 (x) (b) of the Order are not applicable to the Company.
- xi. 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 to us,
- No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - No whistle-blower complaints have been received during the year by the Company.
- 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. The company does not have an internal audit system commensurate with the size and nature of its business which is reported in Emphasis of Matter paragraph of the Audit Report.
- 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. Therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.
- xvii. Based on our examination of the records of the Company, the company has incurred cash loss in the financial year and also in immediately preceding financial year.
- xviii. According to the information and explanations give to us, there has been no resignation of the statutory auditors during the year; hence the provisions of clause 3(xviii) of the Order are not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and as per our knowledge of the Board of Directors and management plans, in our opinion, material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company,
- a) There is no other project in compliance with second proviso to sub-section (5) of section 135 of the said Act. Hence, clause 3 (xx) (a) of the Order are not applicable to the Company.
- b) There is no ongoing project in compliance with second proviso to sub-section (5) of section 135 of the said Act. Hence, clause 3 (xx) (b) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion the provisions of clause 3(xxi) are not applicable to Standalone Financial Statement.

For S.C. Ajmera & Co.

Chartered Accountants
FRN 002908C

(SC Ajmera – Partner)

Membership No. 081398
UDIN: 24081398BKHQYW7572

Place : Udaipur
Date : 30.05.2024

BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Crore)

| Particulars | Note No. | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|----------|------------------------|-------------------|------------------------|-------------------|
| I. ASSETS | | | | | |
| 1 Non-current Assets | | | | | |
| (a) Property, Plant and Equipment | 5 | -- | -- | -- | -- |
| (b) Capital Work-in-Progress | 5 | -- | -- | -- | -- |
| (c) Investment Properties | 6 | -- | -- | -- | -- |
| (d) Other Intangible Assets | 5 | -- | -- | -- | -- |
| 2 Current Assets | | | | | |
| (a) Financial Assets | | | | | |
| (i) Trade Receivables | 7 | 5.54 | | 8.36 | |
| (ii) Cash and Cash equivalents | 8 | 0.32 | | 0.28 | |
| (iii) Bank Balance other than (ii) above | 9 | 0.19 | | 0.24 | |
| (iv) Others | 10 | 0.01 | | 0.12 | |
| (b) Current Tax Assets Net | 11 | 0.01 | | 3.39 | |
| (c) Other Current Assets | 12 | <u>48.15</u> | <u>54.22</u> | <u>49.41</u> | <u>61.80</u> |
| TOTAL ASSETS | | | <u>54.22</u> | | <u>61.80</u> |
| II. EQUITY AND LIABILITIES | | | | | |
| EQUITY | | | | | |
| (a) Equity Share Capital | 13 | 81.87 | | 81.87 | |
| (b) Other Equity | 14 | <u>(2,929.36)</u> | <u>(2,847.49)</u> | <u>(2,918.72)</u> | <u>(2,836.85)</u> |
| LIABILITIES | | | | | |
| 1 Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 15 | 2,359.84 | | 2,359.83 | |
| (iii) Trade Payable | 16 | | | | |
| A) Total outstanding dues of Micro and Small Enterprises | | 1.60 | | 1.60 | |
| B) Total outstanding dues of Creditors other than Micro and Small Enterprises | | <u>34.41</u> | | <u>30.74</u> | |
| | | 36.01 | | 32.34 | |
| (iv) Other Financial Liabilities | 17 | 458.00 | | 456.97 | |
| (b) Other Current Liabilities | 18 | 47.19 | | 48.95 | |
| (c) Provisions | 19 | <u>0.66</u> | <u>2,901.71</u> | <u>0.56</u> | <u>2,898.66</u> |
| TOTAL EQUITY AND LIABILITIES | | | <u>54.22</u> | | <u>61.80</u> |
| Significant accounting policies and notes to Standalone financial statements | 1 to 48 | | | | |

As per our report of even date

For S.C. Ajmera & Co.Chartered Accountants
(Firm Registration no. 002908C)**S.C AJMERA**Partner
Membership no. 081398Place : Udaipur
Date : 30th May, 2024**For and on behalf of Suspended Board of Director****SEETHARAM N SHETTY**Director
DIN-07962778**MUKESH VERMA**Resolution Professional Of
JBF INDUSTRIES LIMITED (UNDER CIRP)Place : Mumbai
Date : 30th May, 2024**UJJWALA APTE**Director & Company Secretary
DIN-00403378
Membership No A3330

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MAR, 2024

(₹ in Crore)

| Particulars | Note No. | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|----------|--|--|
| I. Revenue from Operations | 20 | 1.94 | 1,097.17 |
| II. Other Income | 21 | 0.01 | 12.35 |
| III. Total Income (III) | | 1.95 | 1,109.52 |
| IV. Expenses: | | | |
| Cost of Material Consumed | | -- | 603.98 |
| Purchases of Stock-in-Trade | | 1.90 | 24.22 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 22 | -- | 196.53 |
| Employee Benefits Expense | 23 | 2.64 | 48.69 |
| Finance Costs | 24 | 0.09 | 235.18 |
| Depreciation, Amortisation and Impairment Expense | 25 | -- | 14.20 |
| Other Expenses | 26 | 2.15 | 269.77 |
| Total Expenses (IV) | | 6.78 | 1,392.57 |
| V. Loss Before Exceptional Item & Tax (III - IV) | | (4.83) | (283.06) |
| VI. Exceptional Item | 27 | 2.37 | 1,503.59 |
| VII. Loss after Exceptional Item & Before Tax (V - VI) | | (7.20) | (1,786.64) |
| VIII. Tax Expense: | | | |
| (1) Deferred Tax Credit | | -- | 2.73 |
| (2) Short/(Excess) Provision of Tax of Earlier Years (Net) | | 3.43 | 64.09 |
| IX. Loss After Tax (VII-VIII) | | (10.64) | (1,853.46) |
| X. Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to profit or loss: | | | |
| Re-measurement gains / (losses) on defined benefit plans | | -- | (7.81) |
| Income tax effect on above | | -- | 2.73 |
| (ii) Items that will be reclassified to profit or loss: | | -- | -- |
| Total Other Comprehensive Income | | -- | (5.08) |
| XI. Total Comprehensive Income for the year/period (IX + X) | | (10.64) | (1,858.55) |
| XII. Earnings per Equity Share of ₹ 10 each (Basic and Diluted) (in ₹) | 26.3 | (1.30) | (226.39) |
| Face Value per Share (in ₹) | | 10.00 | 10.00 |
| Significant accounting policies and notes to Standalone financial statements | 1 to 48 | | |

As per our report of even date

For S.C. Ajmera & Co.Chartered Accountants
(Firm Registration no. 002908C)**S. C. AJMERA**Partner
Membership no. 081398Place : Udaipur
Date : 30th May, 2024**For and on behalf of Suspended Board of Director****SEETHARAM N SHETTY**Director
DIN-07962778**MUKESH VERMA**Resolution Professional Of
JBF INDUSTRIES LIMITED (UNDER CIRP)Place : Mumbai
Date : 30th May, 2024**UJJWALA APTE**Director & Company Secretary
DIN-00403378
Membership No A3330

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MAR, 2024

A. Equity Share Capital

(₹ in Crore)

| Particulars | As at 1st April, 2022 | Changes During 2022-23 | As at 31st March, 23 | Changes During 2023-24 | As at 31st March, 2024 |
|----------------------|--------------------------|---------------------------|-------------------------|------------------------------|---------------------------|
| Equity Share Capital | 81.87 | -- | 81.87 | -- | 81.87 |

B. Other Equity

| Particulars | Reserves and Surplus | | | | | | Total Other Equity |
|---|----------------------|----------------------------------|----------------------------------|--------------------|----------------------|---|-----------------------|
| | Capital Reserve | Capital Redemption Reserve | Securities Premium Reserve | General Reserve | Retained Earnings | Items of Other Comprehensive Income- Remeasurements of defined benefit plans | |
| Balance as at 1st April, 2022 | 10.62 | 7.50 | 807.93 | 77.94 | (1,959.75) | (4.42) | (1,060.18) |
| Total Comprehensive Income for the year | -- | -- | -- | -- | (1,853.46) | (5.08) | (1,858.54) |
| Balance as at 31st March, 2023 | 10.62 | 7.50 | 807.93 | 77.94 | (3,813.21) | (9.49) | (2,918.72) |
| Total Comprehensive Income for the year | -- | -- | -- | -- | (10.64) | -- | (10.64) |
| Balance as at 31st March, 2024 | 10.62 | 7.50 | 807.93 | 77.94 | (3,823.84) | (9.49) | (2,929.36) |

As per our report of even date

For S.C. Ajmera & Co.
Chartered Accountants
(Firm Registration no. 002908C)

S.C AJMERA
Partner
Membership no. 081398

Place : Udaipur
Date : 30th May, 2024

For and on behalf of Suspended Board of Director

SEETHARAM N SHETTY
Director
DIN-07962778

MUKESH VERMA
Resolution Professional Of
JBF INDUSTRIES LIMITED (UNDER CIRP)

UJJWALA APTE
Director & Company Secretary
DIN-00403378
Membership No A3330

NOTE TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**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, Silvassa, Dadra and Nagar Haveli and Daman and Diu - 396230, India.

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

The financial statements for the year ended 31st March, 2024 were approved by the Resolution Professional (based on review by suspended Board of Directors) at their meeting held on 30th May, 2024.

Note 2 BASIS OF PREPARATION AND PRESENTATION:

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 MATERIAL 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:

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee**i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right-to-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned by the Company.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities under financial liabilities in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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 FIFO basis and Stores & Spares, Packing materials and Consumables are determined on weighted average basis. Waste, by products and trial run products are valued at net realisable value. Finished products are valued at raw material cost (determined on weighted average Basis) 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 and Contingent Assets:

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 from Contract with Customer :**Revenue Recognition****Sale of Goods and Services:**

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

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 encashment is 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.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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 temporary 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.

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 assets recoverable amount. An assets recoverable amount is the higher of an assets 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.

4.10 Classification of Leases :

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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

(₹ In Crore)

| Particulars | Own Assets | | | | | | | | Right to use Assets | | |
|--|-----------------|---------------|---------------------|------------------------|-------------|-------------|------------------|-----------------|---------------------|-----------------|-------------------|
| | Land - Freehold | Buildings | Plant and Equipment | Furniture and Fixtures | Vehicles | Computer | Office Equipment | Total (A) | Land (B) | Total (A+B) | Intangible Assets |
| COST | | | | | | | | | | | |
| As at 1st April, 2022 | 36.22 | 274.51 | 1,418.38 | 2.56 | 0.30 | 3.04 | 0.67 | 1,735.68 | 32.04 | 1,767.72 | 9.44 |
| Additions | | 5.67 | 23.60 | 0.01 | - | 0.08 | 0.02 | 29.38 | | 29.38 | 0.02 |
| Disposals / Transfers | 36.22 | 280.18 | 1,441.98 | 2.57 | 0.30 | 3.12 | 0.68 | 1,765.05 | 32.04 | 1,797.10 | 9.46 |
| As at 31st March, 2023 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Additions | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Disposals / Transfers | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| As at 31st March, 2024 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| DEPRECIATION, AMORTISATION AND IMPAIRMENT | | | | | | | | | | | |
| As at 1st April, 2022 | -- | 72.58 | 565.18 | 2.03 | 0.16 | 2.28 | 0.45 | 642.69 | 7.26 | 649.95 | 8.74 |
| Depreciation/Amortisation for the Year | | 1.91 | 11.77 | 0.02 | 0.01 | 0.04 | 0.01 | 13.76 | 0.43 | 14.19 | 0.01 |
| Disposals | | 74.49 | 576.96 | 2.03 | 0.17 | 2.33 | 0.46 | 656.45 | 7.69 | 664.14 | 8.76 |
| As at 31st March, 2023 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Depreciation/Amortisation for the Period | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Disposals | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| As at 31st March, 2024 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| NET BOOK VALUE | | | | | | | | | | | |
| As at 31st March, 2023 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| As at 31st March, 2024 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (0.01) |
| CAPITAL WORK-IN-PROGRESS | | | | | | | | | | | |
| As at 31st March, 2023 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| As at 31st March, 2024 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

- 5.1 Buildings include cost of shares in Co-operative Societies ₹ Nil (as at 31st March, 2023 ₹ Nil).
- 5.2 Property, Plant and Equipment are pledged as collateral against borrowings, the details related to which have been described in Note 15
- 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 Rs Nil (for the year ended 31st March 2023 ₹ Nil) impairment loss on property, plant and equipment.
- 5.4 Other intangible assets represents Computer software other than self generated.

5.5 Capital-Work-in Progress (CWIP)

a) Capital-Work-in Progress (CWIP) ageing schedule

(₹ In Crore)

| CWIP | As at 31st March, 2024 | | | | Total |
|--------------------------------|--------------------------------|--------------|--------------|----------------------|-----------|
| | Amount in CWIP for a period of | | | | |
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | | | | | -- |
| Projects temporarily suspended | -- | -- | -- | -- | -- |
| Total | -- | -- | -- | -- | -- |

| CWIP | As at 31st March, 2023 | | | | Total |
|--------------------------------|--------------------------------|--------------|--------------|----------------------|-----------|
| | Amount in CWIP for a period of | | | | |
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | -- | -- | -- | -- | -- |
| Projects temporarily suspended | -- | -- | -- | -- | -- |
| Total | -- | -- | -- | -- | -- |

b) CWIP completion schedule for whose completion is overdue:-

(₹ In Crore)

| CWIP | To be completed in | | | | Total |
|-------------------------------|---------------------|--------------|--------------|----------------------|-------|
| | | | | | |
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Coal based Power Plant | | | | | -- |

Refer note no. 36, CFM Asset Reconstruction Private Limited (CFM) has taken physical possessions of all the secured assets of the Company on 11th November, 2021 & proceeded to sell the same by way of private treaty under the SARFAESI Act.

Note 6. Investment Properties

(₹ In Crore)

| Particulars | Investment Properties |
|-------------------------------|-----------------------|
| COST: | |
| As at 1st April, 2022 | 0.23 |
| Additions | -- |
| Disposals / Transfers | 0.23 |
| As at 31st March, 2023 | -- |
| Additions | -- |
| Disposals / Transfers | -- |
| As at 31st March, 2024 | -- |
| DEPRECIATION | |
| As at 1st April, 2022 | -- |
| Depreciation during the year | -- |
| Disposals / Transfers | -- |
| As at 31st March, 2023 | -- |
| Depreciation during the year | -- |
| Disposals / Transfers | -- |
| As at 31st March, 2024 | -- |
| NET BOOK VALUE | |
| As at 31st March, 2023 | -- |
| As at 31st March, 2024 | -- |

6.1 Information regarding income and expenditure of Investment Properties.

Income / expenditure from investment properties is ₹ Nil (For the Year Ended 31st March 2023 is ₹ Nil).

6.2 As at 31st March 2024 and 31st March 2023, the fair values of the properties are ₹ Nil and ₹ Nil Crore respectively. These valuations are based on valuations performed by an independent valuer, who is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. 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 Refer Note No.36 for Going Concern & Sale of Assets by way of private treaty under the SARFAESI Act.

Note 7 - Current Financial Assets - Trade Receivables

(₹ In Crore)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|------|------------------------|------|
| Unsecured : | | | | |
| Considered Good | 5.54 | | 8.36 | |
| Significant Increase in credit risk | | | -- | |
| Credit Impaired | 2.37 | | -- | |
| | <u>7.91</u> | | <u>8.36</u> | |
| Less : Provision for Credit Impaired (including expected credit loss) (refer note 32 and 37) | 2.37 | 5.54 | -- | 8.36 |
| Total | 5.54 | | 8.36 | |

7.1 Trade Receivables ageing schedule

(₹ In Crore)

| Particulars | Outstanding from due date of payment | | | | As at 31st March, 2024 | |
|--|--------------------------------------|------------------|-------------|-------------|------------------------|-------|
| | Less than 6 Months | 6 Months- 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| Unsecured : | | | | | | |
| (i) Undisputed Trade Receivables - Considered good | | | 5.54 | | | 5.54 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivables - credit impaired | | | | | | |
| (iv) Disputed Trade Receivables - Considered good | | | | | | |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | | | | | | |
| (vi) Disputed Trade Receivables - credit impaired | | | | | | |
| Particulars | Outstanding from due date of payment | | | | As at 31st March, 2023 | |
| | Less than 6 Months | 6 Months- 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| Unsecured : | | | | | | |
| (i) Undisputed Trade Receivables - Considered good | 8.36 | | | | | 8.36 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivables - credit impaired | | | | | | |
| (iv) Disputed Trade Receivables - Considered good | | | | | | |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | | | | | | |
| (vi) Disputed Trade Receivables - credit impaired | | | | | | |

7.2 Debts includes due from related party ₹ Nil (as at 31st March 2023 ₹ Nil) (Refer note 30)

7.3 The provision for credit impaired includes ₹ 2.37 Crore determined as Expected Credit Loss in accordance with Ind AS 109 for the year ended 31st March 2023.

Note 8 - Cash and Cash equivalents

(₹ In Crore)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|-------------|------------------------|-------------|
| Balances with Banks in current accounts | | 0.32 | | 0.28 |
| Total | | 0.32 | | 0.28 |

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

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Balances with Banks in current accounts | 0.32 | 0.28 |
| Total | 0.32 | 0.28 |

Note 9 - Bank balances Other than Cash and Cash Equivalents

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------------------|------------------------|------------------------|
| For Unpaid Dividend Accounts | 0.03 | 0.08 |
| Deposit lien with banks | 0.16 | 0.16 |
| Total | 0.19 | 0.24 |

Note 10 - Current Financial Assets - Others

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|------------------------|------------------------|
| Unsecured, Considered Good | | |
| Others | 0.01 | 0.12 |
| Total | 0.01 | 0.12 |

Note 11 - Other Current Assets

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------------------------|------------------------|------------------------|
| Income Tax Advance Tax & TDS (Net) | 0.01 | 3.39 |
| Total | 0.01 | 3.39 |

Note 12 - Other Current Assets

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Unsecured, Considered Good | | |
| Balance with Goods and Service Tax Authorities | 48.15 | 48.09 |
| Goods and Service Tax Receivable | 0.00 | 1.32 |
| Claims and Refund Receivable | 0.00 | 0.00 |
| Total | 48.15 | 49.41 |

Note 13 - Equity Share Capital

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Authorised | | |
| 100,000,000 (As at 31st March, 2020: 100,000,000) Equity Shares of ₹ 10/- each | 100.00 | 100.00 |
| 12,500,000 (As at 31st March, 2020: 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, 2021: 81,871,849) Equity Shares of ₹ 10 each fully paid up | 81.87 | 81.87 |
| Total | 81.87 | 81.87 |

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

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|--------------|------------------------|--------------|
| | (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 |

13.2 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.

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

| Name of Shareholder | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--------------------------------|------------------------|--------------|------------------------|--------------|
| | No. Of Shares held | % of Holding | No. Of Shares held | % of Holding |
| Bhagirath Arya | 1,53,16,171 | 18.71 | 1,53,16,171 | 18.71 |
| KKR Jupiter Investors Pte. Ltd | 1,63,74,370 | 20.00 | 1,63,74,370 | 20.00 |

13.4 Details of Shares held by promoters of Equity Share Capital :

| Name of Shareholder | As at 31st March, 2024 | | As at 31st March, 2023 | |
|------------------------------|------------------------|--------------|------------------------|--------------|
| | No. Of Shares held | % of Holding | No. Of Shares held | % of Holding |
| Bhagirath Arya | 1,53,16,171 | 18.71 | 1,53,16,171 | 18.71 |
| Chinar Arya Mittal | 18,00,000 | 2.20 | 34,11,365 | 4.17 |
| Veena B Arya | 16,25,443 | 1.99 | 14,078 | 0.02 |
| Vaidic Resources Private Ltd | 15,000 | 0.02 | 15,000 | 0.02 |
| Total | 1,87,56,614 | 22.91 | 1,87,56,614 | 22.91 |

% Change during the year

| Name of Shareholder | As at 31st March, 2024 | | As at 31st March, 2023 | |
|------------------------------|------------------------|-----------------------------|------------------------|-----------------------------|
| | No. Of Shares | % of Change during the year | No. Of Shares | % of Change during the year |
| Bhagirath Arya | -- | -- | 7,00,000 | 3.92 |
| Chinar Arya Mittal | 16,11,365 | 47.24 | -- | -- |
| Veena B Arya | (16,11,365) | (11,445.98) | -- | -- |
| Vaidic Resources Private Ltd | -- | -- | -- | -- |
| Total | -- | -- | 7,00,000 | 3.92 |

13.5 Refer Note 42 in respect of ESOP ans ESPS

Note 14 - Other Equity

(₹ In Crore)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|--|------------------------|-------------------|------------------------|-------------------|
| 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 | | 807.93 | | 807.93 |
| General Reserve | | | | |
| As per Last Balance Sheet | | 77.94 | | 77.94 |
| Retained Earnings | | | | |
| As per Last Balance Sheet | (3,813.22) | | (1,959.75) | |
| Less: Loss for the year | (10.64) | (3,823.86) | (1,853.46) | (3,813.22) |
| Items Of Other Comprehensive Income-Remeasurement of Defined Benefit Plan | | | | |
| As per Last Balance Sheet | (4.42) | | (4.03) | |
| Add: Comprehensive Income for the year | -- | (4.42) | (0.39) | (4.42) |
| Total Other Equity | | (2,924.29) | | (2,913.65) |

14.1 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,

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. The outstanding balance has been charged to Statement of Profit and Loss in previous year.

7. Remeasurements of Defined Benefit Plans:

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

Note 15 - Current Financial Liabilities - Borrowings

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| (a) Secured Loans | | |
| from Banks - Cash Credit | 1,680.62 | 1,680.62 |
| from Banks & Financial Institutions - Term Loans | 641.21 | 641.21 |
| (b) Buyer's Credit | 38.00 | 38.00 |
| Total | 2,359.84 | 2,359.83 |

15.1 Working Capital Loans as referred to in (a) above of ₹ 1680.62 Crore (as at 31st March, 2023 ₹ 1680.62 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 and Daman and Diu (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 and Daman and Diu (Union Territory) and at Sarigam, District Valsad, Gujarat.

15.2 Buyers Credit referred to in (b) above of ₹ 38.00 Crore, (as at 31st March, 2023 ₹ 38.00 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 and Daman and Diu (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 and Daman and Diu (Union Territory) and at Sarigam, District Valsad, Gujarat.

15.3 As on 31st March, 2024, the Company has overdue of Working Capital loan of ₹ 1718.62 Crore (as at 31st March 2023 ₹ 1718.62 Crore) and Interest of ₹ 217.98 Crore (as at 31st March 2023 ₹ 217.98 Crore) included in Interest Accrued and Due in Note no. 24 for a period of less than 5 year.

15.4 The Company had borrowed ₹ 300.00 Crore from lenders against the pledge of 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 ₹ 8.40 Crore during the financial year 2021-22 and ₹ 34.61 Crore in earlier years. The realisation value has been adjusted against the outstanding borrowing and interest, 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, 2024 is Nil (as at 31st March 2023 ₹ Nil).

Note 16- Current Financial Liabilities - Trade Payables

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-------------------------------------|------------------------|------------------------|
| Micro, Small and Medium Enterprises | 1.60 | 1.63 |
| Others | 34.41 | 30.71 |
| Total | 36.01 | 32.34 |

Note 17- Current Financial Liabilities - Others

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Cumulative Redeemable Preference Shares (refer note 17.1) | 113.96 | 113.96 |
| Unpaid Dividends | 0.03 | 0.08 |
| Interest accrued and due on borrowings (refer note 24.1) | 208.05 | 208.05 |
| Interest accrued and due on others | 9.93 | 9.93 |
| Other Payables | | |
| Salary, Wages and Bonus Payable | 1.28 | 1.88 |
| Provision for expenses and Other Payable | 0.48 | 0.80 |
| Others | 124.27 | 122.27 |
| Total | 458.00 | 456.97 |

17.1 Terms/rights attached to Cumulative Redeemable Preference Shares (CRPS)

The holder of Preference Share of the Company have a right to vote at a General Meeting of the Company only in accordance with limitations and provisions laid down in Section 47 (2) of the Companies Act, 2013. The preference share holders will be entitled to receive out of the remaining assets of the company after distribution to lenders. 75,709 2.5% CRPS are redeemable at par as : 36,509 shares on 30.09.2020, 17,837 shares on 30.09.2019 and 21,363 shares on 30.09.2018. 14,15,000 20% CRPS are redeemable at a premium of ₹ 700 per share as : 3,15,000 shares on 30.09.2020, 7,70,000 shares on 30.09.2019 and 3,30,000 shares on 30.09.2018. The Preference Shares shall carry dividend at the rate of 2.5 % and 20.00% per annum payable annually.

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

| Name of Preference Shareholder of 2.5% CRPS | As at 31st March, 2024 | As at 31st March, 2023 |
|--|-------------------------------|-------------------------------|
| Bank of India | 75,709 | 75,709 |
| Percentage | 100% | 100% |
| Name of Preference Shareholder of 20% CRPS | As at 31st March, 2024 | As at 31st March, 2023 |
| Bank of India | 14,15,000 | 14,15,000 |
| Percentage | 100% | 100% |

17.3 Dividend paid and proposed:-

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|-------------------------------|-------------------------------|
| Dividend declared and paid | | |
| Final dividend declared and paid for the year ended on 31st March | -- | -- |
| Dividend Distribution Tax on final dividend | -- | -- |
| Proposed Dividends | | |
| Final dividend proposed for the year ended on 31st March | -- | -- |
| Dividend Distribution Tax on proposed dividend | -- | -- |

17.4 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.

17.5 As on 31st March, 2024, the Company has defaulted in repayment to preference shareholder of ₹ 113.96 Crore (as at 31st March, 2023 ₹ 113.96 Crore).

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

17.7 Current Financial Liabilities - Others Payable includes ₹ 124.27 Crores payable to Madelin Enterprises Pvt Ltd (MEPL)

Note 18 - Other Current Liabilities

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------------------------|-------------------------------|-------------------------------|
| Deposit from Customers | 0.10 | 0.10 |
| Statutory Dues & Other Liabilities | 47.09 | 48.85 |
| Total | 47.19 | 48.95 |

Note 19 - Current Provisions

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|-------------------------------|-------------------------------|
| Provision for employee benefits | | |
| Gratuity (Unfunded) (refer Note 28) | 0.38 | 0.35 |
| Leave Encashment (Unfunded) | 0.28 | 0.21 |
| Total | 0.66 | 0.56 |

Note 20 - Revenues from Operations

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--------------------------------|--|--|
| Sale of Products | 1.87 | 903.01 |
| Sales of Service (JOB work) | 0.00 | 190.00 |
| Other Operating Revenue | 0.07 | 4.16 |
| Revenue from Operations | 1.94 | 1,097.17 |

20.1 Disaggregated Revenue:**(i) Revenue based on Geography:**

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--------------------------------|--|--|
| Domestic | 1.94 | 929.72 |
| Export | – | 167.45 |
| Revenue from Operations | 1.94 | 1,097.17 |

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

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|--|--|
| Contract Price | 1.94 | 1,101.54 |
| less :Reduction towards variables considerations components * | – | 4.37 |
| Revenue from Operations | 1.94 | 1,097.17 |

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

Note 21 - Other Income

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|--|--|
| Interest Income from Financial Assets Measured at Amortised Cost | | |
| - Inter Corporate Deposits | – | 0.19 |
| - Fixed Deposits with Banks | 0.01 | 0.31 |
| - Others | – | 0.13 |
| Gain on Financial Instruments Measured at Fair Value Through Profit or Loss (Net) | – | 0.09 |
| Gain on Foreign Currency Transactions (Net) | – | 4.37 |
| Export Incentive | – | 7.25 |
| Miscellaneous Income | – | 0.01 |
| Total | 0.01 | 12.35 |

Note 22 - Changes in Inventories of Finished Goods and Work-in-Progress

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--|--|--|
| At the End of the Year | | |
| Finished Goods | – | – |
| Work-in-Progress | – | – |
| At the Beginning of the Year | | |
| Finished Goods | – | 174.06 |
| Work-in-Progress | – | 22.47 |
| | – | 196.53 |
| Changes in Inventories of Finished Goods and Work-in-Progress | – | 196.53 |

Note 23 - Employee Benefits Expense

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|--|--|
| Salaries, Wages & allowances | 2.42 | 44.21 |
| Contribution to Provident Fund, ESIC and Other Fund | 0.07 | 1.96 |
| Gratuity | 0.10 | 1.54 |
| Employees Welfare and Other Amenities | 0.05 | 0.98 |
| Total | 2.64 | 48.69 |

Note 24 - Finance Cost

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|--|--|
| Interest Expenses on Financial Liabilities Measured at Amortised Cost | 0.00 | 235.16 |
| Other Borrowing Costs | 0.09 | 0.02 |
| Total | 0.09 | 235.18 |

24.1 As the Company was admitted by the Hon'ble NCLT vide its order dated 25th January 2024, therefore, the Company has provided interest @ Nil% p.a. w.e.f. 1st April 2023 on term loan, Cash Credit limits and Cumulative Redeemable Preference Shares (CRPS) on its borrowings aggregating to ₹ 2,47,379 lakhs (Term Loan ₹ 64,121 lakhs and Cash Credit ₹ 1,71,862 lakhs and CRPS ₹ 11,396 lakhs) as against the documented rate as required as per IND AS -23 "Borrowing Costs" read with IND AS-109 on "Financial Instruments" since Company unable to service interest liability. Aggregate amount of interest not provided for as at 31st March, 2024 is ₹ 116,481 lakhs. Accordingly, finance costs for the quarter ended 31st March 2024, for the quarter ended 31st Dec, 2023, for the quarter ended 31st March, 2023 and for the year ended 31st March 2024 and for the year ended 31st March 2023 is lower by ₹ 8,819 lakh, ₹ 5,912 lakh, ₹ 2,104 lakh, ₹ 34,390 lakh and ₹ 11,668 lakh respectively. The same has been qualified by the Auditors in their report on the results and was also qualified by the Auditors in their reports on the Financial Statements & results for the earlier year/ quarters.

Note 25 - Depreciation, Amortisation and Impairment Expenses

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---|--|--|
| Depreciation of Property, Plant & Equipments (refer Note 5) | -- | 14.19 |
| Amortisation of Intangible Assets (refer Note 5) | -- | 0.01 |
| Total | -- | 14.20 |

Note 26 - Other Expenses

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--|--|--|
| Manufacturing Expenses | | |
| Stores & Spares Consumed | -- | 6.72 |
| Power & Fuel | -- | 135.16 |
| Repairs to Building | -- | 0.76 |
| Repairs to Plant & Machinery | -- | 1.69 |
| Security Charges | -- | 1.69 |
| Labour Charges | -- | 10.10 |
| Other Manufacturing Expenses | 0.00 | 6.08 |
| Selling and Distribution Expenses | | |
| Packing Material Consumed | -- | 28.49 |
| Freight & Forwarding Charges (Net) | -- | 4.50 |
| Sales Promotion, & Advertising Expenses | -- | 0.02 |
| Brokerage & Commission | 0.00 | 1.73 |
| Administrative and General Expenses | | |
| Rent | (0.13) | 9.85 |
| Rates & Taxes (Net) | 0.00 | 47.54 |
| Insurance | -- | 0.67 |
| Payment to Auditors (refer Note 26.1) | 0.17 | 0.39 |
| Repairs & Maintenance - Others | -- | 0.86 |
| Travelling & Conveyance Expenses | 0.01 | 1.33 |
| Legal, Professional & Consultancy Charges | 0.21 | 8.11 |
| Sundry Debit Balances Written off (Net) | (0.09) | 0.35 |
| Net Loss on Foreign Currency Transactions (Net) | 0.48 | -- |
| Loss on Sale of Property, Plant and Equipment (Net) | -- | 0.77 |
| Bank Charges | 0.00 | 0.50 |
| Corporate Social Responsibility Expenses (refer Note 26.2) | -- | 0.00 |
| General Expenses | 1.48 | 2.45 |
| Total | 2.15 | 269.77 |

26.1 Details of Payment to Auditors

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---------------------------|--|--|
| a) Auditors: | | |
| Audit Fees | 0.16 | 0.32 |
| Tax Audit Fees | 0.01 | 0.05 |
| Reimbursement of Expenses | - | 0.00 |
| b) Cost Audit Fees | - | 0.02 |
| Total | 0.17 | 0.39 |

26.2 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 Rs Nil (For the year ended 31st March 2023 ₹ Nil)
- (b) Expenditure related to Corporate Social Responsibility is Nil (for the year ended 31st March 2023 ₹ 17400/-) and ₹ Nil (for the year ended 31st March, 2023 Rs Nil) remained unspent.

Details of expenditure towards CSR given below:

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|---------------------------------------|--|--|
| (i) Health Care (including Covid -19) | - | - |
| (ii) Education | - | 0.00 |
| (iii) Others | - | 0.00 |
| Total | - | 0.00 |

Note 26.3 - Earnings Per Equity Share

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--|--|--|
| Net Loss for the year attributable to Equity Shareholders for Basic EPS and diluted EPS (₹ In Crore) | (10.64) | (1,853.46) |
| Weighted average number of equity shares outstanding during the year for Basic EPS and Diluted EPS (in Nos.) | 8,18,71,849 | 8,18,71,849 |
| Basic and Diluted Earning per share of ₹ 10 each (in ₹) | (1.30) | (226.39) |
| Face value per equity share (in ₹) | 10.00 | 10.00 |

Note 27- Contingent Liabilities and Commitments**27.1 Contingent Liabilities (To the extent not provided for)****Claims against the Company not acknowledged as debts**

(₹ In Crore)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Disputed Liabilities in Appeal (No Cash outflow is expected in the near future) | | |
| Excise Duty / Service Tax * | 1.76 | 1.76 |
| Guarantees | | |
| Bank Guarantees (Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.) | 6.69 | 6.69 |
| 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, 2023) (refer Note No. 27.2) " | - | - |
| One of the operational creditors of JBF RAK LLC, situated at UAE (JBF RAK), a subsidiary of the Company, has made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 against the Company, for supply of raw materials to JBF RAK (No Cash outflow is expected) (refer Note No. 27.3) | - | - |
| Dividend Accrued on Cumulative Redeemable Preference Shares: | | |
| 20% Cummulative Redeemable Preference Shares | 15.56 | 12.73 |
| 2.5% Cummulative Redeemable Preference Shares | 0.11 | 0.09 |

*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.

- 27.2** The Company had issued a corporate guarantee of USD 463.96 Million (equivalent of ₹ 3,775.87 Crore) 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 ₹ 2,069.24 Crore) 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.

27.3 One of the operational creditors of JBF RAK LLC, situated at UAE (JBF RAK), a subsidiary of the Company, has made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 against the Company, for supply of raw materials to JBF RAK and claimed for a debt of ₹ 128.48 Crore (US\$ 19,899,091.53) as per notice dated 17th February, 2020. Management is of the view that in view of negotiation with the above creditor by JBF RAK and based on past settlement by the Company with above creditors in respect of raw material purchased by the Company, there will be no liability on account of it to the Company and hence no provision is required towards above claim.

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

Note 28- Employee Benefits

28.1 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 | 2023-24 | 2022-23 |
|---|---------|---------|
| Employer's Contribution to Provident Fund | 0.07 | 0.69 |
| Employer's Contribution to Pension Scheme | 0.00 | 1.19 |
| Employer's Contribution to Other Funds | 0.00 | 0.08 |

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) **Defined Benefit Plan:**

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

| Particulars | Gratuity (Unfunded) | |
|------------------------------|--|--|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Actuarial assumptions | | |
| Mortality Table | Indian Assured Lives Ultimate Mortality (2012-14) | Indian Assured Lives Ultimate Mortality (2012-14) |
| Salary growth | 4.00% | 4.00% |
| Discount rate | 7.21% | 7.30% |
| Withdrawal Rates | 1.00% | 1.00% |

| Particulars | Gratuity (Unfunded) | |
|--|---------------------|-------------|
| | 2023-2024 | 2022-2023 |
| Movement in present value of defined benefit obligation | | |
| Obligation at the beginning of the year | 0.35 | 20.85 |
| Current service cost | 0.08 | 0.13 |
| Interest cost | 0.03 | 1.42 |
| Benefits paid | (0.06) | (29.86) |
| Past service cost | -- | -- |
| Actuarial loss on obligation | (0.01) | 7.81 |
| Obligation at the end of the year | 0.38 | 0.35 |
| Amount recognised in the statement of profit and loss | | |
| Current service cost | 0.08 | 0.13 |
| Interest cost | 0.03 | 1.42 |
| Total | 0.10 | 1.55 |
| Amount recognised in the other comprehensive income | | |
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | -- | -- |
| Due to experience adjustments | (0.01) | 7.81 |
| Total | (0.01) | 7.80 |

(c) **Net Liability recognised in the balance sheet**

| Amount recognised in the balance sheet | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Present value of obligations at the end of the year | 0.38 | 0.35 |
| Less: Fair value of plan assets at the end of the year | -- | -- |
| Net liability recognized in the balance sheet | 0.38 | 0.35 |
| - Current | 0.07 | 0.07 |
| - Non-current | 0.31 | 0.28 |

(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.

28.2 Sensitivity analysis:

(₹ In Crore)

| Particulars | Changes in assumptions | Effect on Gratuity obligation (Increase/(Decrease)) |
|--|------------------------|---|
| For the year ended 31st March, 2023 | | |
| Salary growth rate | +1% | 0.03 |
| | -1% | (0.02) |
| Discount rate | +1% | (0.02) |
| | -1% | 0.03 |
| For the year ended 31st March, 2024 | | |
| Salary growth rate | +1% | 0.01 |
| | -1% | (0.01) |
| Discount rate | +1% | (0.01) |
| | -1% | 0.01 |

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.

28.3 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.

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

(₹ In Crore)

| Year ended | Cash flow |
|--------------------------------------|-----------|
| 31st March, 2025 | 0.07 |
| 31st March, 2026 | 0.00 |
| 31st March, 2027 | 0.00 |
| 31st March, 2028 | 0.01 |
| 31st March, 2029 | 0.01 |
| 31st March, 2030 to 31st March, 2034 | 0.03 |

28.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years (as at 31st March 2024: 21 years).

Note 29 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-**Movement in provisions:-**

(₹ In Crore)

| Nature of provision | Provision for Credit Impaired / Doubtful Advance | Total |
|----------------------------------|--|-----------------|
| As at 31st March, 2022 | 1,906.24 | 1,906.24 |
| Provision during the year | | |
| Payment during the year | 1,906.24 | 1,906.24 |
| As at 31st March, 2023 | -- | -- |
| Provision during the year | | |
| Payment/reversed during the year | | |
| As at 31st March, 2024 | -- | -- |

Note 30- 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 exists and with whom transactions have taken place during reported period, are as detail below:

30.1 List of Related Parties :

| Name of the related party | Country of incorporation | % of Equity Interest | |
|---|--------------------------|------------------------|------------------------|
| | | As at 31st March, 2024 | As at 31st March, 2023 |
| (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 No. 30.6) | India | 85.50% | 85.50% |
| JBF Bahrain W.L.L. (Previously known as 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% |
| (b) Key Management Personnel | | | |
| Name & Designation | | | |
| Mr. B.C.Arya – Director.(upto 23.06.2021) | | | |
| Mrs. Ujjwala Apte - Director (from 18.11.2019 to 31.05.2022 and from 02.0-6.2022) and Company Secretary | | | |
| Mr. S. N. Shetty - Director (from 18.11.2019 to 31.05.2022 and from 02.06.2022) | | | |
| Mr. Yash Gupta - Additional Director (from 12.02.2021) and Executive Director (from 28.09.2021) | | | |
| (c) Relative of Key Management Personnel | | | |
| Mr.Cheerag Arya - Son of Mr. B.C.Arya (upto 23.06.2021) | | | |
| Mrs.Chinar Mittal - Daughter of Mr. B.C.Arya (upto 23.06.2021) | | | |
| (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 | | | |

30.2 Transactions with Related Parties :

| Name of Transactions | Name of the Related Party | 2023-24 | 2022-23 |
|--|---|------------------------|------------------------|
| Transactions with subsidiaries / associates | | | |
| Sale of Goods (amount is on CIF basis) | JBF Bahrain W.L.L. | – | 6.70 |
| Interest Income | JBF Global PTE Ltd | – | 0.19 |
| Transactions with other related parties: | | | |
| Managerial Remuneration | Mr. B.C.Arya | – | 12.40 |
| | Mrs. Ujjwala Apte | 0.55 | 1.31 |
| | Mr. S. N. Shetty | 0.65 | 1.54 |
| | Mr. Yash Gupta | 0.50 | 0.48 |
| Loan Repaid/Adjusted | Vaidic Resources Pvt. Ltd (refer note 36) | – | 8.39 |
| Loan Repaid/Adjusted | Mr B C Arya (refer note 36) | – | 19.17 |
| Current Financial Assets - Others - Adjusted | JBF Petrochemicals Ltd | – | 110.68 |
| | JBF Global PTE Ltd | – | 6.45 |
| Investment -Non Current - Adjusted | JBF Global PTE Ltd | – | 396.17 |
| | JBF Petrochemicals Ltd | – | 27.50 |
| Current Financial Assets - Loans - Adjusted | JBF Petrochemicals Ltd | – | 781.39 |
| | JBF Global PTE Ltd | – | 66.60 |
| Non-current Financial Assets - Others - Adjusted | JBF Petrochemicals Ltd | – | 131.36 |
| Trade Receivables - Adjusted | JBF RAK LLC | – | 0.92 |
| | JBF Bahrain W.L.L. | – | 195.12 |
| | JBF Petrochemicals Ltd | – | 6.29 |
| (₹ In Crore) | | | |
| Name of Transactions | Name of the Related Party | As at 31st March, 2024 | As at 31st March, 2023 |
| Transactions with related parties | | | |
| Trade Receivables | JBF Bahrain W.L.L. | 3.72 | NA |

30.3 As on 31st March 2023, M/s. Madelin Enterprises Pvt.Ltd., has acquired the holding of our Company in the Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company.

30.4 Compensation to key management personnel of the Company

(₹ In Crore)

| Nature of transaction | 2023-24 | 2022-23 |
|--|-------------|--------------|
| Short-term employee benefits | 0.13 | 15.83 |
| Post-employment benefits | 0.07 | 0.96 |
| Total compensation paid to key management personnel | 0.20 | 16.79 |

30.5 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.

30.6 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. JBF Petrochemical has been admitted in NCLT as on 28th January 2022 and subsequently GAIL has acquired JPL through the bidding process.

30.7 Refer Note No. 27.3

Note 31 - Fair Values

31.1 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 Amortised Cost:

(₹ In Crore)

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|-----------------|------------------------|-----------------|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial Assets Designated at Amortised Cost:- | | | | |
| - Trade Receivable | 5.54 | 5.54 | 8.36 | 8.36 |
| - Cash and Cash Equivalents | 0.32 | 0.32 | 0.28 | 0.28 |
| - Bank Balance other than cash and cash equivalents | 0.19 | 0.19 | 0.24 | 0.24 |
| - Others | 0.01 | 0.01 | 0.12 | 0.12 |
| | 6.07 | 6.07 | 9.01 | 9.01 |
| Financial Liabilities designated at amortised cost:- | | | | |
| - Borrowings (Including Current Maturity) | 2,359.84 | 2,359.84 | 2,359.83 | 2,359.83 |
| - Trade Payable | 36.01 | 36.01 | 32.34 | 32.34 |
| - Other Financial Liabilities (Refer Note No.17) | 458.00 | 458.00 | 456.97 | 456.97 |
| | 2,853.85 | 2,853.85 | 2,849.14 | 2,849.14 |

31.2 Fair Valuation Techniques used to determine Fair Value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of trade receivable, cash and cash equivalents, other bank balances, 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.
- The fair values of non-current borrowings and security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of non-current borrowings are approximate at their carrying amount due to interest bearing features of these instruments.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- Equity Investments in subsidiaries are stated at cost.

31.3 Fair Value Hierarchy

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

- Level 1 :- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Level 2 :- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

- 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:

| Particulars | 31st March, 2024 | | |
|--|------------------|-----------|--------------|
| | Level 1 | Level 2 | Level 3 |
| Financial Assets designated at fair value through profit or loss (Investments): | | | |
| – Equity investments | -- | -- | -- |
| Total | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | (₹ In Crore) |

| Particulars | 31st March, 2023 | | |
|--|------------------|-----------|-----------|
| | Level 1 | Level 2 | Level 3 |
| Financial Assets Designated at Fair Value Through Profit or Loss (Investments): | | | |
| – Equity Investments | -- | -- | -- |
| Total | <u>--</u> | <u>--</u> | <u>--</u> |

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

31.4 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 32 :- Financial Risk Management Objective and Policies

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

32.1 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 2024 and 31st March 2023.

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, 2024 and 31st March, 2023.

(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, JPY 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, 2023 | Currency | Amount in FC | (₹ In Crore) |
|---|----------|--------------|--------------|
| Trade Receivables | USD | 5,64,623 | 4.64 |
| Trade Payable | USD | 38,93,662 | 31.97 |

| Unhedged Foreign currency exposure as at 31st March, 2024 | Currency | Amount in FC | (₹ In Crore) |
|---|----------|--------------|--------------|
| Trade Receivables | USD | 4,74,000 | 3.72 |
| Trade Payable | USD | 38,93,662 | 30.54 |

Foreign Currency Sensitivity

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

(₹ In Crore)

| Particulars | 2023-24 | | 2022-23 | |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 1% Increase - Increase in PBT | 1% Decrease - Decrease in PBT | 1% Increase - Increase in PBT | 1% Decrease - Decrease in PBT |
| USD | (0.27) | 0.27 | (0.27) | 0.27 |
| Increase / (Decrease) in profit before tax | (0.27) | 0.27 | (0.27) | 0.27 |

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 | As at |
|--|-----------------|-----------------|
| | 31st March 2024 | 31st March 2023 |
| Interest free Borrowing | – | – |
| Interest bearing Borrowing | 2,359.84 | 2,359.83 |
| Total Borrowing | 2,359.84 | 2,359.83 |
| % of Borrowings out of above bearing variable rate of interest | 95.27 | 95.27 |

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

(₹ In Crore)

| Particulars | 2023-24 | | 2022-23 | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 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 | 11.80 | (11.80) | 11.80 | (11.80) |

c) Commodity price risk:-

The Company's raw materials i.e. Purified Terephthalic Acid (PTA) & Monoethylene Glycol (MEG) and finished goods i.e. Polyester Chips, Partially Oriented Yarn (POY) and Texrising Yarn (TEX) are petrochemical products. Commodity price risk arises due to fluctuation in prices of petrochemical products. The Company mitigate the risk by natural hedge as any increase/decrease in raw materials price directly reflect the finished goods price.

32.2 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:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- 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 customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken security deposits in certain cases from its customers, which mitigate the credit risk to some extent. No single customer accounted for 10% or more of revenue in any of the years presented except mentioned in Note No. 34.3. Therefore, the Company does not expect any material risk on account of non-performance by Company's counterparties. (refer Note 37)

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, 2024 | | As at 31st March, 2023 | |
|------------------|------------------------|----------------|------------------------|----------------|
| | Gross Carrying Amount | Loss Allowance | Gross Carrying Amount | Loss Allowance |
| Trade Receivable | 7.91 | 2.37 | 8.36 | -- |

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.

32.3 Liquidity Risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company limits its liquidity risk by ensuring funds from trade receivables and bank facilities are available.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(i) Maturity patterns of financial liabilities:

(₹ In Crore)

| Particulars | On Demand | As at 31st March, 2024 | | | |
|--|-----------------|------------------------|-----------|---------------|-----------------|
| | | 0-1 Years | 1-5 Years | Above 5 Years | Total |
| Borrowings* (refer Note 15) | 2,359.83 | -- | -- | -- | 2,359.83 |
| Trade Payable | -- | 36.01 | -- | -- | 36.01 |
| Other Financial Liability (Refer Note No.17) | 218.01 | 239.99 | -- | -- | 458.00 |
| Total | 2,577.84 | 276.02 | -- | -- | 2,853.84 |

(ii) Maturity patterns of financial liabilities:

(₹ In Crore)

| Particulars | On Demand | As at 31st March, 2023 | | | |
|--|-----------------|------------------------|-----------|---------------|-----------------|
| | | 0-1 Years | 1-5 Years | Above 5 Years | Total |
| Borrowings* (refer Note 15) | 2,359.83 | -- | -- | -- | 2,359.83 |
| Trade Payable | -- | 32.34 | -- | -- | 32.34 |
| Other Financial Liability (Refer Note No.17) | 218.06 | 238.91 | -- | -- | 456.97 |
| Total | 2,577.89 | 271.26 | -- | -- | 2,849.14 |

*The same has been disclosed as per sanction letter issued by the bank, however the due to default in servicing of its dues by the Company, the Banks have classified all the credit facilities given to the Company as at 31st March, 2021 as Non Performing Asset (NPA) in their books of account, hence all the borrowings are repayable on demand.

iii) Refer Note 37

32.4 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 33 - 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, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Total Debt | 2,473.79 | 2,473.78 |
| Less:- Cash and cash equivalent | 0.32 | 0.28 |
| Less:- Other bank balance | 0.19 | 0.24 |
| Net Debt | 2,473.28 | 2,473.27 |
| Total Equity (Equity Share Capital plus Other Equity) (Refer Note No. 55) | (2,847.49) | (2,836.85) |
| Total Capital (Total Equity plus Net Debt) | (374.21) | (363.58) |
| Gearing ratio | Not Applicable | Not Applicable |

Note 34 - Segment Reporting

34.1 The Company is engaged only in the business of producing polyester based products which is a single segment in terms of Indian Accounting Standard "Operating Segments (Ind AS-108)".

34.2 Revenue from Operations

(₹ In Crore)

| Particulars | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
|--------------------------------|--|--|
| India | 1.94 | 929.72 |
| Outside India | -- | 167.45 |
| Revenue from Operations | 1.94 | 1,097.17 |

34.3 The Company has revenue (FOB) from JBF Bahrain W.L.L., a subsidiary of the Company, of ₹ Nil (for the year ended 31st March 2023 ₹ 6.07 Crore (more than 10 %)) accounted for more than 10% of the Company revenue.

Note 35 - Subsidiaries Exposures

As on 31st March 2023, M/s. Madelin Enterprises Pvt.Ltd., has acquired the holding of our Company in the Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date.

A) Exposure in JBF Petrochemicals Limited

The Company as on 31st March, 2024 has an aggregate exposure of ₹ NA (As on 31st March 2023 ₹ Nil) (excluding corporate guarantee as mentioned in note no.37.2) in its step down subsidiary namely JBF Petrochemicals limited ("JPL") by way of investment in Deemed equity, loans including interest and Trade & other receivables. The details of above exposure are as under:

(₹ In Crore)

| Name of the Company | Nature of Transactions | As at | As at |
|--------------------------------|---------------------------------|------------------|------------------|
| | | 31st March, 2024 | 31st March, 2023 |
| (i) JBF Petrochemicals Limited | Inter - Corporate Deposits | NA | NA |
| | Interest thereon | NA | NA |
| | Trade Receivables | NA | NA |
| | Guarantee Commission Receivable | NA | NA |
| | Deemed Equity Investment | NA | NA |
| | Total | -- | -- |

The lenders of JPL have also invoked the pledged equity shares of JPL held by JGPL and corporate guarantee of the Company as mentioned in note no. 37.2. One of the lenders of JPL who had filed a Company petition before National Company Law Tribunal (NCLT), Ahmedabad under Insolvency and Bankruptcy Code, 2016 has been admitted vide order dated 28th January, 2022. Consequent to the admission, the Resolution Professional (RP) has been appointed and the Board of JPL has been suspended. The RP has stepped into the shoes of the Management of JPL & management has carried out impairment testing and decided to make full provision against total exposure of ₹ 1,057.22 Crore, during the financial year 2021-22, and subsequently GAIL has acquired JPL through the bidding process.

B) Exposure in JBF Global Pte Limited

The Company as on 31st March, 2024, has an exposure of NA (As on 31st March 2023 Nil) in its subsidiary namely JBF Global Pte Ltd ("JGPL") by way of investment in Equity, loan and including interest thereon. The details of above exposure are as under:

(₹ In Crore)

| Name of the Company | Nature of Transactions | As at | As at |
|-------------------------------|----------------------------|------------------|------------------|
| | | 31st March, 2024 | 31st March, 2023 |
| (ii) JBF Global Singapore Ltd | Investment In Equity | NA | NA |
| | Inter - Corporate Deposits | NA | NA |
| | Interest thereon | NA | NA |
| | Total | -- | -- |

Note 36- Going Concern

The consortium of bankers led by Bank of Baroda had filed an application with the National Company Law Tribunal (NCLT), Ahmedabad for recovery of their dues in September 2018 under the Insolvency and Bankruptcy Code, 2016. The said application has been dismissed and disposed off by the Court in April 2021. Subsequently, the lenders had filed an appeal before the NCLAT in May 2021. The appeal before NCLAT was consequently withdrawn by Bank of Baroda in November 2021.

On 13th August, 2021, all the lenders (except Tamilnad Mercantile Bank Ltd) had assigned the debts along with all the rights and interests on the secured assets to CFM Asset Reconstruction Private Limited (CFM) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) by executing two Assignment Agreements both dated 13th August, 2021. A total of 14 fourteen lenders aggregating approximately 99 % of the total debt of the Company had assigned their debt to an Asset Reconstruction Company called CFM as on 13th August, 2021. The Board of Directors' are no longer in the helm of affairs of the Company w.e.f - 13th August, 2021. CFM was closely monitoring and managing the day to day plant and corporate office operations through Deloitte Touche Tohmatsu India LLP, Mumbai who had been appointed as the nodal agency by CFM. Further, to the intimation of the said assignment, CFM had also issued a demand notice under Section 13(2) of the SARFAESI Act, 2002 and the rules framed there under to recover the entire dues including principal and interest. In response to the said notice, the Company had given an "In principle consent" to handover the secured assets which includes land, building, movable assets, inventory, sundry debtors, investments in subsidiaries & step-down subsidiary, intangible assets (including the SAP accounting software) and other current and non-current assets of the Company to CFM. On 11th November 2021, CFM took physical possession of the secured assets of JBF. Further the Company was in receipt of Intimation for sale of secured

assets by way of private treaty under the SARFAESI Act, 2002 on 11th May, 2022 and thereafter, proceeded to sell the same by way of private treaty under the SARFAESI Act to Madelin Enterprises Private Limited (MEPL).

Further to the above, the part secured assets including land, building, sundry debtors, investments, cash and bank balances, deposits, intangible assets (including the SAP software) and other movable assets have been sold to the MEPL by CFM on 6th June 2022 and balance assets were sold by CFM to MEPL on 20th December, 2022. In addition, MEPL has also taken over the affairs and operations of all the three plants and the corporate office and the current Board of Directors have no control over the same. With effect from 1st December, 2022 manufacturing operations from all locations have been discontinued.

In addition, the Company has received demand notice from Tamilnad Mercantile Bank Ltd, (TMBL) under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("Sarfaesi Act") and the Rules framed thereunder for recovery of their dues vide letter dated 23rd November, 2021, amounting to ₹ 32.94 Crores plus future interest as applicable thereon in terms of loan agreement. TMBL has denied to release the charge on assets of the company. However, the remaining 14 lenders have assigned their debts to Asset Reconstruction Company CFM on dated 13.08.2021 and on 11th November 2021. CFM took physical possession of the secured assets of JBF.

CFM has sent intimation for sale of all the secured assets of the company to Madelin Enterprises Private Limited (MEPL) for total consideration of ₹ 881 Crores on dated 11.05.2022.

However, TMBL has not agreed to the decision of remaining 14 lenders, therefore, it has in principal charge over the secured assets of the company on pro-rata basis, which have been subsequently transferred to CFM and finally to MEPL. Thereafter TMBL approached NCLT Ahmedabad for recovery of their dues from the Company and CFM. The matter is now pending before the NCLT Ahmedabad and it is subjudice.

In light of the above facts, it is evident that the Company's secured assets including the manufacturing plants situated in Sarigam, Athola and Saily are no longer in the possession of the Company. Further, the management is also of the view that under the above mentioned circumstances, the operations of the Company without the manufacturing plants will be severely affected. The Company's ability to sustain itself and generate revenues has been critically dented. Further, there could be a significant and material impact on the "going concern" status of the Company and its future operations. The company has also transferred MAT credit entitlement of ₹ 6,409 Lakhs to Statement of Audited Financial Results under the head Tax Expenses "Short/ (Excess) Provision of Tax of Earlier Years (Net)" in the earlier year. The Company will find it difficult to meet its financial commitments. The same has been referred by the auditors in their report on results and was also referred by the auditors in their reports on the financial statements & results for the earlier years/ quarters.

Note 37 : Exceptional Items

The Company for the year ended 31st March 2024, has made provision of Exceptional items ₹ 2.37 (for the year ended 31st March 2023, ₹ 1,503.59 Crore) The details of above are as under:

| Particulars | (₹ In Crore) | |
|---|--|--|
| | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
| Provision for credit impaired/doubtful advances | 2.37 | -- |
| Loss on account of repossession of assets by the Lender | -- | 1,503.59 |
| Total | 2.37 | 1,503.59 |

Note 38 : Lease

(i) Effective 1st April, 2019, The Company has adopted Ind AS – 116 "Leases" under the modified retrospective approach without adjustment of comparatives. This has resulted in recognizing a Right to Use asset and corresponding lease liability of ₹ 11.76 Crore as at 1st April, 2019. Due to transition, the nature of expenses in respect of non-cancellable operating lease has changed from lease rent to depreciation and finance cost for the right to use assets and lease liability respectively.

(ii) Following are the amounts recognised in Statement of Profit & Loss account:

| Particulars | (₹ In Crore) | |
|--|--|--|
| | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
| Depreciation expense for right-of-use assets | -- | 1.47 |
| Interest expense on lease liabilities | -- | 0.96 |
| Total amount recognised | -- | 2.43 |

(iii) The following is the movement in lease liabilities during the year :

| Particulars | (₹ In Crore) | |
|--|--|--|
| | For the Year Ended 31st March, 2024 | For the Year Ended 31st March, 2023 |
| Opening Balance | 0.00 | 25.80 |
| Addition during the year (on April 01, 2019 on adoption of IND AS 116) | - | - |
| Finance cost accrued during the year | - | 0.96 |
| Payment of lease liabilities | - | (1.94) |
| Lease Cancellation | - | (24.81) |
| Closing Balance | 0.00 | 0.00 |

(iv) Lease liabilities carry an effective interest rate of 10%. The average lease term ranges between 7-18 years.

Note 39 Deed of assignment with JBF Petrochemicals Limited

During the financial year 2021-22, the Company had entered deed of assignment with JBF Petrochemicals Limited (JPL), a subsidiary of the Company and transferred their borrowings of ₹ 52.84 Crore from JPL. The same borrowings had been shown as reduction in Current Assets to standalone financial statements. The above had resulted into an increase in Inter Corporate Deposits to related parties by ₹ 52.84 Crore under the head Current Assets loan in the note no. 14 to the standalone financial statements.

Note 40 NCLT Admission

An application was filed before the National Company Law Tribunal (NCLT), Ahmedabad, by one of the Operational Creditor against the Company under section 9 of Insolvency and Bankruptcy Code, 2016. The matter was admitted by the Hon`ble NCLT vide its order dated 25th January 2024. The Hon`ble NCLT appointed IRP Mr. Dhaval C Khamar and subsequently NCLT appointed Mr. Mukesh Verma as RP with directions to perform all functions contemplated under the IBC.

In pursuit to his appointment, the IRP made public announcement in Financial Express (English) and Financial Express (Gujarati) on 8th February 2024 intimating the creditor and other stakeholder about the commencement of CIR process inviting their claims as provided in section 15 of IBC 2016. Further RP Invites Express of Interest (EOI) under IBC, from prospective Resolutions applicants. The last date for the submission of EOI is further extended to 3rd June 2024.

Note 41- 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 and accordingly no consolidated financial results have been published. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters. As on 31st March 2023, M/s. Madelin Enterprises Pvt.Ltd., has acquired the holding of our Company in the Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date.

Note 42- 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 43

The Company has sent emails to various parties for confirmations of balances under trade receivables, to which major amount of parties have responded. Balances of those parties for which confirmations have not been received are subject to confirmation and the management does not expect any significant impact on account of it.

Note 44

Chief Executive Officer (CEO) of the Company had tendered his resignation from the post of CEO with effect from 1st May, 2019. Chief Financial Officer (CFO) has tendered his resignation on 1st July 2023, Management of the Company is actively looking out for suitable candidates to fill in the above vacancies. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters.

Note 45

The Company does not hold any benami property hence no proceeding has been initiated or pending against the Company under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

Note 46

The Company was declared as wilful defaulter by the State Bank of India vide letter SAMB I: TEAM 11:2018-19: 3308 dated 12.03.2019 in their review meeting held on 12.02.2019

Note 47 - Ratios

| | | Numerator Denominator | Current Period | Previous Period | % Variance | Reason for Variance |
|-----|----------------------------------|--|---------------------------|----------------------------|-------------------|--|
| (a) | Current Ratio | Current Assets Current Liabilities | 0.02 | 0.02 | -9.29% | Due to Provision of Exceptional item |
| (b) | Debt-Equity Ratio | Total Debt Shareholders' Equity | NA | NA | | Not applicable as Shareholders Equity has eroded |
| (c) | Debt Service Coverage Ratio | Earnings available for Debt Service * Debt Service | -- | -- | | Not applicable as during the year Company has not been able to service the debts |
| (d) | Return on Equity Ratio | Net Profit after taxes - Preference Dividend (if any) Average Shareholder's Equity | NA | NA | | Not applicable as Shareholders Equity has eroded |
| (e) | Inventory Turnover Ratio | Cost of Goods Sold/Sales Average Inventories | NA | 6.24 | | Not Comparable, Due to repossession of all the assets by the Lendor |
| (f) | Trade Receivables Turnover Ratio | Net Credit Sales Average Account Receivable | 0.28 | 5.94 | -95.31% | Not Comparable, Due to repossession of all the assets by the Lendor |
| (g) | Trade Payables Turnover Ratio | Net Credit Purchases Average Account Payables | 0.16 | 11.44 | -98.58% | Not Comparable, Due to repossession of all the assets by the Lendor |
| (h) | Net Capital Turnover Ratio | Net Sales Working Capital | -0.01 | -7.56 | -99.84% | Not Comparable, Due to repossession of all the assets by the Lendor |
| (i) | Net Profit Ratio | Net Profit Net Sales | -3.72 | -1.63 | 128.06% | Due to Provision of Exceptional Items |
| (j) | Return on Capital Employed | Earnings before Interest and taxes Capital Employed | -0.09 | -0.77 | -88.65% | Due to Provision of Exceptional Items |
| (k) | Return on Investment | Return/Profit/Earnings Investment | NA | NA | NA | Not Applicable since Net worth is negative |

*During the year, company has not served its lenders, therefore this ratio has not shown.

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

As per our report of even date

For S.C. Ajmera & Co.

Chartered Accountants
(Firm Registration no. 002908C)

For and on behalf of Suspended Board of Director

SEETHARAM N SHETTY

Director
DIN-07962778

UJJWALA APTE

Director & Company Secretary
DIN-00403378
Membership No A3330

S.C AJMERA

Partner
Membership no. 081398

MUKESH VERMA

Resolution Professional Of
JBF INDUSTRIES LIMITED (UNDER CIRP)

Place : Udaipur

Date : 30th May, 2024

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MAR, 2024

| Particulars | (₹ in Crore) | |
|--|--------------------------------------|--|
| | For the Year Ended 31st Mar, 2024 | For the Year Ended 31st March, 2023 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Loss Before Tax as per Statement of Profit and Loss | (7.20) | (1,786.64) |
| Adjusted for : | | |
| Depreciation, Amortisation and Impairment Expense | -- | 14.20 |
| Unrealised (Gain)/Loss on Foreign Currency Transactions (Net) | -- | 5.59 |
| Loss on Sale of Property, Plant and Equipment (Net) | -- | -- |
| (Gain)/Loss on Financial Instruments Measured at Fair Value Through Profit or Loss (Net) | -- | -- |
| Finance Costs | 0.09 | 235.18 |
| Gain on Lease Cancellation | -- | (2.43) |
| Bad Debt (Net of Provisions) | -- | -- |
| Recovery from Doubtful Debts | -- | -- |
| Dividend Income {₹ Nil (P.Y. ₹ 36,000)} | -- | -- |
| Interest Income | (0.01) | (0.63) |
| Provision for doubtful debts | 2.37 | -- |
| Sundry Balances Written Off / (Back) (Net) | (0.09) | -- |
| Operating Profit Before Working Capital Changes | 2.36 | 0.35 |
| Adjusted for : | | |
| Trade & Other Receivables | 1.82 | (69.93) |
| Inventories | -- | (3.98) |
| Trade and Other Payables | 3.18 | (32.42) |
| Cash Used in Operations | 0.16 | (1,640.71) |
| Direct taxes Refund | (0.04) | (5.72) |
| Exceptional Items | -- | 1,503.59 |
| Net Cash from/(used in) Operating Activities | 0.12 | (142.84) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property, Plant and Equipment | -- | (2.60) |
| Sale of Property, Plant and Equipment | -- | -- |
| Loan given to subsidiaries | -- | -- |
| Proceeds from Sale of Financial Assets | -- | -- |
| Interest Income | 0.01 | 8.65 |
| Net Cash used in Investing Activities | 0.01 | 6.05 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Movement in Long Term Borrowings (Net) | -- | -- |
| Movement in Short Term Borrowings (Net) | -- | (0.00) |
| Margin Money (Net) | -- | (0.16) |
| Payment of Lease Liabilities | -- | (1.72) |
| Finance Costs Paid | (0.09) | (1.36) |
| Net Cash from/ (used in) Financing Activities | (0.09) | (3.24) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C) | 0.04 | (140.03) |
| Opening Balance of Cash and Cash Equivalents | 0.28 | 140.31 |
| Closing Balance of Cash and Cash Equivalents | 0.32 | 0.28 |

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

| Particulars | (₹ in Crore) | |
|---|-----------------|-----------------|
| | 31.03.2024 | 31.03.2023 |
| Opening Balance of Liabilities arising from Financing Activities | 2,359.83 | 2,443.62 |
| Add/(Less) : Changes from Cash Flow from financing Activities (Net) | -- | (0.01) |
| Add : Transaction Costs | -- | -- |
| Add/(Less) : Effects of changes in Foreign Exchange Rates | -- | -- |
| Add/(Less): Interest trf to Accrued account | -- | (83.78) |
| "Less:- Cancellation of assignment of Loan from Subsidiary Company considered as non-cash item" | -- | -- |
| Add:- Invocation of pledge of equity shares held by the lender | -- | -- |
| Closing Balance of Liabilities arising from Financing Activities | 2,359.83 | 2,359.83 |

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:-
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 S.C. Ajmera & Co.

Chartered Accountants
(Firm Registration no. 002908C)

S. C AJMERA

Partner
Membership no. 081398

Place : Udaipur
Date : 30th May, 2024

For and on behalf of Suspended Board of Director**SEETHARAM N SHETTY**

Director
DIN-07962778

MUKESH VERMA

Resolution Professional Of
JBF INDUSTRIES LIMITED (UNDER CIRP)

UJJWALA APTE

Director & Company Secretary
DIN-00403378
Membership No A3330

JBF Industries Limited

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Silvassa Of The Union Territory Of Dadra &
Nagar Haveli And Daman & Diu
Silvassa - 396230, India.

Corporate Office

8th Floor, Express Towers, Nariman Point,
Mumbai - 400 021.

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