

# Jai Corp Limited

**Corporate Office:** 12-B, Mittal Tower, B-Wing- 1<sup>st</sup> Floor, Free Press Journal Marg, Nariman Point, Mumbai- 400 021.

**Tel:** 91-22-6115 5300. **Fax:** 91-22-2287 5197; **E-mail:** cs@jaicorpindia.com/

**E-mail for investors:** cs2@jaicorpindia.com

**CIN:** L17120MH1985PLC036500 **website:** [www.jaicorpindia.com](http://www.jaicorpindia.com)

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Camp: Nanded

September 26, 2018

**The Listing Centre,  
BSE Limited,  
P. J. Towers, Dalal Street  
Mumbai - 400 001.**

**The Manager, Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra- Kurla Complex,  
Bandra (East), Mumbai- 400 051.**

**Sub: Disclosure under Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

Please find attached the Annual Report of the Company for the financial year 2017-18. The same was approved and adopted at the 33<sup>rd</sup> Annual General Meeting of the members of the Company on Tuesday 25-09-2018.

Kindly acknowledge receipt.

Thanking you,  
Yours faithfully  
For Jai Corp Limited



**Company Secretary**

**Enclo.: as above.**

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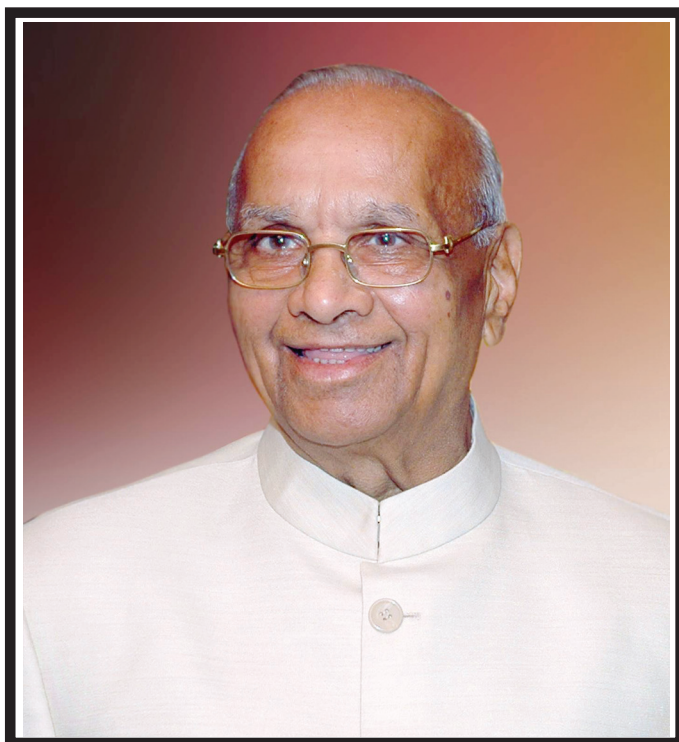
**Regd. Office:** A-3, M.I.D.C. Indl. Area, Nanded-431 603, Maharashtra.

# Spinning a Growth Story



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**Our beloved and respected  
Chairman - Emeritus Shri Jai Kumar Jain**

## MESSAGE FROM THE CHAIRMAN



### MESSAGE FROM THE CHAIRMAN

Dear Fellow Shareowners,

The passing away of our Chairman - Emeritus, Mr. Jai Kumar Jain is a sad event for all of us. We are committed to the future growth of Jai Corp and will continue to be guided by his ideals and continue on the path that his vision had charted for us.

The year 2017-18 saw our economy reaping benefits of reforms initiated over the past few years. Systematic reforms with commitment to create an equitable and growth oriented society has started delivering results, it will lead to higher growth and increased prosperity for the society. This is expected to boost your Company's prospects as increased consumption will create more demand.

India celebrated one year of switchover to a new indirect taxation system - the Good and Services Tax (GST). For the first time ever, India jumped 30 positions and is now amongst the top 100 countries in terms of ease of doing business ranking this year.

One of the legislations that contributed to India's leap frogging in the World Bank ranking stated above is the Insolvency and Bankruptcy Code, 2016.

The single minded focus of the Government on introduction and execution of a plethora of reforms is going to positively change while creating transparency in a manner in which business is carried out in India in the medium and long term.

The Reserve Bank of India in its Third Bi-monthly Monetary Policy Statement, 2018-19 has commented:

*"Industrial growth, measured by the index of industrial production (IIP), strengthened in April-May 2018 on a y-o-y basis. This was driven mainly by a significant turnaround in the production of capital goods and consumer durables. Growth in the infrastructure/construction sector accelerated sharply, reflecting the government's thrust on national highways and rural housing, while the growth of consumer non-durables decelerated significantly. The output of eight core industries accelerated in June due to higher production in petroleum refinery products, steel, coal and cement. Capacity utilisation in the manufacturing sector remains robust. The assessment based on the Reserve Bank's business expectations index (BEI) for Q1:2018-19 remained optimistic notwithstanding some softening in production, order books and exports. The July manufacturing PMI remained in expansion zone, although it eased from its level a month ago with slower growth in output, new orders and employment."*

We have always believed in a judicious mix of traditional and new business. While new businesses, with their inherent risks, need a long lead-time to nurture and grow, traditional businesses can provide us with stability and predictable cash-flows. All our traditional businesses have consolidated in the past few years.

Given the current stage of growth in the Indian economy, we expect the demand for the Company's products to rise in the coming years. As a Company, we have always believed in pursuing a responsible business strategy and delivering quality. This combined with hard work and dedication of our entire team has helped your Company maintain a profitable path even during uncertain times.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our stakeholders, who have reposed their trust in us and extended their constant support.

With best wishes,

Sincerely,

Anand Jain  
Chairman  
13<sup>th</sup> August, 2018

## ABOUT US:

Jai Corp Limited, established in 1985, under the leadership of the Company's Chairman Mr. Anand Jain, is fast emerging as a leading urban integrated infrastructure company.

Traditionally, a manufacturing enterprise, the Company produces flexible intermediate bulk containers (FIBC Jumbo bag), woven sacks and fabrics, manmade fiber yarns, Masterbatch and steel coils and sheets.

In 2006, Mr. Jain's vision saw Jai Corp expanding its horizons. Jai Corp is metamorphosing from a manufacturing enterprise to a corporate driven by new growth engine such as asset management and urban infrastructure development.

The Company is in the process of building globally relevant centers of excellence in manufacturing and service sector.

Jai Corp is also a leading real estate organization with a significant funding and development portfolio.

The Company is also advisor and manager to some of India's largest real estate funds.

With its Registered Office at Nanded, Maharashtra, the Company has its Corporate Office in India's financial capital, Mumbai.

The Company has a shareholder family of about 77,000. The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

## LOCATIONS:

- | Woven sacks manufacturing division: Khadoli, Athal (Silvassa) and Daman
- | Spinning division: Vasona (Silvassa) and Sarigam (Gujarat)
- | Steel division: Nanded (Maharashtra)
- | SEZs: Mumbai and Navi Mumbai
- | Port SEZ: Rewas (Maharashtra)
- | Asset Management business and Venture Capital Fund Offices: Mumbai.
- | Real Estate business: Mumbai

## Spinning a Growth Story

- GST – has shown the world that India can initiate and sustain an entirely new tax regime successfully
- The steps taken by the Government has resulted in India reaching the top 100 in the list of countries for ease of doing business
- The International Monetary Fund has forecast growth of 7.3 per cent in the current fiscal year.
- Indian economy has been relatively stable
- Stability results in growth and progress
- The two pillars for domestic-growth, strong internal demand and controlled inflation are already in place
- We have seen higher IIP numbers and increased domestic demand in the last few months.
- Consumer sector is showing encouraging numbers
- Our long term goals are clear, but we are calibrating them for short term exigencies
- During 2017-18, we rationalised our traditional business.
- This gives us confidence that the long-term outlook is favourable
- Hard work and perseverance are the twin *mantras* for growth
- We are optimistic and by spinning a growth story, to take the Company to greater height



## COMPANY INFORMATION

### BOARD OF DIRECTORS

**Anand Jain**  
Chairman

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director & CEO

**V.S. Pandit**  
Director – Works

**K.M. Doongaji**

**S.H. Junnarkar**

**Anup P. Shah**

**Aziza A. Chitalwala**  
Independent Directors

**CHIEF FINANCIAL OFFICER &  
CHIEF ACCOUNTS OFFICER**  
Pramod Kumar Jaiswal

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**  
Ananjan Datta

### BOARD COMMITTEES:

**Audit Committee**  
K.M. Doongaji-Chairman  
A. P. Shah  
S.H. Junnarkar  
A.A. Chitalwala  
Virendra Jain

**Corporate Social Responsibility  
Committee**  
Anand Jain- Chairman  
Virendra Jain  
A P. Shah

**Nomination and Remuneration  
Committee**  
K. M. Doongaji – Chairman  
Anand Jain  
S.H. Junnarkar  
Virendra Jain  
A.P. Shah  
A.A. Chitalwala

### Stakeholders Relationship Committee

K. M. Doongaji –Chairman  
A.P. Shah  
Virendra Jain  
Gaurav Jain

### Risk Management Committee

Virendra Jain -Chairman  
Gaurav Jain  
V.S. Pandit

### Share Transfer Committee

Virendra Jain -Chairman  
Gaurav Jain  
V.S. Pandit

### Preference Share Redemption Committee

K.M. Doongaji-Chairman  
A. P. Shah  
S.H. Junnarkar  
A.A. Chitalwala

### BANKERS

Axis Bank  
Bank of Baroda  
Canara Bank  
HDFC Bank  
ICICI Bank  
IDBI Bank  
Kotak Mahindra Bank  
State Bank of India  
Union Bank of India  
Vijaya Bank

### REGISTERED OFFICE

A-3, M.I.D.C. Indl. Area,  
Nanded- 431 603, Maharashtra.

### CORPORATE OFFICE

12-B, Mittal Tower,  
Nariman Point,  
Mumbai-400 021,  
Maharashtra.  
Website: [www.jaicorpindia.com](http://www.jaicorpindia.com)  
Tel: +91-22-6115 5300  
Fax: +91-22-2287 5197  
e-mail address for shareholders:  
[cs2@jaicorpindia.com](mailto:cs2@jaicorpindia.com)  
Others: [jaicorp@jaicorpindia.com](mailto:jaicorp@jaicorpindia.com)

### MANUFACTURING FACILITIES

#### (i) Plastic Processing Division

- (a) 140/1/1/1 to 140/1/1/9,  
Village Khadoli, Silvassa (D &  
N.H)  
(100% EOU Unit)
- (b) Survey No. 168/182-191,  
Dabhel Ind. Co-op. Soc. Ltd.,  
Dabhel, Daman, (Daman & Diu)
- (c) Survey No. 148, 149/1 &2,  
180/2 &3,  
Dabhel Ind. Co-op. Soc. Ltd.,  
Dabhel, Daman (Daman & Diu)

#### (ii) Plastic Processing & Master Batch

Survey No.141, Dabhel Ind.  
Co-op. Soc. Ltd.,  
Dabhel, Daman (Daman & Diu)

#### (iii) Plastic Processing & PSF

Survey No.326/1,326/2/1  
Village Athal, Silvassa,  
(D&NH).

#### (iv) Steel Division

A-3, M.I.D.C. Indl. Area,  
Nanded, Maharashtra.

#### (v) Textile Division- Dyeing

Plot No.1620, G.I.D.C., Sarigam,  
Dist. Valsad, Gujarat.

#### (vi) Textile Division- Spinning

Survey No.246, Khanvel Road,  
Vasona, Silvassa (D&NH).

### REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private  
Limited  
Karvy Selenium Tower B,  
Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad – 500 032.  
Tel: (91-40) 6716 2222/  
1800-345-4001.  
Fax no: (91-40) 230 01153.  
e- mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)  
Website: [www.karvy.com](http://www.karvy.com)

### AUDITOR

DTS & Associates  
Chartered Accountants

**33<sup>rd</sup> Annual General Meeting on Tuesday, 25<sup>th</sup> September 2018 at 4.00 p.m.  
at A-3 M.I.D.C. Indl. Area, Nanded 431 603, Maharashtra**

## NOTICE

NOTICE is hereby given that the Thirty-third Annual General Meeting of the Members of Jai Corp Limited will be held on Tuesday the 25<sup>th</sup> day of September, 2018 at 4.00 p.m. at the Registered Office of the Company at A-3, M.I.D.C. Industrial Area, Nanded-431 603, Maharashtra to transact the following businesses:

### AS ORDINARY BUSINESS:

1. To consider and adopt:
  - a. the standalone audited financial statements and the Reports of the Board of Directors and the Auditor thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT** the standalone audited financial statements for the year ended 31<sup>st</sup> March, 2018 together with the Reports of the Directors and Auditor thereon be and are hereby considered, approved and adopted."
  - b. the consolidated audited financial statements and the Report of the Auditor thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT** the consolidated audited financial statements for the year ended 31<sup>st</sup> March, 2018 together with the Report of the Auditor thereon be and are hereby considered, approved and adopted."
2. To declare a dividend on Preference Shares and in this regard, pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of 1% (i.e. Re. 0.01) per Preference Share of face value Re. 1/- each to the Preference Shareholders of the Company for the financial year ended 31<sup>st</sup> March, 2018, whose names appear in the Register of Members at close of business on 18<sup>th</sup> September, 2018 be and is hereby declared to be paid out of the profits of the Company."
3. To declare a dividend on Equity Shares and in this regard, pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of 50% (i.e. Re. 0.50) per Equity Share of face value Re. 1/- each to the non-promoter Equity Shareholders of the Company holding 4,81,67,010 Equity Shares and to the exclusion of promoter Equity Shareholders holding 13,02,82,400 Equity Shares, for the financial year ended 31<sup>st</sup> March, 2018, whose names appear in the Register of Members at close of business on 18<sup>th</sup> September, 2018 be and is hereby declared to be paid out of the profits of the Company."

4. To appoint a Director in place of Mr. Virendra Jain (DIN: 00077662), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Virendra Jain (DIN: 00077662), Director of the Company who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed a Director of the Company whose period of office is liable to determination by retirement of directors by rotation."

### AS SPECIAL BUSINESS:

5. To re-appoint Mr. Gaurav Jain (DIN 00077770) as Managing Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013, Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and all others applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force, Mr. Gaurav Jain (DIN 00077770) be and is hereby re-appointed as the Managing Director of the Company, with the designation of Chief Executive Officer, for a period of 5 (five) years with effect from 04-06-2018 without any remuneration and on the terms and conditions as are set out in the agreement proposed to be entered into between the Company and Mr. Gaurav Jain a draft whereof is placed before the meeting, with authority to the Board (or any duly constituted committee thereof) to amend any terms of the draft Agreement as may be acceptable to the Company and Mr. Gaurav Jain, so long as any amended terms are not, in the opinion of the Board (or its committee), prejudicial to the interests of the Company;

**RESOLVED FURTHER THAT** till such time Mr. Gaurav Jain continues to remain the Managing Director he will not be liable to retire by rotation;

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

6. To re-appoint Mr. Vasudeo Shrinivas Pandit (DIN 00460320) as Director- Works and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013, Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and all others applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder including any

statutory modification or re-enactment thereof for the time being in force, Mr. Vasudeo Shrinivas Pandit (DIN 00460320) be and is hereby re-appointed as Whole-time Director of the Company, with the designation of Director-Works, for a period of 3 (three) years with effect from 01-04-2018 at the remuneration set out in the accompanying Statement and on the terms and conditions as are set out in the Agreement proposed to be entered into between the Company and Mr. Vasudeo Shrinivas Pandit placed before this meeting, with authority to the Board (or any duly constituted committee thereof) to amend any terms of the draft Agreement as may be acceptable to the Company and Mr. Vasudeo Shrinivas Pandit, so long as any amended terms are not, in the opinion of the Board (or its committee), prejudicial to the interests of the Company;

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

7. To ratify the remuneration payable to the cost auditor for the financial year ending 31<sup>st</sup> March, 2019 and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) Bhanwarlal Gurjar & Co. (Firm Registration No. 1010540 issued by the Institute of Cost Accountants of India), cost auditor appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2019 be paid a remuneration of Rs. 3,20,000/- excluding the Goods and Services Tax and re-imbursement of out-of-pocket expenses incurred by Bhanwarlal Gurjar & Co. during the course of the audit."

By Order of the Board of Directors

Mumbai  
13<sup>th</sup> August, 2018

**A. Datta**  
**Company Secretary**

**Registered Office:** A-3, M.I.D.C. Indl. Area,  
Nanded 431 603, Maharashtra.  
**CIN:** L17120MH1985PLC036500  
**e-mail for investors:** cs2@jaicorpindia.com

#### NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument appointing a proxy or Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Corporate Members are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote at the Meeting.
3. The Register of Members and Share Transfer Books for shares held in physical form will remain closed from Wednesday, the 19<sup>th</sup> day of September, 2018 to Tuesday, the 25<sup>th</sup> day of September, 2018 (both days inclusive).
4. The dividend recommended by the Board of Directors, if declared at the Meeting will be payable to those Members whose names are registered in the Register of Members of the Company at close of business on Tuesday 18<sup>th</sup> September, 2018.
5. Where any item of business refers to any document which is to be considered at the Meeting, such document will be available for inspection by the Members at the Registered Office of the Company between 11:00 a.m. and 2:00 p.m. on any working day of the Company up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.

Un-paid/ un-claimed dividends up to financial year 2009-10 have been transferred to the Investor Education and Protection Fund ('IEPF') pursuant to the provisions of Section 205A of the Companies Act, 1956 and/or Section 124 of the Companies Act, 2013. Un-paid/ un-claimed dividend for the financial years 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 will be transferred to the IEPF on or after 22<sup>nd</sup> October, 2018, 27<sup>th</sup> October, 2019, 4<sup>th</sup> November, 2020, 25<sup>th</sup> October, 2021, 29<sup>th</sup> October, 2022, 28<sup>th</sup> October, 2023 and 15<sup>th</sup> October, 2024 respectively pursuant Section 124 of the Companies Act, 2013. The members

who have not cashed their dividend warrant/s are requested to immediately make their claims to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private Limited. It may be noted that pursuant to Section 124(6) of the Companies Act, 2013, all shares in respect of which unpaid or unclaimed dividend has been transferred shall also be transferred by the Company in the name of IEPF. The Company has already transferred certain shares to the IEPF. Members may visit [http://www.jaicorpindia.com/investor/unpaid\\_dividend.html](http://www.jaicorpindia.com/investor/unpaid_dividend.html) to ascertain the status of their shares and/ or unclaimed dividend. Necessary details have also been uploaded on the website of IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). The shareholders whose shares as well as unclaimed dividends have been transferred to the IEPF can now claim back the same. The IEPF Refund webpage can be accessed by visiting: [www.iepf.gov.in/IEPF/refund.html](http://www.iepf.gov.in/IEPF/refund.html). Necessary details are also available with the Registrar and Share Transfer Agent, Karvy Computershare Private Limited.

6. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private limited details of such folios together with the share certificates for consolidating their holding in one folio. The share certificate will be returned to the Member/s after making requisite changes thereon.
7. The Securities and the Exchange Board of India (SEBI) has notified amendments to the Listing Obligations and Disclosure Requirements Regulations, 2015 on 08<sup>th</sup> June, 2018 which will come into force on the one hundred and eightieth day from the date of its publication in the Official Gazette. Pursuant to this, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Pursuant to SEBI vide Circular dated 20<sup>th</sup> April, 2018 the Company has written to all shareholders holding shares in physical form to furnish their PAN, and bank account details. SEBI had previously mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding securities in the electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited. In case of residents of Sikkim, the requirement of PAN Card to be substituted with a valid identity proof issued

by Government.

8. Non-resident Indian shareholders are requested to inform the Company immediately:-
  - i. Change in residential status on return to India for permanent settlement.
  - ii. Particulars of bank account maintained in Indian with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
  - iii. Copy of Reserve Bank of India permission.
9. In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations in respect of shares held by them are requested to send the necessary particulars in Form No. SH. 13 (available on request) to the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited.
10. Pursuant to Section 152 of the Companies Act, 2013, Virendra Jain (DIN: 00077662), who retires by rotation and being eligible, offers himself for re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Other than Mr. Virendra Jain, Mr. Anand Jain and Mr. Gaurav Jain being related to Mr. Virendra Jain may be deemed to be interested in the resolution set out at Item No. 4 of the Notice. The other relatives of Mr. Virendra Jain may be deemed to be interested in the said resolution to the extent of their shareholding interest. No other Director / Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.  
  
The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.
12. A brief resume of all Director who are proposed to be re-appointed, nature of his expertise in specific functional areas, names of other companies in which they hold directorships and memberships/ chairmanships of Committees of the Board, shareholdings and relationships between Directors *inter-se* as required to be provided pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are given elsewhere in the Annual Report.
13. Pursuant to coming into force of Section 40 of Companies (Amendment) Act, 2017, the provision contained in the Companies Act, 2013



that required the Company to place the matter relating to appointment of Auditor for ratification by members at every annual general meeting has been omitted. Hence, no resolution is proposed for ratification of the Auditor who was appointed in the 32<sup>nd</sup> Annual General Meeting held on 12<sup>th</sup> September, 2017.

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Pursuant to Sections 20, 101 and 136 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014 service of documents through electronic mode is now permitted.

#### Remote e-voting

15. Pursuant to Sections 107 and 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its members the facility of remote e-voting to exercise their right to vote on resolutions proposed at this meeting by electronic means in respect of all the Items of business set forth in this Notice. **Detailed procedure concerning e-voting is given on the reverse of the Attendance Slip-cum- Proxy Form.** Facility for voting by ballot shall also be made available at the venue of the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be entitled to exercise their right at the meeting. Once the vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently. Further, the members who have cast their vote electronically through remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to vote again at the meeting.

By Order of the Board of Directors

Mumbai  
13<sup>th</sup> August, 2018

**A. Datta**  
**Company Secretary**

**Registered Office:** A-3, M.I.D.C. Indl. Area,  
Nanded 431 603, Maharashtra.  
**CIN:** L17120MH1985PLC036500  
**e-mail for investors:** cs2@jaicorpindia.com

#### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

##### Item No. 5:

#### Re-appointment of Mr. Gaurav Jain as the Managing Director

Subject to the approval of the members, the Board of Directors at their meeting held on 25<sup>th</sup> May, 2018, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Gaurav Jain (DIN 00077770) as the Managing Director of the Company for a period of five years commencing from 4<sup>th</sup> June, 2018 up to 3<sup>rd</sup> June, 2023. Mr. Gaurav Jain was appointed as the Managing Director for the first time on 4<sup>th</sup> June, 2008 and was re-appointed as the Managing Director with effect from 4<sup>th</sup> June, 2013. The draft Agreement proposed to be entered into with Mr. Gaurav Jain, *inter-alia*, contains the following terms:

**Salary:** Nil

**Commission:** Nil

**Perquisites and Allowances:** Nil

Either party may terminate this Agreement by giving the other 3 (three) months prior notice of termination in writing.

Mr. Gaurav Jain has voluntarily stopped taking any remuneration with effect from 1<sup>st</sup> November, 2015.

Mr. Gaurav Jain has given his consent to the re-appointment. He satisfies all the conditions specified under Section 196(3) and Part- I of Schedule V to the Companies Act, 2013. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr. Gaurav Jain is a promoter director has wide ranging experience. He attended 5 meetings of the Board of Directors during 2017-18 and also attended the last Annual General Meeting.

Other than Mr. Gaurav Jain, Mr. Anand Jain and Mr. Virendra Jain being related to Mr. Gaurav Jain may be deemed to be interested in the resolution set out at Item No. 5 of the Notice. The other relatives of Mr. Gaurav Jain may be deemed to be interested in the said resolution to the extent of their shareholding interest. No other Director / Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

The Board of Directors is of the opinion that the continued association of Mr. Gaurav Jain with the Company will be beneficial to the Company and accordingly commends the resolution set out in Item No. 5 of the accompanying Notice for approval of the members.

**Item No. 6:**

**Re-appointment of Mr. V.S. Pandit as Director-Works:**

Subject to the approval of the members, the Board of Directors at their meeting held on 14<sup>th</sup> February, 2018, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Vasudeo Shrinivas Pandit ( DIN 00460320) as Director – Works of the Company for a period of three years commencing from 1<sup>st</sup> April, 2018 up to 31<sup>st</sup> March, 2021. Mr. Vasudeo Shrinivas Pandit was appointed as the Director – Works for the first time on 1<sup>st</sup> April, 1997 and has, from time to time, been re-appointed at the expiry of his earlier tenures.

The draft Agreement proposed to be entered into with Mr. Vasudeo Shrinivas Pandit, *inter-alia*, contains the following terms: **Salary:** not exceeding Rs. 5,00,000/- per month. **Commission:** In addition to salary and perquisites, based on the net profits of the Company in a particular financial year computed in the manner laid down in Section 198 of the Act, as may be approved by the Board but not exceeding the limits laid down in Section 197 of the Act. **Perquisites and Allowances:** Accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with re-imbursement of expenses or allowances for utilization of gas, electricity, water, furnishing and repairs, medical expenses/ re-imbursement for self and his family including dependents, leave travel concession for self and his family including dependents, club fees, medical insurance and such other perquisites and allowances as agreed/authorized by the Board up to Rs. 5,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Act. The minimum remuneration payable to Mr. Vasudeo Shrinivas Pandit in the event of loss or inadequacy of profits in any financial year during the period of his appointment will be subject to a maximum ceiling of Rs. 30,00,000/- per annum including the perquisites as set out in Part II Section II of Schedule V to the Companies Act, 2013. Either party may terminate this Agreement by giving the other 3 (three) months prior notice of termination in writing.

Mr. Vasudeo Shrinivas Pandit was paid a remuneration of Rs. 40,89,784/- for the financial year ended 31<sup>st</sup> March, 2018.

Mr. Vasudeo Shrinivas Pandit has given his consent to the re-appointment. He satisfies all the conditions specified under Section 196(3) and Part- I of Schedule V to the Companies Act, 2013. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr. Vasudeo Shrinivas Pandit has over 42 years' experience in the woven sacks and bags industry. He attended 4 meetings of the Board of Directors during 2017-18 and also attended the last Annual General Meeting.

The Board of Directors is of the opinion that the continued association of Mr. Vasudeo Shrinivas Pandit with the Company will be beneficial to the Company and accordingly commends the resolution set out in Item No. 6 of the accompanying Notice for approval of the members.

Other than Mr. Vasudeo Shrinivas Pandit, no other Director/ Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

**Item No. 7:**

**Remuneration of Cost Auditor**

The Board of Directors has appointed Bhanwarlal Gujar & Co. ( Firm Registration No. 1010540 issued by the Institute of Cost Accountants of India) as the cost auditor of the Company for the financial year 2018-19. Pursuant to Section 148 of the Companies Act, 2013 read with Rule 3(B) of the Companies (Cost Records and Audit) Amendment Rules, 2014 ('the Rules') the Company is required to maintain cost records and get them audited in accordance with these Rules for the financial year 2018-19. Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 members are required to ratify the remuneration payable to the cost auditor.

Based on the recommendation of the Audit Committee, the Board of Directors has approved remuneration of Rs. 3,20,000/- to Bhanwarlal Gujar & Co. excluding the Goods and Services Tax and reimbursement of out-of-pocket expenses.

The Board of Directors accordingly commends the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for approval of the members which is an enabling resolution.

No Director / Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

By Order of the Board of Directors

Mumbai  
13<sup>th</sup> August, 2018

**A. Datta**  
**Company Secretary**

**Registered Office:** A-3, M.I.D.C. Indl. Area,  
Nanded 431 603, Maharashtra.  
**CIN:** L17120MH1985PLC036500  
**e-mail for investors:** cs2@jaicorpindia.com

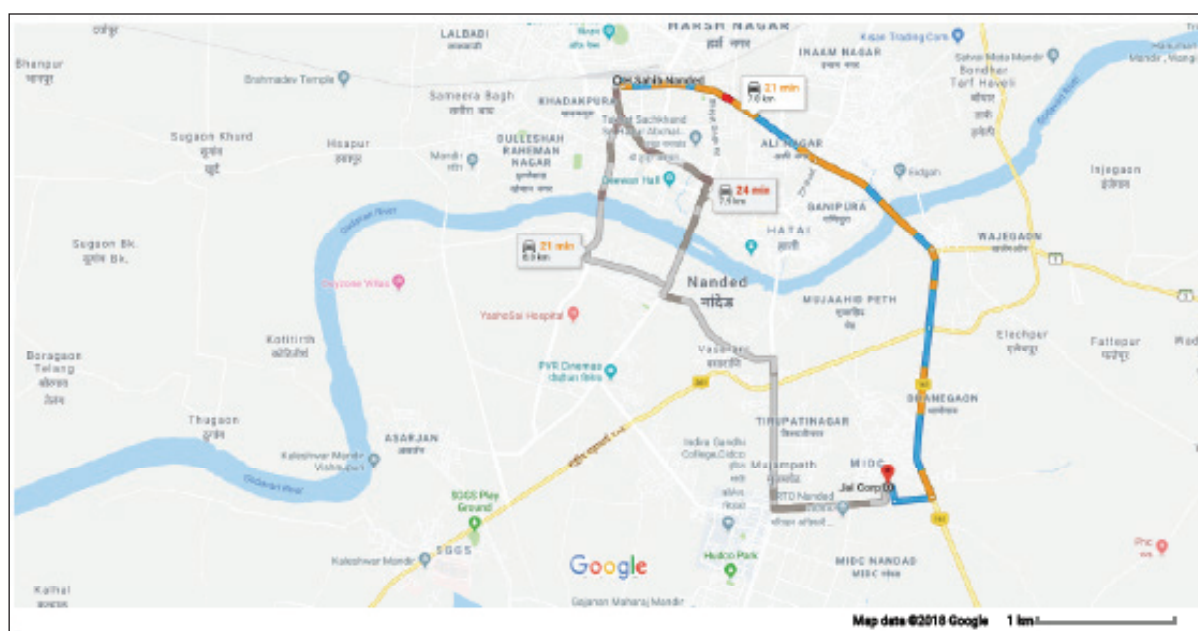
**Details of Director seeking re-appointment at the 33<sup>rd</sup> Annual General Meeting pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India**

Name of the Director	Mr. Virendra Jain	Mr. Gaurav Jain	Mr. Vasudeo S. Pandit
Age	59 years	38 years	67 years.
Date of Appointment	31/12/1986	12/03/2004 (first time as director) By Members- 21/09/2013 (re-appointed as Managing Director for 5 years w.e.f. 04/06/2013)	01/04/1997 (first time as director) By Members- 23/09/2015 (re-appointed as Director-Works for 3 years w.e.f.01/04/2015)
Expertise in specific functional area/ brief resume	Entrepreneur with over 30 years' of experience in business of plastic processing. Brief resume is given in the Corporate Governance Report forming part of this Annual Report.	Entrepreneur with over 17 years' of experience in business of plastic processing. Brief resume is given in the Corporate Governance Report forming part of this Annual Report.	Has over 42 years experience in woven sacks and bags industry Brief resume is given in the Corporate Governance Report forming part of this Annual Report.
Qualification	B.Com	B.Sc.(Econ), B.Sc.(Comp. Sc.)	B.Sc.
No. of equity shares held in the Company	100	1,694	Nil
Directorships in other listed entities and membership of committees of the board	None	None	None
Directorships in other unlisted entities and membership/ chairmanship of committees of the board	Directorships- 1. Aero Developers Pvt. Ltd. 2. Aero Fibre Pvt. Ltd. 3. Aero Realty Pvt. Ltd. 4. Iceberg Properties Pvt. Ltd. 5. Jaicorp Welfare Foundation(Sec. 8 co.) 6. Jai Developers (Mumbai) Pvt. Ltd. 7. Jai Realty Ventures Ltd. 8. Kasturi Trading Co. Ltd. 9. Mrinalini Trading Co. Ltd. 10. Pet Fibres Ltd. 11. Prime Biotech ( India) Ltd. 12. Prime Wovens Ltd. 13. Shree Om Brokers Pvt. Ltd. 14. Techfab ( India) Industries Ltd. 15. Tufropes Pvt. Ltd.	Directorships- 1. Dhruvam Realtors Pvt. Ltd. 2. Geotech Lining Pvt. Ltd. 3. Jai Developers (Mumbai) Private Ltd. 4. Jai Laxmi Realty and Developers Ltd. 5. Jai Realty Ventures Ltd. 6. JKSP Samarpan Foundation ( Sec. 8) 7. Kamal Agri Properties Pvt. Ltd. 8. Megaplast Packaging Pvt. Ltd. 9. Navnetra Trading Pvt. Ltd. 10. Navnirman Real Estate Pvt. Ltd. 11. Neo-Spectra Realtors Pvt. Ltd. 12. Novelty Realty & Developers Ltd. 13. Omni Realtors Pvt. Ltd. 14. Prashant Realtors Pvt. Ltd. 15. Richmond Traders Pvt. Ltd. 16. Samruddha Realtors Pvt. Ltd. 17. Shiva Land Infrastructure Pvt. Ltd. 18. Welldone Real Estate Ltd.	None
Number of Meetings of the Board attended during the year	5	5	4
Relationship between Directors <i>inter se</i> , Manager and other Key Managerial Personnel.	Is related to Mr. Anand Jain and Mr. Gaurav Jain	Is related to Mr. Anand Jain and Mr. Virendra Jain	None

<b>Name of the Director</b>	<b>Mr. Virendra Jain</b>	<b>Mr. Gaurav Jain</b>	<b>Mr. Vasudeo S. Pandit</b>
Terms and conditions of re-appointment	Liable to retire by rotation.	As per the resolution at item no. 5 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Gaurav Jain is proposed to be re-appointed as the Managing Director	As per the resolution at item no. 6 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Vasudeo S. Pandit is proposed to be re-appointed as the Director – Works.
Remuneration last drawn	Not Applicable	Not Applicable Has voluntarily stopped accepting remuneration.	Rs. 40,89,784/- (as Director-Works).
Remuneration proposed to be paid	Not Applicable	Not Applicable	As per the resolution at item no. 6 of the Notice convening this Meeting read with explanatory statement thereto.
DIN	00077662	00077770	00460320
Category of directorship & designation	Non- executive, promoter Director and Vice Chairman	Managing Director, promoter director and Managing Director and Chief Executive Officer	Executive director, non-promoter, non-independent and Director-Works



Route Map to the AGM Venue



## Management Discussion and Analysis

### Forward-looking Statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward- looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could, thus, differ materially from those projected in any such forward- looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward- looking statements on the basis of any subsequent developments, information or events.

### Overview of Financial Year (FY)

The Economic Survey that was tabled in the parliament on January 29, 2018 states *"Major reforms were undertaken over the past year. The transformational Goods and Services Tax (GST) was launched at the stroke of midnight on July 1, 2017. And the long-festering Twin Balance Sheet (TBS) problem was decisively addressed by sending the major stressed companies for resolution under the new Indian Bankruptcy Code and implementing a major recapitalization package to strengthen the public sector banks. As a result of these measures, the dissipating effects of earlier policy actions, and the export uplift from the global recovery, the economy began to accelerate in the second half of the year. This should allow real GDP growth to reach 6¾ percent for the year as a whole, rising to 7-7½ percent in 2018-19, thereby re-instating India as the world's fastest growing major economy."*

Key performance indicators are given below:

- The gross turnover decreased by 17.09 per cent to ₹ 601.17 crore in FY 2017-18 from ₹ 725.13 crore in FY 2016-17.
- The total EBITDA increased by 10.38 per cent to ₹ 110.46 crore in FY 2017-18 from ₹ 100.07 crore in FY 2016-17.
- The Net Profit increased by 268.23 per cent to ₹ 24.41 crore in FY 2017-18 from a loss of ₹ 14.51 crore in FY 2016-17.

### Business Review

#### Urban Integrated Infrastructure

#### Special Economic Zones (SEZs)-

##### Sector Overview:

The SEZ Industry in India is facing grave challenges for last few years. Govt. of India (GoI) has withdrawn key tax benefits (earlier available) which have made SEZ business unviable. These and other policy changes have put a question mark on future of SEZ in India. In addition to this, Maharashtra SEZ Act which provides State level fiscal benefits has been pending enactment since long. Govt of Maharashtra (GoM) had recognized the serious difficulties faced by SEZ in Maharashtra and had allowed SEZ to exit and move towards being developed into Integrated Industrial Area (IIA).

Jai Corp is a stakeholder in entities developing SEZs in Maharashtra.

#### I- Navi Mumbai SEZ Private Limited (NMSEZ)

##### Performance Overview:

NMSEZ has commenced horizontal and vertical development of SEZ in a phased manner. The Maharashtra SEZ Act is awaiting enactment since quite some time. In the absence of fiscal incentives in the State, it is not very easy to attract the units in the SEZ. The amendments to certain Income-tax provisions are also making the SEZs less attractive. GoM has, in its Industrial Policy of 2013 subject to certain terms and conditions, allowed SEZ to exit and move towards being developed as IIA. NMSEZ is in discussion with its Joint Venture Partner CIDCO to move from SEZ to IIA. The Project parameters will not change and even local Industries will be able to set up Units in IIA.

#### II- Mumbai SEZ Limited (MSEZ)

##### Performance Overview:

MSEZ has acquired land in Uran, Pen and Panvel areas in the state of Maharashtra. So far, consent award and sale deeds have been executed for around 4,600 acres. The subject land is not contiguous. The new Land Acquisition Act which has been notified in January, 2014 makes it difficult to buy land for contiguity. MSEZ is in discussion with GoM on way forward. MSEZ is also awaiting further amendment to Land Acquisition Act.

#### III- Rewas Ports Limited (RPL)

##### Performance Overview:

All statutory approvals have been obtained. RPL has signed the lease deed for 839 hectares (Ha) of inter tidal land. The Government land of about 167 hectares has been transferred by the GoM to Maharashtra Maritime Board. RPL will sign the lease deed for the

same at the time of financial closure. RPL has been in discussions with Indian Railways and GoM in order to firm up the rail and road connectivity of the port with the hinter land. Ministry of Railway have approved rail connectivity proposal as a JV between Rail Vikas Nigam Limited and RPL. RPL has been persistently working to resolve the issue related to right of way from Mumbai Port Trust, but progress is slow.

### Real Estate

#### Sector Overview:

According to a study by India Brand Equity Foundation (IBEF), the Indian real estate market is expected to touch US\$ 180 billion by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. New housing launches across top seven cities in India increased 27 per cent year-on-year in January-March 2018.

Real Estate (Regulation and Development) Act, 2016, (RERA) has completed one year of its coming into force. With most of the States and Union Territories have implemented the same. It is expected that RERA will usher in a new era of transparency and accountability in this sector. The recent Ordinance amending the Insolvency and Bankruptcy Code, 2016 is expected to significant relief to home buyers by recognizing their status as financial creditors. The Bill replacing the Ordinance was passed by the Lok Sabha

#### Our Business:

Certain subsidiaries of Jai Corp have acquired land. The same may be consolidated for the purpose of development subject to the applicable legislations at that point of time. The Company is of the view that any presumed fall in the current valuation of land held by some of the subsidiary companies is a temporary phenomenon. These are long-term investments and in the course of time are expected to realise their fair value.

#### Performance Overview:

One of the wholly-owned subsidiaries of the Company, Swar Land Developers Limited, is developing an industrial estate near Mumbai. Construction of Phases-I and II are complete and it is in the process of disposing the space. It has reported a net loss of about ₹ 0.17 crore during FY 2017-18 as against a net profit of about ₹1.34 crore during FY 2016-17. The reduction in profit can be attributed to sluggishness in the realty sector. Phase-III of the project was registered under RERA with the Maharashtra Real Estate Regulatory Authority.

Oasis Holding FZC earned ₹ 6.33 crore as rental income from labour accommodations in the United Arab Emirates during the FY 2017-18. This is the first year of the lease.

### Asset Management

#### Sector Overview:

The government has played a proactive role in establishing a regulatory and tax climate that is conducive for raising investment from investors. While encouraging domestic pension and insurance firms to allocate investments towards alternative asset classes the government has also streamlined regulatory regime across the board with relaxation in foreign direct investment guidelines and introduction of Insolvency and Bankruptcy Code, 2016 and RERA.

Private Equity Real Estate (PERE) funds continued to be one of the most popular avenues of investment in India in 2017. With the tag of fastest growing major economy in the world and a burgeoning middle class, real estate provides opportunities for growth both in residential and commercial space. For the year 2017, the private equity investments in real estate sector grew by 17 per cent to ₹ 42,800 crore as per a report by property consultant Cushman & Wakefield. Foreign funds particularly showed keen interest in the commercial and retail space to generate annuity driven cash flows and also explore listing opportunities under the real estate investment trust (REIT) structure. The PE investments in residential space, saw a decline of 29 per cent in 2017 to ₹ 15,600 crore. Developers launched fewer residential projects as they continued to grapple in an environment of high inventory, subdued demand and as a result, their area of focus shifted to ensure due compliance of new projects under RERA and GST. As per Knight Frank India, project launches in 2017 fell by 41 per cent from the previous year. PE Funds were also selective in allocating fresh commitment to Grade "A" developers at a time when the distinction between good and bad developers became more pronounced. Under the RERA & GST regime, PERE/ lenders had to redraw their cash flow projections to take into account drop in sales and projects' restricted ability to service debt. As a result, lenders sought additional collaterals and limited the sanctioning limits for disbursements, thereby, further restricting developers ability to raise funds.

#### Our Business:

Jai Corp is present in this industry through its wholly owned subsidiary - Urban Infrastructure Venture Capital Limited (UIVCL), a venture capital management company. UIVCL is the manager to Urban Infrastructure Opportunities Fund (UIOF), a scheme of Urban Infrastructure Venture Capital Fund (UIVCF), a SEBI registered fund. UIOF is a close ended India domiciled venture capital fund having raised a corpus of approximately ₹2,434 crore.

UIVCL, is also Indian advisor to Urban Infrastructure

Capital Advisors, Mauritius (UICAM), investment manager to India focused real estate fund Urban Infrastructure Real Estate Fund (UIREF), having a total capital commitment of US\$ 300 million.

The investments of these Funds' are focused on large townships and mixed-use development projects in Tier-I and Tier-II cities of western and southern India. At the end of July 2018, these Funds had invested in 22 special purpose vehicles spread across 12 cities of India.

#### **Performance Overview:**

UIOF was launched in 2006, with an initial tenure till June 2013. The Trustees based on the recommendation of UIVCL and as per the fund document guidelines extended the tenure of the Fund for two periods of one year each till June, 2015. Further the Trustees extended the tenure of the Fund with the consent of the majority of its contributors till 31<sup>st</sup> December, 2016 in order to facilitate the exit of the investments made by the Fund in the SPVs.

In December 2016, Trustees and UIVCL took steps to create a liquidity option for the contributors of the Fund, as despite the efforts made by the UIVCL and Trustees, the remaining portfolio could not be liquidated till 31<sup>st</sup> December, 2016 due to inordinate delays in approvals, subdued real estate market, inability of the partner to provide exits, and on-going litigation in some of the portfolio investment, etc. Further, the Investment Manager and Trustee were of the considered view that an *in specie* distribution and/or distressed sale is neither feasible nor in the interest of the contributors as an orderly liquidation of total portfolio may take 3-5 years.

The Trustee and UIVCL undertook an exercise to identify a qualified buyer through a price discovery mechanism by a bidding process who would purchase the units of the existing contributors and remain invested with the Fund till the remaining investment of the Fund are divested. The Trustee and UIVCL appointed consultants for identifying such qualified buyer. Pursuant to said process, the Fund received a non-binding interest from a leading real estate private equity firm having global presence. A final liquidity offer subject to certain conditions was received from it. However, after due deliberations with the stakeholders, it was decided not to proceed any further in view of the offer being conditional and onerous.

In FY 2017-18 UIVCL earned an income of ₹15.11 crores as against an income of ₹ 21.06 crores during 2016-17 resulting in loss after tax of ₹ 1.63 crores during 2017-18 as against a profit of ₹ 2.29 crores during 2016-17.

During the ongoing FY 2018-19, the Fund has, so far, been able to achieve considerable exits from its investments and distributed ~ ₹ 700 crore to its contributors. On an aggregate basis the Fund has

refunded ~ ₹. 1,954 crore to its contributors by way of repurchase of units and return of capital/profits. Post the exit of all the investments, the Fund will be wound-up.

#### **Steel Division**

##### **Sector Overview:**

During 2017, the Government of India released the National Steel Policy 2017 (NSP 2017) is an effort to steer the industry to achieve its full potential, enhance steel production with focus on high end value added steel while being globally competitive. The objectives of the NSP 2017 *inter alia* are to increase per capita steel consumption to 160 Kgs by 2030-31, domestically meet entire demand of high grade automotive steel, electrical steel, special steels and alloys for strategic applications by 2030-31.

According to data released by World Steel Association (worldsteel) press release, world crude steel production for the 64 countries reporting to the worldsteel was 154.9 million tonnes (Mt) in May 2018, a 6.6 per cent increase compared to May 2017. India produced 8.8 Mt of crude steel in May 2018, an increase of 7.6 per cent compared to May 2017.

##### **Performance Overview:**

Jai Corp manufactures cold rolled coils, galvanized coils and galvanized corrugated sheets at its Nanded unit in Maharashtra. During FY 2017-18, the Company did not produce any cold rolled coils (CR) due to lack of demand and achieved a third-party production (job work) of 58,115 MT as compared to 32,624 MT of galvanized plain and galvanized corrugated steel sheets (GP/GC) sheets during FY 2016-17 an increase of about 78.14 per cent. Though the Division reported much lower turnover of ₹ 22.71 crore in FY 2017-18 as compared to ₹ 94.63 crore in FY 2016-17. It reported an increase in profit of ₹ 11.59 crore in FY 2017-18 as compared to a profit of ₹ 8.21 crore in FY 2016-17 an increase of 41.17 per cent.

#### **Plastic Processing Division**

##### **Tape Woven Products**

##### **Sector Overview:**

The usage of polyethylene (PE)/ polypropylene (PP) woven tape products like sacks, bags, Flexible Intermediate Bulk Containers (FIBCs), fabrics, geotextiles etc. has been growing in India. FIBC bags are constructed from woven PP fabric which may be single layered, with extra loose liner, or laminated. PP when treated with ultra violet acts as electrical insulator. While the domestic market growth is slow, nearly ninety percent of production of the converting industry is exported. According to a recent report by Global Info Research, the worldwide market for FIBC is expected to grow at a CAGR of roughly 5.0 per cent over the next five years, will reach 9200 million US\$



in 2023, from 6870 million US\$ in 2017. According to a Press Release by Indian Flexible Intermediate Bulk Container Association (IFIBCA), the industry has shown a consistent growth of 20 per cent in last 5 years.

#### Performance Overview:

The Company's production decreased by about 6.17 per cent to 39,704 MT in FY 2017-18 as compared to 42,315 MT in FY 2016-17. The gross turnover decreased by about 7.15 per cent to ₹479.52 crore in FY 2017-18 as compared to gross turnover of ₹516.44 crore in FY 2016-17. The net profit decreased by about 12.48 per cent to ₹70.69 crore in FY 2017-18 as compared to ₹80.77 crore in FY 2016-17.

The Company's exports also decreased by about 35.73 per cent to 6,328 MT in FY 2017-18 as compared to 9,845.29 MT in FY 2016-17. The FOB value of the exports decreased by about 22.13 per cent to ₹98.58 crore in FY 2017-18 as compared to ₹126.60 crore in FY 2016-17 due change in international scenario and our policy of concentrating on high value products.

#### Masterbatch

##### Sector Overview:

Masterbatch is a concentrated mix of pigments and/or additives encapsulated into a carrier polymer resin which is then shaped into a granular form. This provides the manufactures with a convenient way to add colors/pigments or performance-enhancing additives to natural polymers. In a report by TechSci Research the masterbatch market in India is projected to surpass US\$ 1.1 billion by 2020 and is expected to grow during 2016-2025 at a CAGR of over 11 per cent due to the increase in demand from the packaging and automotive industries.

##### Performance Overview:

Jai Corp's products have been well received in the masterbatch and antifibrillation masterbatch segments of the market. The Company produced 11,394 MT in FY 2017-18 as compared to 12,809 MT in FY 2016-17, a decrease of about 11.05 per cent. The gross turnover increased by about 2.03 per cent to ₹47.27 crore in FY 2017-18 as compared to ₹46.33 crore in FY 2016-17. The net profit increased by about 50.93 per cent to ₹4.89 crore in FY 2017-18 as compared to ₹3.24 crore in FY 2016-17 due to better realization from the domestic market.

The total quantity exported decreased by about 35.43 per cent to 1,090 MT in FY 2017-18 from 1,688 MT in FY 2016-17. The FOB value of exports decreased by about 10.89 per cent to ₹4.68 crore in FY 2017-18 as compared to ₹5.25 crore in FY 2016-17 due to high level of price sensitive competition in international

market.

#### Spinning Division

##### Sector Overview:

As per the Annual Report 2017-18 of the Ministry of Textiles, Government of India,

*"The textile industry contributes to 7 per cent of industry output in value terms, 2 per cent of India's GDP and to 15 per cent of the country's export earnings. With over 45 million people employed directly, the textile industry is one of the largest sources of employment generation in the country."*

##### Performance Overview:

The Company produced 1,773 MT in FY 2017-18 as compared to 2,310 MT in FY 2016-17 a decrease of about 23.45 per cent. The gross turnover of this Division decreased by about 33.93 per cent to ₹35.35 crore in FY 2017-18 as compared to ₹52.48 crore in FY 2016-17. The net profit decreased by about 12.79 per cent to ₹6.27 crore in 2017-18 as compared to ₹7.19 crore in 2016-17.

#### Human Resource Development

Jai Corp's most valuable assets are its human resource. With the support of its dedicated human resource it confronted the rapid changes in the business environment last year with the resolve and determination to ensure that the business of the Company continues to enhance value creation.

The Company's talent pool as on 31<sup>st</sup> March, 2018 was 2,439 which include highly qualified professionals across all its business segments. The growth and sustained leadership of the Company is largely a function of its human resource. The Company has always aimed to create a workplace where every person can achieve his/her optimum potential. The Company has a performance rewarding culture, enabling it to create leaders out of its employees. The Company has also undertaken various training and development initiatives to hone the skill and expertise of its employees.

With diversified business interests, the Company empowers the inter-departmental and inter-unit movement to deserving individuals, ensuring better retention of talent and at the same time providing avenues to its employees.

#### Internal Control System

Jai Corp has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions. The system ensures the integrity of the accounting, recording and reporting of all transactions. It monitors and controls against any unauthorized disposition of assets, thus

safeguarding the Company's assets.

Jai Corp ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. This enhances the reliability of financial and operational information. The Company has appointed a reputed firm, Messrs Mahajan & Aibara as the internal auditor. The Audit Committee of the Company periodically reviews, with the management, *inter alia* performance of the internal auditor and adequacy of the internal control systems.

The internal control systems are adequate and commensurate with the size of the Company and the nature of its business.

### **Risk Concerns and Risk Management**

Jai Corp is exposed to the normal industry risk of factors of competition, economic cycle, raw material availability and uncertainties in the international and domestic markets and credit risk. The Company has a system-based approach to business risk management. It has a proper and adequate system of controls designated to assist in the identification and management of risks. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management policies:

- a) Clearly laid down roles and responsibilities of the various entities in relation to risk management. A range of responsibilities, from the strategic to the operational, is specified therein. These role definitions, *inter alia*, are aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation, independent monitoring and reporting by internal audit.
- b) A combination of centrally issued policies and divisionally-evolved procedures to bring strength to the process of ensuring that business risks are effectively addressed.
- c) Appropriate structures are in place to pro-actively monitor and manage the inherent risks in businesses with proper risk profiling.
- d) A professional and independent firm has been appointed as internal auditor to carry out the risk focused audits across divisions, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board of Directors regularly reviews internal auditor's findings and provides strategic guidance on internal controls.
- e) A comprehensive framework of strategic planning and performance management ensures realization of business objectives based on effective strategy implementation. The annual planning exercise requires all divisions to clearly identify their main risks and set out a mitigation plan with agreed

time line and accountability.

### **Health, Safety and Environment**

Jai Corp is committed to ensuring the health and safety of its employees, its plants and its surrounding communities at all its operations sites. It's the constant endeavor of the Company to provide safe and hygienic working conditions for its employees. The Company also strives to maintain a pro-active check on environmental compliance in its operations. Some of the initiatives undertaken by the Company in this regard are as follows:

- a) Well defined work practices ensure work in a manner that promotes safety and health of its employees as well as that of the environment they operate in.
- b) Provide training to all concerned personnel to maintain health, safety and environment.
- c) Creating awareness on health, safety, environment and developing the required skill, knowledge and confidence of the personnel so as to enable them to understand their responsibility.
- d) Provide all required safety poster, safety equipment, first-aid box and facility, purified drinking water and adequate medical facility under the aegis of a full time qualified medical practitioner.
- e) Maintaining excellent housekeeping practices across all locations and premises of the Company.
- f) Maintaining safe, healthy and pollution-free environment in the work places with suitable safe work systems and methods of work like protective fencing of machinery, periodical testing of hoist and lifts, ropes and chain pulley blocks, testing of pressure vessels. Periodical and preventive maintenance of compressors and proper arrangement of fire extinguishers at designated places.
- g) Obtaining a stability certificate for all the factory buildings as per the requirement of the Factories Act, 1948.
- h) Developing safety awareness among the staff and other concerned workers.
- i) Maintaining environmental norms prescribed by State/ Central Governments in the matter of air, water, quality, noise, environment etc.
- j) Cleaning and disposing off of wastes and effluents, proper ventilation and sustaining of pollution-free atmosphere.
- k) Taking suitable insurance policies such as fire,

safety, group, personal accident etc.

### **Corporate Social responsibility and community development**

An essential component of Jai Corp's social responsibility is to care for the community. The Company endeavors to make a positive contribution to the under privileged communities by supporting a wide range of socio-economic, educational, Rural development projects, Livelihood Training, safe drinking water projects and health initiatives. Many of the community projects and programmes are driven by active participation from our employees. We, at Jai Corp, have defined a set of core values for ourselves-care, innovation, passion and trust – to guide us in all we do. We have decided to act as a catalyst between the government and the people.

#### **A) Model Village Sindoni:**

The Company and Administration of Dadra and Nagar Haveli (D & NH) adopted Sindoni Village in Mandoni Patelad in the year 2009 under "Sankalp Project" to develop it as a 'model village'.

1. Housing Project :- before 2016-17 the Company had provided construction material like sand, bricks and cement to 145 tribal beneficiaries in Sindoni Village. During the FY 2017-18 the Company had provided construction material to 10 more beneficiaries as identified by the Administration of D&NH.
2. Sanitation Project:- District Panchayat, D & NH provided a list of 99 beneficiaries of Sindoni Village for construction of toilets under "Swacha Bharat Mission" and the Company constructed 99 toilets in 9 Padas in that Village. It also constructed 12 toilets for Anganwadis in various other places in D & NH.

#### **B) Education Promotion Programme:**

Education has many benefits and has positive impact in human life. An educated person is an asset for the country, and human capital is considered the best national resource, through this vision the Company started education promotion drive in year of 2014-15. Under this programme the Company sponsors tuition fees of domicile students of D & NH, by directly paying to the concerned institution. Particular attention is paid for sponsoring students who are economically weak. During the year 2017-18, the Company had sponsored fees of 1,774 students, including who had gained admission in MBBS, BDS, Engineering, Pharmacy, Nursing, Hotel Management and MBA courses.

#### **C) Skill Enhancement and Development Programme:**

The Company has a vision to raise the scale of employability and to financially support livelihood training, specifically aimed at sustainable development in rural India. Also the company endeavors to promote, encourage, assist to unemployed and school dropout youth of D & NH and provide them skill based training in different vocations such as light motor vehicle driving, tailoring and electrician wiring course. During the FY 2017-18 the Company had provided skill based training to 297 candidates of D & NH.

#### **D) Promoting preventative healthcare:**

Under this initiative the Company had provided free of cost blood units to sickle cell and anemia patients in D & NH. During FY 2017-18, the Company had provided free of cost blood units to 529 needy patients of sickle cell anemia and thalassemic patients in D & NH.

On the occasion of International Women Day the Company had organized free medical health check-up camp specially for women. 137 women had attended the medical camp.

#### **E) Safe drinking water to all:**

In India over one lakh people die of water borne disease annually. Tribal communities of D&NH face a huge challenge in ensuring safe drinking water supply. For meeting the need of the local communities, the Company had installed 2 nos. of reverse osmosis (RO) Water Purification Plant with capacity of 500 liter per hour at Kherdi and Sindoni panchayats in D & NH. More than 9,000 school students and villagers will be able to avail of the benefit of getting safe drinking water.

#### **F) Environmental Sustainability:**

The problem of solid waste management is acute. Solid waste management is a critical service for the urban and local bodies – since many public health issues are connected with it and inadequate waste disposal may cause severe environmental and health related problems. As a step to address these issues the Company had installed a decentralized Bio Degradation Composting unit in D & NH as a pilot project. The main object of the programme is to sensitize the communities of importance to the Bio-Degradation Compost unit and create awareness among people for disposal of solid waste.

During the FY 2017-18, the Company planted 1000 number of trees in different locations of D & NH.

## DIRECTORS' REPORT

Your Directors are pleased to present the Thirty-third Annual Report and the audited accounts for the year ended 31<sup>st</sup> March, 2018.

### FINANCIAL SUMMARY:

(₹ in Lakh)

	Year Ended 31/03/2018	Year Ended 31/03/2017
<b>Profit before Depreciation, Finance Costs, Exceptional Items &amp; Income –tax</b>	<b>11,045.88</b>	10,007.41
Less: Finance Costs	<b>5,218.35</b>	7,753.01
Depreciation and Amortization Expense	<b>1,536.34</b>	1,643.31
<b>Profit before Exceptional Items &amp; Income-tax</b>	<b>4,291.19</b>	610.79
Exceptional Items	-	-
<b>Profit before Income-tax</b>	<b>4,291.19</b>	610.79
Less: Provision for Taxation:		
Current Tax	<b>3,051.54</b>	3,407.15
Deferred Tax Expense/(Credit)	<b>(1,201.75)</b>	(1,345.41)
<b>Net Profit after Tax</b>	<b>2,441.40</b>	(1,450.41)
<b>Other Comprehensive Income (net)</b>	<b>10,237.77</b>	8,593.44
<b>Total Comprehensive Income</b>	<b>12,679.17</b>	7,142.49
<b>Statement of Retained Earnings</b>		
At the beginning of the year	<b>25,916.86</b>	27,656.44
Add: Profit for the year	<b>2,441.40</b>	(1,450.41)
Less: Dividend paid on Equity Shares	<b>(240.84)</b>	(240.84)
Tax on Dividend paid	<b>(38.95)</b>	(47.79)
Balance at the end of the year	<b>28,078.48</b>	25,916.86

### THE CHANGE IN THE NATURE OF BUSSINES, IF ANY:

There was no change in the nature of business of the Company during the year or subsequently.

### RESULT OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS:

During the year under review, the gross turnover of the Company's Steel Division was ₹ 22.71 crore as compared to the previous year's gross turnover of ₹ 94.63 crore. However, the Division reported a profit of ₹ 11.58 crore during the year under review as against a profit of ₹ 8.20 crore of the previous year.

The Plastic Processing Division of the Company achieved a gross turnover of ₹526.98 crore as compared to previous year's gross turnover of ₹ 562.96 crore. The Division reported a profit of ₹ 75.57 crore during the year under review as against a profit of ₹ 84.01 crore of the previous year.

The Spinning Division of the Company achieved a gross turnover of ₹ 35.35 crore as compared to the previous year's gross turnover of ₹ 52.48 crore. The Division reported a reduced profit of ₹ 6.27 crore during the year under review as against a profit of ₹ 7.19 crore of the previous year.

During the year under review, the production of Plastic Processing Division excluding Master batch decreased from 39,704 MT during 2017-18 to 42,315 MT during 2016-17.

The production of Master batch decreased from 11,394 MT during 2017-18 to 12,809 MT during 2016-17 due to down turn in the market.

The production of the Spinning Division decreased to 1,773 MT during 2017-18 from 2,310 MT during 2016-17.

The third-party production (job work) of GP/GC coils and sheets increased to 58,115 MT during 2017-18 from 32,624 MT during 2016-17. CR coils and sheets were not produced due to lack of demand.

During the year under review, 35,01,900 preference shares were redeemed at a premium in accordance with the terms of issue. After the redemption, 25,98,000 preference shares remained outstanding as on 31<sup>st</sup> March, 2018.



### AMOUNT PROPOSED TO BE CARRIED TO GENERAL RESERVE AND AMOUNT RECOMMENDED TO BE PAID BY WAY OF DIVIDEND:

Your Directors have decided not to transfer any amount to the General Reserve. Your Directors have recommended a dividend at the rate of ₹ 0.01 (1 per cent) per preference share be paid on the 25,98,000 non-cumulative non-participating redeemable preference shares of face value ₹ 1/- each for the financial year ended 31<sup>st</sup> March, 2018. If approved at the ensuing 33<sup>rd</sup> Annual General Meeting, an amount not exceeding ₹ 25,980/- will be payable to those preference shareholders whose names appear on the Register of Members of the Company at close of business on 18<sup>th</sup> September, 2018.

Your Directors have also recommended a dividend of ₹ 0.50/- (50 per cent) per equity share on 4,81,67,010 equity shares of face value ₹ 1/- each for the financial year ended 31<sup>st</sup> March, 2017. This will amount to ₹ 2,40,83,505/- and, if approved at the ensuing 33<sup>rd</sup> Annual General Meeting will be paid to members whose names appear on the Register of Members of the Company at close of business on 18<sup>th</sup> September, 2018. In respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The 'promoters' of your Company have voluntarily and irrevocably waived their entitlement to receive dividend on the equity shares for the financial year 2017-18. Hence your Directors have not recommended any dividend on 13,02,82,400 equity shares held by the 'promoter group'. No dividend was recommended on 44,600 shares forfeited and not re-issued.

### EXTRACT OF ANNUAL RETURN:

Extract of Annual Return as provided under Section 92(3) of Companies Act, 2013 is given at **Annexure- 1**. Annual Return referred to in sub-section (3) of section 92 can be viewed in the Company's website: <http://www.jaicorpindia.com>.

### NUMBER OF MEETINGS OF THE BOARD:

Five meetings of the Board of Directors and one meeting of the Independent Directors of the Company were held during the financial year 2017-18. Further details in this regard are given in the Corporate Governance Report given elsewhere in this Annual Report.

### DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

On expiry of his term on 31-03-2018, the Board on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Vasudeo S. Pandit (DIN: 00460320) with effect from 01-04-2018 as the Director- Works for a period of 3 (three) years, subject

to approval of the members at the ensuing Annual General Meeting.

On expiry of his term on 03-06-2018, the Board on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Gaurav Jain (DIN: 00077770) with effect from 04-06-2018 as the Managing Director and Chief Executive Officer for a period of 5 (five) years, subject to approval of the members at the ensuing Annual General Meeting

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Virendra Jain (DIN: 00077662) retire by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting.

A brief resume of all Directors including those proposed to be re-appointed/ appointed, nature of their expertise in specific functional areas and names of public limited companies in which they hold directorship, memberships/chairmanships of Board Committees, are provided elsewhere in the Annual Report. The Directors who are being re-appointed have intimated to the Company that they are eligible for re-appointment.

During the year under review, Mr. Sachindra Nath Chaturvedi (DIN: 00553459) vacated his office under Section 167 of the Companies Act, 2013 as a director on incurring disqualification specified in Section 164(2) of the Companies Act, 2013.

There was no change among the Key Managerial Personnel during the year.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, it is hereby stated that:

- in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departure(s) from the same.
- appropriate accounting policies have been selected and applied consistently and the Directors have 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 at the end of the financial year at 31<sup>st</sup> March, 2018 and of the profit including total comprehensive income of the Company for that period.
- proper and sufficient care has been taken 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.

- (d) the annual accounts for the financial year ended 31<sup>st</sup> March, 2018 have been prepared on a 'going concern' basis.
- (e) internal financial controls have been laid down to be followed by the Company. The internal financial controls are adequate and are operating effectively.
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:**

The Independent Directors have given their respective declarations under Section 149(6) of the Companies Act, 2013.

**SECRETARIAL STANDARDS:**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

**COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

- (a) Qualifications of directors:
  - (i) A candidate for executive directorship should possess administrative skills and functional experience or knowledge of the division or department entrusted to such director. The candidate should have strong attributes of a leader and inter-personal skills to deal with the Board, colleagues, peers and subordinates.
  - (ii) A non-executive director and an independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- (b) Process of selection to the Board/ extending invitation to a potential candidate:
 

One of the roles of the Nomination and Remuneration Committee ("N&RC") is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria stated above, ascertain their availability and make suitable recommendation to the Board.

In selecting a suitable candidate as an independent director the N&RC will also look into the data

bank that is proposed to be set up pursuant to the provisions of Section 150 of the Companies Act, 2013 and the Rules made thereunder.

The N&RC shall also identify suitable candidates in the event of resignation, retirement or demise of an existing Board member. Based on the recommendation of the N&RC, the Board through its Chairman/ N&RC will then invite the prospective person to join the Board as a director.

In case the shareholders recommend any person as a director pursuant to the provisions of Section 151 of the Act and the Rules made thereunder, the N&RC shall consider that candidate and make suitable recommendation to the Board. The procedure pertaining to appointment of small shareholders' director laid down in Rule 7 of the Companies (Appointment and Qualification of Directors) Rules, 2014 will have to be adhered to.

- (c) Orientation and Induction:

A new director will be given a formal induction and orientation with respect to the Company's vision, core values, business operations, corporate governance norms, financials etc. The Board will carry out a continuous education of its members.

In respect of independent directors, as required under Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company will familiarize them about the organisation, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc..

- (d) Remuneration to Directors:

The N&RC is, *inter alia*, required to oversee remuneration payable to directors.

The executive directors including managing directors are paid remuneration by way of salary, perquisites, contribution to provident fund, superannuation fund, gratuity, encashment of leave etc. as per the terms of agreement entered into with them and approved by the shareholders pursuant to the requirements of the Act.

Non-executive directors are paid a sitting fee for attending each Board and/or Committee meetings except for those committees where no sitting fee is payable to attend the meetings. Such fee shall be fixed by the Board of Directors on receiving recommendation in that respect from the N&RC. Shareholder's approval will be taken where the same is mandated by the provisions of the Act and/ or the Listing Regulations.

No commission is presently payable to the directors and the Company has presently not granted any stock option to its directors. The independent directors are not entitled to stock options as mandated by law.

- (e) Re-imbursement of expenses of non-executive directors:

The Company recognizes that non-executive directors, particularly non-executive promoter directors, also play a vital role in the business of the Company. The non-executive promoter directors contribute their time, energy, and expertise in helping the Company garner business and run its operations successfully, thereby ultimately resulting in value addition to the Company.

It is fair that the expenses incurred by directors exclusively for the purposes of the Company be borne by the Company or be reimbursed to them. Payment may be made on

their behalf either by the Company or be paid by them directly. Where the concerned director seeks to claim reimbursement, he/she is required to submit a claim along with relevant particulars in supporting of the expenses incurred.

The Nomination & Remuneration Policy for Directors, KMPs & Senior Management is available at the website of the Company. The Uniform Resource Locator ("URL") for this Policy is: [www.jaicorpindia.com/pdf/nomination\\_remuneration.pdf](http://www.jaicorpindia.com/pdf/nomination_remuneration.pdf)

#### AUDITORS AND AUDITORS' REPORTS:

Pursuant to the provisions of the Companies Act, 2013 Messrs D T S & Associates, Chartered Accountants were appointed as the Auditor for a term of 5 (five) consecutive years at the 32<sup>nd</sup> Annual General Meeting held on 12-09-2017. The Company has received certificate from Messrs D T S & Associates confirming that they are not disqualified from continuing.

The Central Government had approved the appointment of Messrs ABK & Associates, Cost Accountants as the cost auditor for the financial year 2017-18. The Board has appointed Bhanwarlal Gurjar & Co. as the Cost Auditor for the financial year 2018-19.

Mr. G. B. B. Babuji, Company Secretary in Whole time Practice was appointed as the Secretarial Auditor under Section 204 of the Companies Act, 2013. The Secretarial Audit Report is given at **Annexure- 2**.

There is no qualification, reservation or adverse comment in the Standalone Auditors' Report and the Secretarial Audit Report.

The Auditor has expressed a qualified opinion in the Consolidated Auditors' Report and pursuant to the provisions of Regulation 34(2) of the Listing Regulations as amended, Statement on Impact of Audit Qualifications is given at **Annexure- 3**.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES Act, 2013:

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 are given in **Annexure- 4**.

#### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are given in form AOC-2 in **Annexure-5**.

#### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and date of this Report.

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

##### A) CONSERVATION OF ENERGY:

- i) **the Steps taken or impact on conservation of energy:** The Company has taken various steps for minimization of energy consumption by putting continuous efforts towards optimization of operating and processing activities, up-gradation of plant equipment etc.
- ii) **the steps taken by the company for utilizing alternate sources of energy:** Nil
- iii) **the capital investment on energy conservation equipment:** Nil

##### B) TECHNOLOGY ABSORPTION:

- i) **the efforts made in technology absorption:**  
At the plants, technology has been fully absorbed and the plants are being operated efficiently.
- ii) **the benefits derived like product improvement, cost reduction, product development or import substitution:**

The Company is producing quality products and is constantly making efforts to reduce cost and develop products so that it leads to import substitution.

- iii) **In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year):**

The details of technology imported	The year of import	Whether the technology been fully absorbed	If not fully absorbed areas where this has not taken place, reasons thereof
(a)	(b)	(c)	(d)
Not Applicable			

- iv) **the expenditure incurred on Research and Development: Nil**

**C) Foreign exchange earnings and outgo:**

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

(₹ in Lakh)

Particulars	31-03-2018	31-03-2017
1) FOB Value of Exports	<b>10,325.79</b>	13,185.79
2) CIF Value of Imports	<b>2,327.81</b>	1,907.27
3) Expenditure in Foreign Currency	<b>1,015.80</b>	954.41

Further details are given in Note 36 of the Standalone Financial Statement appearing elsewhere in the Annual Report.

**STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:**

The Risk Management Committee took note of the implementation of steps to identify, manage and mitigate the risks affecting the Company as per the Risk Management Policy.

The Audit Committee and the Board are also apprised of the risks and the measures taken by the Company to mitigate the same.

The Company has adequate insurance cover for the normal business risks.

**THE DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTATION BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR:**

Details about the policy developed and implementation by the Company on Corporate Social Responsibility (CSR) initiatives taken during the year is given in **Annexure- 6**

The CSR Policy is available at the website of the Company. The URL for this policy is <http://www.jaicorpindia.com/pdf/CSRPpolicy.pdf>

**STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION OF PERFORMANCE HAS BEEN MADE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

An annual evaluation was carried out of performance of the Board, its Committees and that of the individual Directors. A structured questionnaire was prepared covering various aspects of the Board's functioning. Inputs received from the Directors were suitably incorporated in the questionnaire. Similar exercise was

carried out to evaluate the performance of individual directors and that of the Committees. Performance evaluation of Directors individually was carried out by the Board, with the Director being evaluated staying out. Independent Directors at their separate meeting evaluated the performance of the Board, the non-independent directors and the Chairman. Performance of the Secretarial Department was also included in the evaluation.

The Directors expressed their satisfaction at the performance of all concerned.

**THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year under review, there is no change in subsidiary, joint venture or associate companies.

**PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:**

Highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company during the period under report is presented in **Form AOC-1** given elsewhere in the Annual Report and is not being reproduced here to avoid repetition.

**CONSOLIDATED FINANCIAL STATEMENTS:**

Pursuant to the provisions of the Companies Act, 2013 and in accordance with Ind AS 110 – Consolidated Financial Statements read with Ind AS 28 - Investments in Associates and Ind AS 31 - Interests in Joint Ventures, the audited consolidated financial statements are provided elsewhere in the Annual Report.



**DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT AND DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT:**

Company has not accepted any deposit covered under Chapter V of the Companies Act, 2013 nor any deposit not in compliance with the requirements of Chapter V of the Companies Act, 2013.

**THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No order has been passed by any Regulator, Court or Tribunal impacting the going concern status and the Company's operations in future.

**THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has in place adequate internal control with reference to the financial statements. During the year under review, such controls were put to test and were found to be adequate.

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

No fraud has been reported by the Auditors to the Audit Committee or to the Board of Directors of the Company.

**EMPLOYEE RELATED DISCLOSURES:**

Pursuant to the requirements of Section 197(12) of the Companies Act reads with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information sought thereat is given in **Annexure- 7**

Neither the Managing Director nor the Director-Works was paid commission from the Company and they did not receive any commission from any subsidiary company.

Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

**A. Top ten employees in terms of remuneration drawn:**

Name, Age, Qualification	Designation and Nature of Employment Whether contractual or otherwise	Remuneration Received (in ₹)	Date of Joining and experience	Particulars of last employment
Given in Annexure-7				

**B. Name of employee employed throughout the financial year ended 31<sup>st</sup> March 2018 and was in receipt of remuneration not less than ₹1,02,00,000/- or more per annum:**

Name, Age, Qualification	Designation and Nature of Employment	Remuneration Received (in ₹)	Date of Joining and experience	Particulars of last employment
Ashok Kumar 67 Years, B. Sc. (Metallurgical Engineering)	President and Permanent	1,10,55,516/-	03/04/2006 and 44 Years	Steel Authority of India Ltd., Bokaro; Dy. General Manager

**C. Name of employee employed for part of the financial year ended 31<sup>st</sup> March 2018 and was in receipt of remuneration not less than ₹ 8,50,000/- or more per month:**

Name, Age, Qualification	Designation and Nature of Employment	Remuneration Received (in ₹)	Date of Joining and experience	Particulars of last employment
Not Applicable				

**D. Name of employee employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.**

There is no employee who was in receipt of remuneration in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

## **ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, EMPLOYEE STOCK OPTION:**

The Company has not issued any shares with differential rights, sweat equity or as employee stock options.

## **AUDIT COMMITTEE:**

The Audit Committee comprises of Independent Directors Mr. K. M. Doongaji (Chairman), Dr. A. P. Shah, Mr. S.H. Junnarkar and Ms. A. A. Chitalwala. Non-executive Director, Mr. Virendra Jain is the other member of the Committee.

All recommendations made by the Audit Committee were accepted by the Board.

## **COST AUDIT:**

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and, accordingly, such accounts and records are made and maintained.

## **INTERNAL COMPLAINTS COMMITTEE:**

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **INDUSTRIAL RELATIONS:**

The relations with the employees remained cordial and satisfactory during the year under review.

## **TRANSFER OF UNPAID/ UNCLAIMED AMOUNTS TO IEPF:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the declared dividends which remained unpaid/ unclaimed for a period of 7 years along with all shares in respect of such unpaid or unclaimed dividend were transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

## **CORPORATE GOVERNANCE:**

The Company is committed to maintain highest standards of corporate governance. Your Directors adhere to the requirements of the Securities and Exchange Board of India's corporate governance practices and has implemented all the mandatory requirements. A separate section on Corporate Governance forms part of the Annual Report. A certificate from the statutory auditors of the Company regarding compliance of the requirements of Regulation 34(3) read with Schedule V to the Listing Regulations is attached to this Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report portion of the Corporate Governance Report for the year under review, as stipulated under Regulation 34(3) read with Schedule V to the Listing Regulations is presented in a separate section in the Annual Report and forms a part of this Report.

## **OUTLOOK:**

The Company has invested in entities carrying on the businesses pertaining to essential integrated urban infrastructure. These businesses relate to special economic zones, port, real estate etc. The Company also intends to focus on the asset management business carried out through its wholly-owned subsidiary. In addition, the Company is also taking steps to improve the performance and efficiency of its existing manufacturing businesses. As a result of these factors, your Directors are confident that the Company will continue sustaining our strengths.

## **ACKNOWLEDGEMENT:**

Your Directors express their grateful appreciation for the assistance and co-operation received from banks, financial institutions, Government authorities, customers, vendors and shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Mumbai,  
13<sup>th</sup> August, 2018

**Anand Jain**  
Chairman  
DIN: 00003514

**ANNEXURE-1 to Directors' Report****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L17120MH1985PLC036500
ii	Registration Date	06.06.1985
iii	Name of the Company	JAI CORP LIMITED
iv	Category/Sub-category of the Company	Public Company/ Limited by shares
v	Address of the Registered office & contact details	A-3, M.I.D.C Indl. Area, Nanded - 431 603, Maharashtra
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Tel. No.: +91-40-6716 2222, Toll Free No.: 1800-345-4001. Fax No.:+91 40-230 01153, E-mail address: einward.ris@karvy.com Website: www.karvy.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	PP Woven Sacks Fabrics and Bags	3923	90.07%
2	Steel Products	2717 & 27190	3.88%
3	Spinning Yarn	1311	6.04%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Ashoka Realty and Developers Limited	U45200MH2008PLC177610	Subsidiary	100%	2(87)(ii)
2	Belle Terre Realty Limited	n/a	Subsidiary	100%	2(87)(ii)
3	Ekdant Realty & Developers Limited	U45400MH2007PLC173313	Subsidiary	100%	2(87)(ii)
4	Hari Darshan Realty Limited	U70101MH2005PLC156719	Subsidiary	100%	2(87)(ii)
5	Hill Rock Construction Limited	U45200MH2005PLC156700	Subsidiary	100%	2(87)(ii)

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
6	Hind Agri Properties Limited	U45201MH2006PLC165967	Subsidiary	100%	2(87)(ii)
7	Iconic Realtors Limited	U70102MH2007PLC173249	Subsidiary	100%	2(87)(ii)
8	Jailaxmi Realty and Developers Limited	U45200MH2008PLC177606	Subsidiary	100%	2(87)(ii)
9	Jai Realty Ventures Limited	U70102MH2007PLC176139	Subsidiary	100%	2(87)(ii)
10	Krupa Land Limited	U70102MH2007PLC172876	Subsidiary	100%	2(87)(ii)
11	Krupa Realtors Limited	U45400MH2007PLC173312	Subsidiary	100%	2(87)(ii)
12	Multifaced Impex Limited	U36912MH1994PLC083128	Subsidiary	100%	2(87)(ii)
13	Novelty Realty & Developers Limited	U70102MH2007PLC173248	Subsidiary	100%	2(87)(ii)
14	Oasis Holding FZC	n/a	Subsidiary	75%	2(87)(ii)
15	Rainbow Infraprojects Limited	U45203MH2007PLC174538	Subsidiary	100%	2(87)(ii)
16	Rudradev Developers Limited	U45400MH2007PLC174700	Subsidiary	100%	2(87)(ii)
17	Swar Land Developers Limited	U45201MH2007PLC168339	Subsidiary	100%	2(87)(ii)
18	Swastik Land Developers Limited	U45201MH2007PLC168337	Subsidiary	100%	2(87)(ii)
19	UI Wealth Advisors Private Limited	U74140MH2008PTC187622	Subsidiary	100%	2(87)(ii)
20	Urban Infrastructure Trustees Limited	U65991MH2005PLC158050	Subsidiary	100%	2(87)(ii)
21	Urban Infrastructure Venture Capital Limited	U67190MH2005PLC158049	Subsidiary	100%	2(87)(ii)
22	Vasant Bahar Realty Limited	U70100MH2005PLC156793	Subsidiary	100%	2(87)(ii)
23	Welldone Real Estate Limited	U70100MH2006PLC159918	Subsidiary	100%	2(87)(ii)
24	Yug Developers Limited	U45200MH2007PLC167531	Subsidiary	100%	2(87)(ii)
25	Jai Corp Welfare Foundation	U85300MH2015NPL263579	Subsidiary	100%	2(87)(ii)
26	Searock Developers FZC	n/a	Associate	50%	2(6)
27	Urban Infrastructure Holdings Private Limited	U45200MH2005PTC154303	Associate	32%	2(6)



## IV Shareholding Pattern (Equity Share Capital Breakup as percentage to Total Equity)

## i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% Change during the year (2017-18)
		Demat (III)	Physical (IV)	Total (V)	% of Total Shares (VI)	Demat (VII)	Physical (VIII)	Total (IX)	% of Total Shares (X)	
(II)										
A. PROMOTER AND PROMOTER GROUP										
v Indian										
a)	Individual /HUF	128982400	0	128982400	72.26	85990160	0	85990160	48.18	-24.09
b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government (s)									
d)	Bodies Corporate	1300000	0	1300000	0.73	1300000	0	1300000	0.73	0.00
e)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
f)	Others	0	0	0	0.00	42992240	0	42992240	24.09	24.09
Sub-Total A (1) :		130282400	0	130282400	72.99	130282400	0	130282400	72.99	0.00
(2) Foreign										
a)	NRLs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Others- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A (2) :		0	0	0	0.00	0	0	0	0.00	0.00
Total A = A (1)+ A (2)		130282400	0	130282400	72.99	130282400	0	130282400	72.99	0.00
B. Public Shareholding										
(1) Institutions										
a)	Mutual Funds /UTI	55700	228280	283980	0.16	55700	225980	281680	0.16	0.00
b)	Banks/ Financial Institutions	3154704	22400	3177104	1.78	3183174	22400	3205574	1.80	0.02
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	Foreign Institutional Investors	8127923	0	8127923	4.55	9589932	0	9589932	5.37	0.82
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total B (1) :		11338327	250680	11589007	6.49	12828806	248380	13077186	7.33	0.83

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% Change during the year (2017-18) (XI)
	Demat (III)	Physical (IV)	Total (V)	% of Total Shares (VI)	Demat (VII)	Physical (VIII)	Total (IX)	% of Total Shares (X)	
(II) Non-Institutions									
a) Bodies Corporate									
i) Indian	6659911	23100	6683011	3.74	6213749	2000	6215749	3.48	-0.26
ii) Foreign									
b) Individuals									
(i) Individuals holding nominal share capital upto Rs.1 lakh	25875327	753410	26628737	14.92	24684035	531480	25215515	14.13	-0.79
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1919368	0	1919368	1.08	2063479	0	2063479	1.16	0.08
c) Others									
i) Clearing Members	322145	0	322145	0.18	424356	0	424356	0.24	0.06
ii) Forfeited Shares	0	44600	44600	0.02	0	44600	44600	0.02	0.00
iii) Investor Education and Protection Fund	0	0	0	0.00	295747	0	295747	0.17	0.17
iv) Non-resident Indians - repatriation	801069	5300	806369	0.45	710675	1000	711675	0.40	-0.05
v) Non-resident Indians - non-repatriation	131463	0	131463	0.07	93823	0	93823	0.05	-0.02
vi) Trusts	2300	0	2300	0.00	52200	0	52200	0.03	0.03
vii) Unclaimed Shares Suspense Account	84610	0	84610	0.05	17280	0	17280	0.01	-0.04
<b>Sub-Total B (2) :</b>	35796193	826410	36622603	20.52	34555344	579080	35134424	19.68	-0.83
<b>Total Public Shareholding B = B (1)+B (2) :</b>	47134520	1077090	48211610	27.01	47384150	827460	48211610	27.01	0.00
<b>Total (A+B) :</b>	177416920	1077090	178494010	100.00	177666550	827460	178494010	100.00	0.00
<b>C. Shares held by custodian for ADRs and GDRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C) :</b>	177416920	1077090	178494010	100	177666550	827460	178494010	100	0

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31/03/2018			% Change during the year (2017-18)
		No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Harsh Jain	23251560	13.03	0	23253153	13.03	0	0.00
2	Rina Jain	21719220	12.17	0	100	0.00	0	-12.17
3	Satyapal Jain	18211800	10.20	0	18211800	10.20	0	0.00
4	Sushma Jain	16130740	9.04	0	16130740	9.04	0	0.00
5	Ankit Jain	15401700	8.63	0	1693	0.00	0	-8.63
6	Laxmi Jain	14253540	7.99	0	14253540	7.99	0	0.00
7	Gaurav Jain	10527200	5.90	0	10528794	5.90	0	0.00
8	Virendra Jain	5871620	3.29	0	100	0.00	0	-3.29
9	Anand Jain	3610240	2.02	0	3610240	2.02	0	0.00
10	Jai Kumar Jain	4780	0.00	0	0	0.00	0	0.00
11	Hide N Chic Furniture Pvt. Ltd.	200000	0.11	0	200000	0.11	0	0.00
12	Kasturi Trading Co. Pvt. Ltd.	200000	0.11	0	200000	0.11	0	0.00
13	Pet Fibres Ltd.	200000	0.11	0	200000	0.11	0	0.00
14	Richmond Traders Pvt. Ltd.	200000	0.11	0	200000	0.11	0	0.00
15	Ridhi Synthetics Ltd.	100000	0.06	0	100000	0.06	0	0.00
16	Somerset Trading Pvt. Ltd.	200000	0.11	0	200000	0.11	0	0.00
17	Sparsht Trading Pvt. Ltd.	200000	0.11	0	200000	0.11	0	0.00
18	Aero Trust	0	0.00	0	21719120	12.17	0	12.17
19	Iceberg Trust	0	0.00	0	21273120	11.92	0	11.92
	<b>Total</b>	<b>130282400</b>	<b>72.99</b>	<b>0</b>	<b>130282400</b>	<b>72.99</b>	<b>0</b>	<b>0</b>

## (iii) Change in Promoters' Shareholding

Sl. No.	Date	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	01/04/2017	Opening Balance	23251560	13.03	23251560	13.03
	21/08/2017	Transfer inter se	1593	0.00	0	0.00
	31/03/2018	Closing Balance	23253153	13.03	23253153	13.03
2	01/04/2017	Opening Balance	21719220	12.17	21719220	12.17
	12/07/2017	Transfer inter se	-21719120	-12.17	-21719120	-12.17
	31/03/2018	Closing Balance	100	0.00	100	0.00

Sl. No.	Date		Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
3	01/04/2017	Opening Balance	Satyapal Jain	18211800	10.20	18211800	10.20
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		18211800	10.20	18211800	10.20
4	01/04/2017	Opening Balance	Sushma Jain	16130740	9.04	16130740	9.04
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		16130740	9.04	16130740	9.04
5	01/04/2017	Opening Balance	Ankit Jain	15401700	8.63	15401700	8.63
	12/07/2017	Transfer inter se		-15401600	-8.63	-15401600	-8.63
	21/08/2017	Transfer inter se		1593	0.00	1593	0.00
	31/03/2018	Closing Balance		1693	0	1693	0.00
6	01/04/2017	Opening Balance	Laxmi Jain	14253540	7.99	14253540	7.99
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		14253540	7.99	14253540	7.99
7	01/04/2017	Opening Balance	Gaurav Jain	10527200	5.90	10527200	5.90
	21/08/2017	Transfer inter se		1594	0.00	1594	0.00
	31/03/2018	Closing Balance		10528794	5.90	10528794	5.90
8	01/04/2017	Opening Balance	Virendra Jain	5871620	3.29	5871620	3.29
	12/07/2017	Transfer inter se		-5871520	-3.29	-5871520	-3.29
	31/03/2018	Closing Balance		100	0.00	100	0.00
9	01/04/2017	Opening Balance	Anand Jain	3610240	2.02	3610240	2.02
		Date wise increase/ decrease		0	0	0	0
	31/03/2018	Closing Balance		3610240	2.02	3610240	2.02
10	01/04/2017	Opening Balance	Jai Kumar Jain	4780	0.00	4780	0.00
	21/08/2017	Transfer inter se		-4780	0.00	-4780	0.00
	31/03/2018	Closing Balance		0	0.00	0	0.00
11	01/04/2017	Opening Balance	Hide N Chic Furniture Pvt. Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		200000	0.11	200000	0.11
12	01/04/2017	Opening Balance	Kasturi Trading Co. Pvt. Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		200000	0.11	3610240	2.02

Sl. No.	Date		Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
13	01/04/2017	Opening Balance	Pet Fibres Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		200000	0.11	200000	0.11
14	01/04/2017	Opening Balance	Richmond Traders Pvt. Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		200000	0.11	200000	0.11
15	01/04/2017	Opening Balance	Ridhi Synthetics Ltd.	100000	0.06	100000	0.06
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		100000	0.06	100000	0.06
16	01/04/2017	Opening Balance	Somerset Trading Pvt. Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0	0	0
	31/03/2018	Closing Balance		200000	0.11	200000	0.11
17	01/04/2017	Opening Balance	Spash Trading Pvt. Ltd.	200000	0.11	200000	0.11
		Date wise increase/ decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		200000	0.11	200000	0.11
18	01/04/2017	Opening Balance	Aero Trust	0	0.00	0	0.00
	12/07/2017	Transfer inter se		21719120	12.17	21719120	12.17
	31/03/2018	Closing Balance		21719120	12.17	21719120	12.17
19	01/04/2017	Opening Balance	Iceberg Trust	0	0.00	0	0.00
	12/07/2017	Transfer inter se		21273120	11.92	21273120	11.92
	31/03/2018	Closing Balance		21273120	11.92	21273120	11.92

(IV) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	01/04/2017	Opening Balance	Morgan Stanley Mauritius Co. Ltd.	7569666	4.24	7569666	4.24
	14/04/2017	Sale		-1353	0.00	7568313	4.24
	21/04/2017	Sale		-12240	-0.01	7556073	4.23
	26/01/2018	Sale		-206738	-0.12	7349335	4.12
	31/03/2018	Closing Balance		7349335	4.12	7349335	4.12
2	01/04/2017	Opening Balance	Life Insurance Corporation of India Ltd.	2677522	1.50	2677522	1.50
		Date wise Increase/ Decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		2677522	1.50	2677522	1.50
	01/04/2017	Opening Balance		882464	0.49	882464	0.49
	29/09/2017	Sale		-4680	0.00	877784	0.49
	09/03/2018	Purchase	Ajinkya Electromelt Pvt. Ltd.	750600	0.42	1628384	0.91
	09/03/2018	Sale		-750600	-0.42	877784	0.49
	31/03/2018	Closing Balance		877784	0.49	877784	0.49
	01/04/2017	Opening Balance		0	0.00	0	0.00
	28/04/2017	Purchase	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group INC. (DFAI DG)	279992	0.16	279992	0.16
	05/05/2017	Purchase		62065	0.03	342057	0.19
	12/05/2017	Purchase		19242	0.01	361299	0.20
	19/05/2017	Purchase		8086	0.00	369385	0.21
	30/06/2017	Purchase		8557	0.00	377942	0.21
	06/10/2017	Purchase		141857	0.08	519799	0.29
	15/12/2017	Purchase		47850	0.03	567649	0.32
	22/12/2017	Purchase		41351	0.02	609000	0.34
	09/02/2018	Purchase		12639	0.01	621639	0.35
	16/02/2018	Purchase		8462	0.00	630101	0.35
	02/03/2018	Purchase		4234	0.00	634335	0.36
	31/03/2018	Closing Balance		634335	0.36	634335	0.36

Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
5	01/04/2017	Opening Balance	Chetan Jayantilal Shah	600000	0.34	600000	0.34
	26/01/2018	Purchase		250000	0.14	850000	0.48
	31/03/2018	Closing Balance		850000	0.48	850000	0.48
6	01/04/2017	Opening Balance	MV SCIF Mauritius	444982	0.25	444982	0.25
	07/04/2017	Purchase		10082	0.01	455064	0.25
	14/04/2017	Purchase		5041	0.00	460105	0.26
	21/04/2017	Purchase		5038	0.00	465143	0.26
	28/04/2017	Purchase		50378	0.03	515521	0.29
	05/05/2017	Purchase		10074	0.01	525595	0.29
	19/05/2017	Purchase		50355	0.03	575950	0.32
	02/06/2017	Purchase		5035	0.00	580985	0.33
	16/06/2017	Purchase		10234	0.01	591219	0.33
	23/06/2017	Purchase		21122	0.01	612341	0.34
	07/07/2017	Sale		-31344	-0.02	580997	0.33
	21/07/2017	Sale		-10448	-0.01	570549	0.32
	11/08/2017	Purchase		7092	0.00	577641	0.32
	15/09/2017	Sale		-21032	-0.01	556609	0.31
	22/09/2017	Sale		-22221	-0.01	534388	0.30
	29/09/2017	Purchase		1740	0.00	536128	0.30
	06/10/2017	Purchase		551	0.00	536679	0.30
	27/10/2017	Purchase		8101	0.00	544780	0.31
	31/10/2017	Purchase		10052	0.01	554832	0.31
	03/11/2017	Purchase		15078	0.01	569910	0.32
	10/11/2017	Purchase		20080	0.01	589990	0.33
	15/12/2017	Purchase		5014	0.00	595004	0.33
	22/12/2017	Sale		-7144	0.00	587860	0.33
	12/01/2018	Sale		-4973	0.00	582887	0.33
	09/02/2018	Sale		-24852	-0.01	558035	0.31
	16/02/2018	Purchase		2585	0.00	560620	0.31
	16/03/2018	Sale		-9954	-0.01	550666	0.31
	23/03/2018	Sale		-26668	-0.01	523998	0.29
	31/03/2018	Closing Balance		523998	0.29	523998	0.29

Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
7	01/04/2017	Opening Balance	The Emerging Markets Small Cap Series of the DFA Investment Trust Company	104735	0.06	104735	0.06
	10/11/2017	Purchase		15907	0.01	120642	0.07
	17/11/2017	Purchase		23954	0.01	144596	0.08
	15/12/2017	Purchase		91568	0.05	236164	0.13
	29/12/2017	Purchase		124146	0.07	360310	0.20
	31/03/2018	Closing Balance	ANGEL BROKING PRIVATE LIMITED	360310	0.20	360310	0.20
8	01/04/2017	Opening Balance		294010	0.16	294010	0.16
	07/04/2017	Purchase		96103	0.05	390113	0.22
	07/04/2017	Sale		-48272	-0.03	341841	0.19
	14/04/2017	Purchase		76946	0.04	418787	0.23
	14/04/2017	Sale		-53294	-0.03	365493	0.20
	21/04/2017	Purchase		34877	0.02	400370	0.22
	21/04/2017	Sale		-55038	-0.03	345332	0.19
	28/04/2017	Purchase		65478	0.04	410810	0.23
	28/04/2017	Sale		-62389	-0.03	348421	0.20
	05/05/2017	Purchase		93011	0.05	441432	0.25
	05/05/2017	Sale		-57133	-0.03	384299	0.22
	12/05/2017	Purchase		22485	0.01	406784	0.23
	12/05/2017	Sale		-14116	-0.01	392668	0.22
	19/05/2017	Purchase		29082	0.02	421750	0.24
	19/05/2017	Sale		-25315	-0.01	396435	0.22
	26/05/2017	Purchase		4537	0.00	400972	0.22
	26/05/2017	Sale		-114107	-0.06	286865	0.16
	02/06/2017	Purchase		100259	0.06	387124	0.22
	02/06/2017	Sale		-8970	-0.01	378154	0.21
	09/06/2017	Purchase		29531	0.02	407685	0.23
	09/06/2017	Sale		-35632	-0.02	372053	0.21
	16/06/2017	Purchase		24769	0.01	396822	0.22
	16/06/2017	Sale		-40404	-0.02	356418	0.20



Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	23/06/2017	Purchase		65601	0.04	422019	0.24
	23/06/2017	Sale		-60395	-0.03	361624	0.20
	30/06/2017	Purchase		57930	0.03	419554	0.24
	30/06/2017	Sale		-58425	-0.03	361129	0.20
	07/07/2017	Purchase		22653	0.01	383782	0.22
	07/07/2017	Sale		-89849	-0.05	293933	0.16
	14/07/2017	Purchase		68892	0.04	362825	0.20
	14/07/2017	Sale		-27988	-0.02	334837	0.19
	21/07/2017	Purchase		38119	0.02	372956	0.21
	21/07/2017	Sale		-17831	-0.01	355125	0.20
	28/07/2017	Purchase		100835	0.06	455960	0.26
	28/07/2017	Sale		-29528	-0.02	426432	0.24
	04/08/2017	Purchase		212279	0.12	638711	0.36
	04/08/2017	Sale		-293711	-0.16	345000	0.19
	11/08/2017	Purchase		21088	0.01	366088	0.21
	11/08/2017	Sale		-12944	-0.01	353144	0.20
	18/08/2017	Purchase		11428	0.01	364572	0.20
	18/08/2017	Sale		-60827	-0.03	303745	0.17
	25/08/2017	Purchase		13568	0.01	317313	0.18
	25/08/2017	Sale		-36817	-0.02	280496	0.16
	01/09/2017	Purchase		46636	0.03	327132	0.18
	01/09/2017	Sale		-64024	-0.04	263108	0.15
	08/09/2017	Purchase		121280	0.07	384388	0.22
	08/09/2017	Sale		-43679	-0.02	340709	0.19
	15/09/2017	Purchase		152033	0.09	492742	0.28
	15/09/2017	Sale		-113326	-0.06	379416	0.21
	22/09/2017	Purchase		46092	0.03	425508	0.24
	22/09/2017	Sale		-38232	-0.02	387276	0.22
	29/09/2017	Purchase		110001	0.06	497277	0.28
	29/09/2017	Sale		-10739	-0.01	486538	0.27
	06/10/2017	Purchase		51445	0.03	537983	0.30
	06/10/2017	Sale		-66259	-0.04	471724	0.26

Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	13/10/2017	Purchase		107248	0.06	578972	0.32
	13/10/2017	Sale		-99943	-0.06	479029	0.27
	20/10/2017	Purchase		60830	0.03	539859	0.30
	20/10/2017	Sale		-44356	-0.02	495503	0.28
	27/10/2017	Purchase		18391	0.01	513894	0.29
	27/10/2017	Sale		-122825	-0.07	391069	0.22
	31/10/2017	Purchase		36246	0.02	427315	0.24
	31/10/2017	Sale		-24247	-0.01	403068	0.23
	03/11/2017	Purchase		68206	0.04	471274	0.26
	03/11/2017	Sale		-28909	-0.02	442365	0.25
	10/11/2017	Purchase		59313	0.03	501678	0.28
	10/11/2017	Sale		-35578	-0.02	466100	0.26
	17/11/2017	Purchase		55956	0.03	522056	0.29
	17/11/2017	Sale		-27122	-0.02	494934	0.28
	24/11/2017	Purchase		131539	0.07	626473	0.35
	24/11/2017	Sale		-186330	-0.10	440143	0.25
	01/12/2017	Purchase		141895	0.08	582038	0.33
	01/12/2017	Sale		-93320	-0.05	488718	0.27
	08/12/2017	Purchase		151414	0.08	640132	0.36
	08/12/2017	Sale		-79463	-0.04	560669	0.31
	15/12/2017	Purchase		62200	0.03	622869	0.35
	15/12/2017	Sale		-45255	-0.03	577614	0.32
	22/12/2017	Purchase		81299	0.05	658913	0.37
	22/12/2017	Sale		-34786	-0.02	624127	0.35
	29/12/2017	Purchase		31313	0.02	655440	0.37
	29/12/2017	Sale		-69308	-0.04	586132	0.33
	30/12/2017	Purchase		70	0.00	586202	0.33
	05/01/2018	Purchase		76608	0.04	662810	0.37
	05/01/2018	Sale		-102702	-0.06	560108	0.31
	12/01/2018	Purchase		259960	0.15	820068	0.46
	12/01/2018	Sale		-135396	-0.08	684672	0.38
	19/01/2018	Purchase		131429	0.07	816101	0.46

Sl. no	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	19/01/2018	Sale		-251879	-0.14	564222	0.32
	26/01/2018	Purchase		83282	0.05	647504	0.36
	26/01/2018	Sale		-43037	-0.02	604467	0.34
	02/02/2018	Purchase		44254	0.02	648721	0.36
	02/02/2018	Sale		-48783	-0.03	599938	0.34
	09/02/2018	Purchase		61150	0.03	661088	0.37
	09/02/2018	Sale		-94988	-0.05	566100	0.32
	16/02/2018	Purchase		18866	0.01	584966	0.33
	16/02/2018	Sale		-78892	-0.04	506074	0.28
	23/02/2018	Purchase		200298	0.11	706372	0.40
	23/02/2018	Sale		-219443	-0.12	486929	0.27
	02/03/2018	Purchase		78041	0.04	564970	0.32
	02/03/2018	Sale		-23400	-0.01	541570	0.30
	09/03/2018	Purchase		33277	0.02	574847	0.32
	09/03/2018	Sale		-9215	-0.01	565632	0.32
	16/03/2018	Purchase		12823	0.01	578455	0.32
	16/03/2018	Sale		-76221	-0.04	502234	0.28
	23/03/2018	Purchase		104688	0.06	606922	0.34
	23/03/2018	Sale		-43491	-0.02	563431	0.32
	30/03/2018	Purchase		21059	0.01	584490	0.33
	30/03/2018	Sale		-73453	-0.04	511037	0.29
	31/03/2018	Purchase		30	0.00	511067	0.29
	31/03/2018	Sale		-410	0.00	510657	0.29
	31/03/2018	Closing Balance		510657	0.29	510657	0.29
9	01/04/2017	Opening Balance	Star Finvest Pvt. Ltd.	0	0.00	0	0.00
	26/01/2018	Purchase		241000	0.14	241000	0.14
	16/03/2018	Sale		-241000	-0.14	0	0.00
	23/03/2018	Purchase		283000	0.16	283000	0.16
	31/03/2018	Closing Balance		283000	0.16	283000	0.16
10	01/04/2017	Opening Balance	Dilip Thakkar	271000	0.15	271000	0.15
		Date wise Increase/ Decrease		0	0.00	0	0.00
	31/03/2018	Closing Balance		271000	0.15	271000	0.15

**(V) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Date	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	01/04/2017	Opening Balance	Anand Jain, Director	3610240	2.02	3610240	2.02
		Date wise increase/ decrease		0	0	0	0
	31/03/2018	Closing Balance		3610240	2.02	3610240	2.02
2	01/04/2017	Opening Balance	Virendra Jain, Director	5871620	3.29	5871620	3.29
	12/07/2017	Transfer inter se		-5871520	-3.29	-5871520	-3.29
	31/03/2018	Closing Balance		100	0.00	100	0.00
3	01/04/2017	Opening Balance	Gaurav Jain, Managing Director	10527200	5.90	10527200	5.90
	21/08/2017	Transfer inter se		1594	0.00	1594	0.00
	31/03/2018	Closing Balance		10528794	5.90	10528794	5.90
4	01/04/2017	Opening Balance	Khurshed Minocher Doongaji, Independent Director	400	0.00	400	0.00
		Date wise increase/ decrease		0	0	0	0
	31/03/2018	Closing Balance		400	0.00	400	0.00
5	01/04/2017	Opening Balance	Pramod Kumar Jaiswal, Chief Financial Officer	50	0.00	50	0.00
		Date wise increase/ decrease		0	0	0	0
	31/03/2018	Closing Balance		50	0.00	50	0.00

Note: Other Directors of the Company: Mr. Vasudeo S. Pandit, Mr. Sandeep H. Junnarkar, Dr. Anup P. Shah and Ms. Aziza A. Chitalwala did not hold any share in the Company at the beginning, during or at the end of the year.

The Company Secretary, Mr. Ananjan Datta did not hold any share in the Company at the beginning, during or at the end of the year.

## V INDEBTEDNESS

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

(Rs. In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	-	6	6
ii) Interest due but not paid	-	-	1	1
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	0	-	7	7
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount*	51	-	-	51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	51	-	-	51

\* Working capital loans secured against pledge of fixed deposits and re-payable on demand.

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole time director and/or Manager:

(Rs. In Lakh)

Sl. No	Particulars of Remuneration	Name of the MD/WTD/ Manager		Total Amount
1	<b>Gross salary</b>	Gaurav Jain	V. S. Pandit	
		MD	WTD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	40.90	40.90
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify			
	<b>Total (A)</b>	-	40.90	<b>40.90</b>
	<b>Ceiling as per the Act (being 10% of the net profits calculated as per Section 198 of the Companies Act, 2013)</b>			336.24

**B. Remuneration to other directors:**
**(Rs. In Lakh)**

Sl. No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	K M Doongaji	S N Chaturvedi	S H Junnarkar	Anup P Shah	Aziza Chitalwala	
	(a) Fee for attending board committee meetings	0.93	0.65	0.65	0.95	0.75	3.93
	(b) Commission	-	-	-	-	-	
	(c ) Others, please specify	-	-	-	-	-	
	<b>Total (1)</b>	0.93	0.65	0.65	0.95	0.75	3.93
2	Other Non Executive Directors	Anand Jain	Virendra Jain				
	(a) Fee for attending board committee meetings	0.65	1.25				
	(b) Commission	-	-				
	(c ) Others, please specify.	-	-				
	<b>Total (2)</b>	0.65	1.25				1.90
	<b>Total (B)=(1+2)</b>						5.83
	<b>Total Managerial Remuneration *</b>						46.74
	<b>Overall Ceiling as per the Act (being 1% of the net profits calculated as per Section 198 of the Companies Act, 2013)</b>						33.62

\* Total of Managing Director, Whole-time Director, Independent Directors and other non-executive directors

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**
**(Rs. In Lakh)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	<b>Gross Salary</b>	<b>CEO</b>	<b>Company Secretary</b>	<b>CFO</b>	<b>Total Amount</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	As mentioned above	28.20	51.60	79.80
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		-	-	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	-
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				



	<b>Total</b>	-	28.20	51.60	79.80
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**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty	N I L				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N I L				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N I L				
Punishment					
Compounding					

## ANNEXURE- 2 to Directors' Report

### SECRETARIAL AUDIT REPORT

for the financial year ended 31<sup>st</sup> March, 2018

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,  
Jai Corp Limited  
A-3, M.I.D.C. Indl. Area  
Nanded 431603 Maharashtra

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Jai Corp Limited (hereinafter called "the Company") – CIN L17120MH1985PLC036500. Secretarial Audit was conducted in a manner that provided me 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, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31<sup>st</sup> March, 2018 (hereinafter referred to as "audit period") 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 31<sup>st</sup> March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; the applicable provisions of the Companies Act, 1956 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; -- **The Company has no Overseas Direct Investment and External Commercial Borrowings.** Foreign Direct Investments are within the FEMA limits.
- (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; -- **Not applicable to the Company during the audit period.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -- **Not applicable to the Company since it has no Employee Stock Option Scheme / Employee Stock Purchase Scheme.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- **Not applicable to the Company since it has not issued any debt securities.**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- **Not applicable to the Company during the audit period** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- **Not applicable to the Company since it has not bought back any securities during the audit period.**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

**I further report that**, on an examination, on a test check basis, the relevant records and documents, and having regard to the compliance management system prevailing in the Company, the Company has complied with the following laws applicable specifically to the Company:

- The Explosives Act, 1884
- The Boilers Act, 1923

**I further report that**

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

Adequate 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, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**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 applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has redeemed 35,01,900 1% non-cumulative non-participating redeemable Preference Shares of Re.1/- each aggregating to nominal value of Rs. 35,01,900/-.

Signature : Sd/-  
 Name : **G.B.B. Babuji**  
 Company Secretary in Whole-time Practice  
 Membership No. : FCS-1182  
 C P No. : 8131

Place : Mumbai  
 Date : May 17, 2018

To,  
The Members,  
Jai Corp Limited  
A-3, M.I.D.C. Indl. Area  
Nanded 431603 Maharashtra

My report of even 3date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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 I followed provide a reasonable basis for my 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, regulations, standards is the responsibility of 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.

Signature :	Sd/-
Name	<b>G.B.B. Babuji</b> Company Secretary in Whole-time Practice
Membership No.	FCS-1182
C P No.	8131

Place : Mumbai  
Date: May 17, 2018

**ANNEXURE- 3 to Directors' Report**  
**Statement on Impact of Audit Qualification**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018 on Consolidated Financial Statements**

Financial Statements				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures ( audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	Rs.62,331 Lacs	Refer 'Details of Audit Qualification' below
	2.	Total Expenditure	Rs. 59,578 Lacs	-do-
	3.	Net Profit/(Loss) [after taxes, minority interest and share of profit/(loss) of associates	Rs. (189) Lacs	-do-
	4.	Earnings Per Share	Rs. (0.11)	-do-
	5.	Total Assets	Rs. 1,84,024 Lacs	-do-
	6.	Total Liabilities (including non controlling interest)	Rs. 48,515 Lacs	-do-
	7.	Net Worth	Rs. 1,35,509 Lacs	-do-
	8.	Any other financial item(s)	Not Applicable	Not Applicable
II.	Audit Qualifications			
	a.	<b>Details of Audit Qualification:</b> The Consolidated Audited Financial Statements also include the Group's share of total comprehensive income (net loss plus other comprehensive income) of Rs.906 lacs for the year ended 31 <sup>st</sup> March, 2018, in respect of one of the associates, whose financial statements have not yet been audited. The consolidated financial statements of that associate are unaudited and have been approved by the Board of Directors of that associate and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the above associate, is based solely on these unaudited consolidated financial statements. Consequently, effects on the Group's share of net loss or profit, if any, pursuant to the audit of that associate, is not ascertainable at this stage. <b>Type of Audit Qualification:</b> Qualified Opinion		
	b.	<b>Frequency of Audit Qualification:</b> Since March 2016		
	c.	<b>For Audit Qualification where the impact is quantified by the auditor, Management's Views:</b> Not		
	d.	Applicable <b>For Audit Qualification where the impact is not quantified by the auditor:</b>		
	e.	(i) <b>Management's estimation on the impact of audit qualification:</b> Not Applicable (ii) <b>If the Management is unable to estimate the impact, reasons for the same:</b> The statutory Auditors of the Company have qualified their report on the Consolidated Financial Statements for the year ended 31 <sup>st</sup> March 2018 in respect of inclusion of the Company's share in the total comprehensive income (net loss plus other comprehensive income) of an associate of Rs. 906 lacs based on the unaudited consolidated financial statements of that associate in the Consolidated Financial Statement of the Company. As the consolidated financial statements of an associate company is unaudited, it is not possible at this stage to estimate the impact, if any, whether the figure of the loss will vary after audit. (iii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion " in the Independent Audit Report on the Consolidated Financial Statements dated 25 <sup>th</sup> May, 2018.		
III.	Signatories:			

**For Jai Corp Limited**

**Gaurav Jain**  
(CEO/Managing Director)

**Pramod Jaiswal**  
(Chief Financial Officer)

**Khurshed M. Doongaji**  
(Audit Committee Chairman)

**Refer our Independent Auditor's Report dated 25<sup>th</sup> May, 2018 on the Consolidated Financial Statements of the Company.**

**For DTS & Associates**

Chartered Accountants  
Firm Registration No – 142412W

Anuj Bhatia  
Partner  
Membership No –122179

Place: Mumbai  
Date: 25<sup>th</sup> May, 2018

## Annexure- 4 to Directors' Report

### Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

The Company has provided following loans and guarantees and made following investments pursuant to Section 186 of the Companies Act, 2013:

S. No.	Name of the Entity	Relation	Rs. In Lakh	Particulars of loans, guarantees and investments	Purpose for which the loan, guarantee or security is proposed to be utilized
1	Hill Rock Construction Limited	Wholly Owned Subsidiary	232.70	ZOFCD	To meet that company's requirement for funds
2	Krupa Land Limited	Wholly Owned Subsidiary	25.00	ZOFCD	To meet that company's requirement for funds
3	Multifaced Impex Limited	Wholly Owned Subsidiary	5.00	ZOFCD	To meet that company's requirement for funds
4	Swar Land Developers Limited	Wholly Owned Subsidiary	615.00	ZOFCD	To meet that company's requirement for funds
5	Vasant Bahar Realty Limited	Wholly Owned Subsidiary	2.80	ZOFCD	To meet that company's requirement for funds
6	Yug Developers Limited	Wholly Owned Subsidiary	5.00	ZOFCD	To meet that company's requirement for funds

#### Note:

1. ZOFCD - 0% Optionally Fully Convertible Debentures
2. For further details of investments Refer Note 5 of Standalone Financials.



**ANNEXURE - 5 to Directors' Report****Form No - AOC - 2**

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**1. Details of contracts or arrangements or transactions not at arm's length basis**

S. No.	Name of the related Party	Nature of Relationship	Nature of Contracts / transactions	Duration of Contracts	Salient terms of contracts / transactions	Date(s) of approval by the Board, if any	Rs. In Lakh
NIL							

**2. Details of material contracts or arrangement or transactions at arm's length basis.**

S. No.	Name of the related Party	Nature of Relationship	Nature of Contracts / transactions	Duration of Contracts	Salient terms of contracts / transactions	Date(s) of approval by the Board, if any	Rs. In Lakh 2017-18
1	Malhar Developers Pvt Ltd	P r o m o t e r s / Directors together with relative holds > 2% of the share capital	Rent & related expenses	60 months w.e.f. 16-08-2014	Use of office premises	12.08.2014	78.95

For and on behalf of the Board of Directors

**Anand Jain**  
Chairman  
DIN: 00003514

Mumbai,  
25<sup>th</sup> May, 2018

## **ANNEXURE – 6 to Directors' Report**

### **Format for the Annual Report on CSR activities to be included in the Board's Report**

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.**

An essential component of Jai Corp's corporate social responsibility is to care for the community. The Company endeavors to make a positive contribution to the under privileged communities by supporting a wide range of socio-economic, educational, Skill enhancement & development and health initiatives.

The Company is helping implement the roadmap drafted with the help of the Administration of Dadra & Nagar Haveli (D & NH) and the District Panchyat of D & NH. The Administration of D & NH has encouraged the Company to participate through a project in a private-public initiative to make the village Sindoni in the Mandoni Patelad of the Union Territory D & NH, a 'model village'. Further, with the active involvement of the Administration of D & NH, in terms of selection of candidates, the Company has provided tuition fee for students by paying such fee directly to the concerned institutions; paid the requisite fee directly to the organizations imparting necessary employment enhancing vocational training to the youths of that region.

The Company's CSR policy is placed on the website of the Company at <http://www.jaicorpindia.com/investor/policies.html>.

- 2. The composition of the CSR Committee**

1. Mr. Anand Jain – Chairman
2. Mr. Virendra Jain - Member
3. Dr. Anup Shah – Member

- 3. Average net profit of the Company for the last three financial years ₹ 7166.66 Lakh**

- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) ₹ 142.33 Lakh**

- 5. Details of CSR spent during the financial year**

- (a) Total amount to be spent for the financial year: ₹ 149.92 Lakh
- (b) Amount unspent, if any: Nil

## (c) Manner in which the amount spent during the financial year is detailed below:

(1) S. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Project or programs (1) local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or program wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs.(2) Overheads.	(7) Cumulative expenditure up to the reporting period (in 2017-18) (Rs. In Lakh)	(8) Amount spent- Director through implementing agency
1.	Education – CSR at manufacturing location <b>Sponsoring Academic fee of Domicile and Non Domicile students in Dadra &amp; Nagar Haveli</b>	Cl. (ii) Promoting Education	Fees paid to 1774 Domicile and Non Domicile students of Dadra & Nagar Haveli (U.T.).	80.00	80.63	80.63	Direct
2	Community Development –CSR at manufacturing location <b>Infrastructure Development Project – Model Village Sindoni, Housing Project, Provide Construction Material to 10 beneficiaries</b>	Cl.(iii) & Cl. (X) Rural Development Projects	Village- Sindoni Dadra & Nagar Haveli (U.T.).	6.25	6.00	6.00	Direct
3	Community Development –CSR at manufacturing location <b>Swacha Bharat Abhiyan Under Sanitation Project Construction of 99 Nos. of Toilets at Sindoni</b>	Cl.(iii) & Cl. (X) Rural Development Projects	Village- Sindoni, Dadra & Nagar Haveli (U.T.).	22.00	22.27	22.70	Direct
4	Community Development –CSR at manufacturing location <b>Swacha Bharat Abhiyan Under Sanitation Project Construction of 12 Nos. of Anganwadi Toilets in Various Place in D &amp; NH</b>	Cl.(ii) & Cl. (x) Rural Development Projects Rural Development Project	Village- Sindoni, Dadra & Nagar Haveli (U.T.).	2.70	2.70	2.70	Direct
5	Community Development - CSR at other location <b>Contribution Towards Solar Lighting</b>	Cl. (x) Rural Development Project	Thirmayagripalli Village, Chitvel Mandal, Kadapa District, Andhra Pradesh.	1.12	1.13	1.13	Direct
6	Community Development –CSR at manufacturing location <b>Skill Enhancement &amp; Development Programme Providing Light Motor Vehicle Training to 81 Candidates</b>	Cl. (ii) Employment enhancing Vocation Skill Training	Domicile Candidates of Dadra & Nagar Haveli (U.T.).	3.00	2.92	2.92	Direct
7	Community Development –CSR at manufacturing location <b>Skill Enhancement &amp; Development Programme Providing Light Motor Vehicle Training to 126 Candidates</b>	Cl. (ii) Employment enhancing Vocation Skill Training	Daman & Diu (U.T.).	2.50	2.69	2.69	Direct

8	Community Development –CSR at manufacturing location <b>Project- Saksham, Skill Enhancement &amp; Development Programme , Provide Tailoring and Electrical wiring Training to 90 candidates</b>	Cl. (ii) & Cl. (x) Employment enhancing Vocation Skill Training	Dadra & Nagar Haveli (U.T.).	3.50	3.75	3.75	Direct
9	Health – CSR at manufacturing location <b>Provide free of Cost blood unit to Patients of Sickle Cell Anemia and Thalassemic</b>	Cl. (i) Promoting Preventive Healthcare	529 units of blood in hospitals at Dadra & Nagar Haveli (U.T.).	2.75	2.72	2.72	Direct
10	Health – CSR at manufacturing location <b>Organize Free Early Mega Health Check Up Camp only for Women</b>	Cl. (i) Promoting Preventive Healthcare	137 Women of Dadra & Nagar Haveli (U.T.).	0.75	0.60	0.60	Direct
11	Community Development & Health – CSR at manufacturing location <b>Safe Drinking Water to All under Installation of Water Purification RO Plant</b>	Cl. (i) & Cl.(x) Promoting Preventive Healthcare & Community Development	Kherdi rampanchayat, Dadra & Nagar Haveli (U.T.).	4.25	4.49	4.49	Direct
12	Community Development & Health – CSR at manufacturing location <b>Safe Drinking Water to All under Installation of Water Purification RO Plant</b>	Cl. (i) & Cl.(x) Promoting Preventive Healthcare & Community Development	Sindoni rampanchayat, Dadra & Nagar Haveli (U.T.).	4.25	4.49	4.49	Direct
13	Environment Sustainability, Ecological Balance-CSR at manufacturing location <b>Installation of Decentralized Bio- Degradation unit</b>	Cl. (iv) Ensuring Environment Sustainability, ecological balance	Officer Colony, Dadra & Nagar Haveli (U.T.).	1.84	1.84	1.84	Direct
14	Environment Sustainability, Ecological Balance- CSR at manufacturing location <b>Tree Plantation Programme plant 1000 trees</b>	Cl. (iv) Ensuring Environment Sustainability, ecological balance	Dadra & Nagar Haveli (U.T.).	0.15	0.14	0.14	Direct
15	Environment Sustainability, Ecological Balance- CSR at manufacturing location <b>Providing Dustbin to Govt. Higher Secondary School,</b>	Cl. (iv) & Cl. (ii) Environmental Sustainability & Promoting Education	Tokharkhada Dadra & Nagar Haveli (U.T.).	0.02	0.02	0.02	Direct
16	<b>Health- CSR at Corporate office location Running of Medical Clinic</b>	Cl. (i) Promoting Preventive Admin	Mumbai, Maharashtra	5.00	5.00	5.00	Rajastani Mahila Mandal
17	<b>Salary of CSR Staff</b>		-	8.50	8.54	8.54	Direct
			<b>Total</b>	<b>148.58</b>	<b>149.92</b>	<b>149.92</b>	

## 6. Reasons for Not Spending the Amount

Not Applicable

## 7. Responsibility Statement

The Implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the company

(Gaurav Jain)  
Chief Executive Officer/  
Managing Director  
DIN: 00077770

May 25, 2018

## Annexure -7 to Directors' Report

## EMPLOYEE RELATED DISCLOSURES:

## 1. Top ten employees in terms of remuneration drawn:

Name, Age, Qualification	Designation and Nature of Employment Whether contractual or otherwise	Remuneration Received (p.a.) (in ₹)	Date of Joining and experience	Particulars of last employment
Ashok Kumar 67 years, B. Sc. (Metallurgical Engineering)	President	1,10,55,516/-	03/04/2006 and 44 years	Steel Authority of India Ltd., Bokaro; Dy. General Manager
Dilip K. Lunawat 63 years, B.Com, LLB, FCMA	Vice President - Commercial	58,55,736/-	14/11/2005 and 38 Years	Aurangabad Electricals Ltd.; Dy. General Manager
Rajendra V. Singh 52 years, B. Tech. Mechanical	Chief Operating Officer	52,48,200/-	01/01/2005 and 29 Years	Pet Fibers Ltd.; General Manager
Pramod Kr. Jaiswal 52 years, B. Com.(H), AICWA	Chief Financial Officer	51,60,000/-	11/04/2011 Experience 26 Years	Adventity Global Services Pvt. Ltd.; Chief Accounts Officer
Dinesh D. Paliwal 50 years, M. Engg.	Sr. Vice President	45,60,000/-	05/01/2010 and 28 Years	Prime Wovens Ltd.; Director-Works
Vasudeo S. Pandit 66 years, B.Sc.	Director – Works, Contractual	40,89,784/-	05/01/1988 and 43 Years	Auro Plast Pvt Ltd.; Plant Manager
Anup Kr. Deb 55 years, B. Com.	General Manager - Marketing	36,21,240/-	01/01/2009 and 32 years	Plastiblends India Ltd.; Manager Technical Sales
Atul D. Pawar 50 years, DBM	General Manager - Marketing	33,47,664/-	01/04/2008 and 30 years	Magico Exports & Consultants Ltd.; Sr. Manager
Ananjan Datta 51 years, B.Com.(H), CS, ICWAI.	Company Secretary	28,20,000/-	01/01/2007 and 29 years	Modella Woollens Ltd.; Finance Manager & Company Secretary
Pyarelal Bargartra 54 years, BA, LL.B, MBA	Vice President - Operations	26,40,000/-	27/05/2015 and 39 years	Veer Plastics Pvt. Ltd. Vice President (Operation)

**Note:**

- All appointments are accordance with terms and conditions as per Company rules. Appointment and remuneration of Mr. V.S. Pandit were approved by the Members.
- None of the above employees is a relative of any Director of the Company.
- Mr. Ashok Kumar, Mr. D.K. Lunawat hold 1 equity share each and Mr. P.K. Jaiswal holds 50 equity shares in the Company. None of them holds either by himself or with his spouse and dependent children 2% or more of the equity shares of the Company

2. **The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2017-18:**

Sr. No.	Name of Director	Designation	Remuneration paid during F. Y. 2017-18 (₹ in lakh)	Remuneration paid during F.Y. 2016-17 (₹ in lakh)	Percentage increase in remuneration	Ratio of remuneration of each director to the median remuneration of the employees
1.	Anand Jain*	Chairman	0.65	0.48	35.42%	0.39 times
2.	Virendra Jain*	Vice Chairman	1.25	1.15	8.69%	0.75 times
3.	Gaurav Jain**	Managing Director & Chief Executive Officer	-	-	N.A.	N.A.
4.	Vasudeo. S. Pandit	Director-Works	40.90	36.95	10.69%	24.66 times
5.	Khurshed. M. Doongaji*	Independent Director	0.93	1.33	(-) 30.01%	0.56 times
6.	Sandeep. H. Junnarkar*	Independent Director	0.65	0.48	35.42%	0.39 times
7.	Sachindra N. Chaturvedi*	Independent Director	0.65	1.25	(-) 48.00%	0.39 times
8.	Anup P. Shah*	Independent Director	0.95	0.95	0%	0.57 times
9.	Aziza A. Chitalwala*	Independent Director	0.75	0.40	87.50%	0.45 times
10.	Pramod Kr. Jaiswal	Chief Financial Officer	51.60	48.0	7.50%	31.11 times
11.	Ananjan Datta	Company Secretary	28.20	25.80	9.30%	17.00 times

\* Remuneration received by way of sitting fee only.

\*\* Has voluntarily stopped accepting any remuneration w.e.f. 01.11.2015

3. **The percentage increase in the median remuneration of employees in the financial year 2017-18:**

Median remuneration of employees in F.Y. 2017-18	Median remuneration of employees in F.Y. 2016-17	Percentage Increase
₹ 1,65,852/-	₹ 1,66,885/-	(-) 0.62%

4. **The number of permanent employees on the rolls of the Company:** 2,439
5. **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:**

Average percentile increase in the salaries of employees other than managerial personnel in F.Y. 2017-18	Average percentile increase in managerial remuneration in F.Y. 2017-18	Justification
(-)9.56%	5.73 %	Average increase in remuneration is guided by several factors such as normal salary revision, inflation, market condition, talent retention etc. while decrease in salary of non-managerial personnel is due to rationalization of employees.

6. It is affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Mumbai,  
13<sup>th</sup> August, 2018

**Anand Jain**  
Chairman  
DIN: 00003514



## REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'] pertaining to Corporate Governance, the Company submits hereunder a report on the matters mentioned in Section C of Schedule V to SEBI LODR *vis-a-vis* the practices followed by the Company.

### 1. Company's philosophy on code of governance:

The Company strongly believes in fair, efficient and transparent business operations, proper disclosure of relevant information and to serve the best interests of all the stakeholders, viz., employees, shareholders, customers, lenders, the Government and the society at large. The Company strives towards excellence through adoption of best governance and disclosure practices.

### 2. Board of Directors:

The Composition of the Board, category of directorship, attendance of Directors in Board Meetings, last Annual General Meeting (AGM), number of other directorships and chairmanships/ memberships of committees of the board of other Indian public limited companies are as follows:

#### (A) Composition of Board

The Board of Directors of the Company has an optimum combination of executive and non-executive directors and a woman director. The present strength of the Board is eight directors, of which two directors i.e. Managing Director and Director-Works are executive directors and six directors are non-executive directors of which four are independent directors.

#### (B) Independent Directors

##### (i) Formal Letter of Appointment to Independent Directors

On appointment, the concerned Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities.

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 and Listing Regulations. Draft of the formal letter of appointment has been uploaded on the website of the Company.

##### (ii) Performance Evaluation of Independent Directors

The Performance Evaluation of the Independent Directors of the Company based on the evaluation criteria laid down by the Nomination and Remuneration Committee will be carried out at the ensuing Board meeting.

##### (iii) Separate Meeting of the Independent Directors

As per the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations a separate meeting of the Independent Directors was held on 20.03.2018 under the Chairmanship of Mr. K.M. Doongaji, to review the performance of the non-independent directors and the Board as a whole along with the Chairman of the Company. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform their duties.

##### (iv) Training/ Familiarization programme for Independent Directors

Familiarization Program were conducted for the Independent Directors to familiarize them with the Company, his/her role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company so that he/she can contribute in a meaningful way to the Company.

Five Board Meetings were held during the financial year ended 31.03.2018, with a time gap of not more than one hundred and twenty days between two consecutive meetings. The dates of the Board Meetings were: 30.05.2017, 09.08.2017, 10.11.2017, 20.01.2018 and 14.02.2018. Separate meeting of the independent directors was held on 20.03.2018 which was attended by all such directors.

Name of the Director	Category of directorship & designation	Attendance of meetings during 2017-18		@No. of other directorships held in other Indian companies	*No. of board committee positions held in other Indian public limited companies
		Board Meetings#	Last AGM		
Mr. Anand Jain	Promoter, Non-Executive Director & Chairman	5	No	6	1 - member
Mr. Virendra Jain	Promoter, Non-Executive Director & Vice Chairman	5	No	15	Nil
Mr. Gaurav Jain	Promoter, Executive Director & Managing Director/ CEO	5	Yes	18	Nil
Mr. Khurshed M. Doongaji	Independent, Non- Executive Director	3	Yes	1	1 -Member
Mr. Sandeep H. Junnarkar	Independent, Non- Executive Director	4	Yes	3	4-Member of which 1 as Chairman
Mr. Sachindra N. Chaturvedi (director up to 13.10.2017)	Independent, Non- Executive Director	2	Yes	N.A.	N.A.
Dr. Anup P. Shah	Independent, Non- Executive Director	4	No	12	6-Member of which 3 as chairman
Ms. Aziza A. Chitalwala	Independent, Non- Executive Woman Director	5	No	1	Nil
Mr. Vasudeo S. Pandit	Non-Promoter, Non-Independent, Executive Director & Director- Works	4	Yes	Nil	Nil

# does not include separate meeting of the independent directors.

@ including public limited, private limited and Section 8 companies.

\* In accordance with Regulation 26(1)(a) of the Listing Regulations, for the purpose of considering the limits of the committees on which a director can serve, all public limited companies, whether listed or not, is included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 were excluded. In accordance with 26(1)(b) of the Listing Regulations, for the purpose of reckoning the limit of committees, chairmanship/ membership of the Audit Committee and the Stakeholders' Relationship Committee alone were considered.

No director is a member of more than ten Audit Committees and Stakeholders' Relationship Committees and acts as chairman of more than five such committees across all companies he/ she is a director.

### 3. Equity shares of the Company held by non-executive directors as on 31.03.2018:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Mr. Anand Jain	36,10,240
2.	Mr. Virendra Jain	100
3.	Mr. Khurshed M. Doongaji	400
4.	Mr. Sandeep H. Junnarkar	Nil
5.	Dr. Anup P. Shah	Nil
6.	Ms. Aziza A. Chitalwala	Nil

#### 4. Directors' Profile:

Brief resume of all directors, including those who are proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas and names of all Indian listed entities in which they hold the directorship and the membership of Board Committees, their shareholdings in the Company and relationship between them *inter-se* are furnished below:

##### **Mr. Anand Jain (DIN 00003514)**

Mr. Anand Jain (61 years) is the Chairman and a promoter director of the Company. He has been associated with the Company since its inception. He graduated from the University of Mumbai and has done a course in Risk Management from the London Business School. He has over 25 years' experience in various business. He is a member of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Company. He is also a director of Mumbai SEZ Limited, Rewas Ports Limited, Urban Infrastructure Venture Capital Limited, Jaicorp Welfare Foundation, a section 8 company and a wholly-owned subsidiary of the Company and several private limited companies. He is a member of the Audit Committee of Urban Infrastructure Venture Capital Limited. As on 31.03.2018, he held 36,10,240 equity shares of the Company. He is related to the following directors of the Company: Mr. Virendra Jain and Mr. Gaurav Jain.

##### **Mr. Virendra Jain (DIN 00077662)**

Mr. Virendra Jain (59 years) is the Vice Chairman and a promoter director of the Company. He has been associated with the Company since its inception. He graduated from the University of Mumbai. He has over 25 years' experience in the business of plastic processing. He is a member of the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Share Transfer Committee of the Company. He is also a director of Jai Realty Ventures Limited, Pet Fibres Limited, Prime Wovens Limited, Techfab (India) Industrial Limited, Jaicorp Welfare Foundation, a section 8 company and a wholly-owned subsidiary of the Company and several private limited companies. As on 31.03.2018, he held 100 equity shares of the Company. He is related to the following directors of the Company: Mr. Anand Jain and Mr. Gaurav Jain.

##### **Mr. Gaurav Jain (DIN 00077770)**

Mr. Gaurav Jain (38 years) is the Managing Director/ Chief Executive Officer of the Company since 04.06.2008. He graduated with dual degrees from the Warton School – Bachelor of Science in Economics with specialisation in finance and School of Engineering and Applied Science – Bachelor of Science in Engineering with major in Computer Science and Engineering

from the University of Pennsylvania, United States of America. He was instrumental in setting up Adventity Global Services Private Limited, a business process outsourcing company. He is a member of the Stakeholders Relationship Committee, Risk Management Committee and Share Transfer Committee of the Company. He is also a director of Jailaxmi Realty and Developers Limited, Jai Realty Ventures Limited, Novelty Realty & Developers Limited, Welldone Real Estate Limited, a director of a Section 8 company and several private limited companies. As on 31.03.2018, he held 1,05,28,794 equity shares of which, subsequent to year end, he transferred 1,05,27,100 equity shares to a private trust and 20,000 preference shares of the Company. He is a promoter director related to the following directors of the Company: Mr. Anand Jain and Mr. Virendra Jain.

##### **Mr. Khurshed Minocher Doongaji (DIN 00090939)**

Mr. Khurshed Minocher Doongaji (78 years) holds bachelors' degrees in economics and law from the University of Mumbai. He holds a diploma in Business Management and has varied experience of over 40 years in project and corporate finance, legal, operations and corporate laws with the erstwhile ICICI Limited. He has been associated with the Company since 1999 and is the Chairman of the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Preference Share Redemption Committee of the Company. He is also a director of Balakrishna Industries Limited and a member of its Audit Committee. As on 31.03.2018, he held 400 equity shares of the Company. He is an independent director and is not related to any other director of the Company.

##### **Mr. Sandeep Hemendra Junnarkar (DIN 00003534)**

Mr. Sandeep Hemendra Junnarkar (66 years) holds bachelors' degrees in science and law from the University of Mumbai. He is a solicitor by profession and a partner of Junnarkar and Associates, Advocates, Solicitors and Notary. His area of specialization include banking laws, corporate laws including competition laws, foreign exchange laws, securities laws and regulations etc. He has been associated with the Company since 1994 and is a member of the Audit Committee, Nomination and Remuneration Committee and Preference Share Redemption Committee of the Company. He is also a director of IL&FS Tamil Nadu Power Company Limited, Reliance Commercial Dealers Limited and Reliance Industrial Infrastructure Limited. He is the chairman of the Audit Committee of IL&FS Tamil Nadu Power Company Limited, member of the Audit Committees of Reliance Commercial Dealers Limited, Reliance Industrial Infrastructure Limited and a member of the Stakeholders Relationship Committee of Reliance Industrial

Infrastructure Limited. He does not hold any share in the Company. He is an independent director and is not related to any other director of the Company.

**Dr. Anup Pravin Shah (DIN 00293207)**

Dr. Anup Pravin Shah (41 years) holds Ph.D. in Commerce and bachelor's degrees in law and commerce. He is a Fellow Member of the Institute of Chartered Accountants of India. He has over 18 years of experience in the areas of tax advisory, business restructuring, capital markets regulations, foreign investments, international tax, PE investments, real estate structuring, management consultancy, valuations, property matters and Accounting. He has contributed articles / papers to several publications, newspapers and at conferences, delivered talks at seminars and workshops across India and published books and articles on the above mentioned subjects. He has been associated with the Company since 2013 and is a member of the Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Preference Share Redemption Committee and Stakeholders Relationship Committee. He is also director of Claris Lifesciences Limited, JM Financial Capital Limited, JM Financial Credit Solutions Limited, JM Financial Services Limited, Marathon Nextgen Realty Limited, Prince Pipes and Fittings Limited and several private limited companies. He is also a director of a couple of Section 8 companies including Jaicorp Welfare Foundation, a wholly-owned subsidiary of the Company. He is the chairman of the Audit Committees of Claris Lifesciences Limited, JM Financial Credit Solutions Limited and JM Financial Services Limited and a member of the Audit Committee of Marathon Nextgen Realty Limited. He is a member of the Stakeholders Relationship Committee of Claris Lifesciences Limited. He does not hold any share in the Company. He is an independent director and is not related to any other director of the Company.

**Ms. Aziza Ashraf Chitalwala (DIN00436939)**

Ms. Aziza Ashraf Chitalwala (54 years) holds a bachelor's degree in Commerce from the University of Mumbai. She is a Member of the Institute of Chartered Accountants of India. She has about 30 years' experience in handling accounts and related matter of limited companies. She has hands on experience in implementation of enterprise resource planning (ERP). She has been associated with the Company since 2015. She is also director of Zarhak Steels Private Limited. She does not hold any share in the Company. She is an independent director and is not related to any other director of the Company.

**Mr. Vasudeo Shrinivas Pandit (DIN 00460320)**

Mr. Vasudeo Shrinivas Pandit (67 years) is an Executive Director (Director-Works) of the Company. He holds bachelors' degree in science

and has nearly 40 years' experience in the plastic industry with more than 38 years in woven sacks/bags industry, in setting up and operating woven sacks manufacturing units. He has been associated with the Company since 1988 and has been the Executive Director since 1997 with the overall responsibility of the manufacturing and export activities of the packaging division. He is not a director in any other company and does not hold any share of the Company. He is a non-promoter executive director and is not related to any other director of the Company.

**5. CEO/CFO:**

Mr. Gaurav Jain, Managing Director is designated as Chief Executive Officer (CEO) and Mr. Pramod Kumar Jaiswal is designated as Chief Financial Officer (CFO).

The Managing Director-cum-Chief Executive Officer and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(7) read with Part B of Schedule II to the Listing Regulations. The Managing Director-cum-Chief Executive Officer and the Chief Financial Officer also give quarterly certifications in financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

**6. Board Meetings:**

The Board of Directors meets at least once in every quarter to review the performance of the Company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board Members of the development that have taken place. The agenda and notes to the agenda are circulated to the directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. In situations where it is not practicable to attach any document to the agenda, the same is tabled at the meeting; specific reference to this effect is made in the agenda. In special and exceptional circumstances, additional or supplementary items are permitted to be included in the agenda. The Board is given presentation covering finance, investments, sales, marketing and operations of the Company, before taking on record the quarterly results of the Company. The Board periodically reviews compliance reports of laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance.

The Company Secretary records/ enters the minutes of the proceedings of each Board and Committee Meeting within 30 days from the conclusion of the meeting.

The minutes of the meetings of all committees of the Board were placed before the Board.

The minutes of Board Meetings of subsidiaries and step down subsidiaries were placed before the Board.

## 7. Board Committees:

### Procedure at the Committee Meetings-

The procedure of the Board Meetings is applicable to the meetings of the Committees of the Board as far as practicable. The Minutes of the meetings of the Committees are placed before the Board for perusal and noting.

## 7.1 Audit Committee-

Pursuant to Regulation 18 of the Listing Regulations, the Audit Committee has five members out of which four are independent directors. Mr. Khurshed M. Doongaji, independent director, has been appointed the Chairman of the Committee. Dr. Anup P. Shah, Mr. Sandeep H. Junnarkar and Ms. Aziza A. Chitalwala are the independent directors and Mr. Virendra Jain are the other members. The Managing Director-cum-Chief Executive Officer, Mr. Gaurav Jain attended all the meetings of the Audit Committee. The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. All the members of the Audit Committee are financially literate and possess accounting and financial management expertise.

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

### (a) Powers of Audit Committee:

The Audit Committee has the following powers –

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

### (b) Role of the Audit Committee :

The terms of reference stipulated by the Board to the Audit Committee are, contained in Regulation 18 read with Part C of Schedule II to the Listing Regulations, as follows-

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. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal



auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of any material nature and reporting the matter to the board;
16. Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**(c) Review of information by Audit Committee:**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief internal auditor.

**6. 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).

**(a) Meeting of the Audit Committee:**

As against the minimum requirement of four meetings during a financial year, four Audit Committee Meetings were held during the financial year ended 31.03.2018, with a time gap of not more than four months between two consecutive meetings. The dates of the Audit Committee meetings were 30.05.2017, 09.08.2017, 10.11.2017 and 14.02.2018

Representatives of the statutory auditors, internal auditor, cost auditors were invited and were either present at the Audit Committee Meeting or sought specific leave of absence.

**(b) Attendance of each member at the Audit Committee meetings held during 2017-18:**

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Mr. Khurshed M. Doongaji	Chairman	4	2
Mr. Sachindra N. Chaturvedi (up to 13.10.2017)	Member	2*	2
Dr. Anup P. Shah	Member	4	4
Mr. Virendra Jain	Member	4	4
Mr. Sandeep H. Junnarkar (w.e.f. 27.10.2017)	Member	2**	1
Ms. Aziza A. Chitalwala (w.e.f. 14.02.2018)	Member	1**	1

Note: \* represents number of meetings held till he was a member.

\*\* represents number of meetings held subsequent to appointment.

Mr. Ananjan Datta, the Company Secretary acts as the Secretary to the Committee.

**7.2 Nomination and Remuneration Committee and details of remuneration to Directors-**

- (a) Pursuant to Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee comprises of six



non-executive directors, Mr. Anand Jain, Mr. Virendra Jain, Mr. K. M. Doongaji, Mr. S. H. Junnarkar, Dr. A.P. Shah and Ms. A.A. Chitalwala. The Chairman of the Committee is Mr. K. M. Doongaji, an independent director.

The Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting of the Company.

**(b) Terms of reference:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**(c) Meeting of the Nomination and Remuneration Committee-**

The Nomination and Remuneration Committee met two times during the financial year ended 31.03.2018. The date of the meeting was 30.05.2017 and 14.02.2018.

**(d) Attendance of each member at the Nomination and Remuneration Committee meetings held during 2017-18:**

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Mr. Khurshed M. Doongaji	Chairman	2	1
Mr. Anand Jain	Member	2	2
Mr. Virendra Jain	Member	2	2
Mr. Sandeep H. Junnarkar	Member	2	1
Dr. Anup P. Shah (w.e.f. 13.02.2018)	Member	1*	1
Ms. Aziza A. Chitalwala (w.e.f. 14.02.2018)	Member	1*	1

Note: \* represents number of meetings held subsequent to appointment.

Mr. Ananjan Datta, the Company Secretary acts as the

Secretary to the Committee.

**(d) Remuneration Policy:**

The remuneration policy is performance driven to motivate employees commensurate with the seniority, experience and competence. The Nomination & Remuneration Policy for Directors, KMPs & Senior Management is placed on the website of the Company at <http://www.jaicorpindia.com/investor/policies.html>.

**POLICY**

**(i) Remuneration to Directors:**

The N&RC is, inter alia, required to oversee remuneration payable to directors.

The executive directors including managing directors are paid remuneration by way of salary, perquisites, contribution to provident fund, superannuation fund, gratuity, encashment of leave etc. as per the terms of agreement entered into with them and approved by the shareholders pursuant to the requirements of the Act.

Non-executive directors are paid a sitting fee for attending each Board and/or Committee meetings except for those committees where no sitting fee is payable to attend the meetings. Such fee shall be fixed by the Board of Directors on receiving recommendation in that respect from the N&RC. Shareholder's approval will be taken where the same is mandated by the provisions of the Act and/ or the Listing Agreement.

No commission is presently payable to the directors and the Company has presently not granted any stock option to its directors. The independent directors are not entitled to stock options as mandated by law.

**(ii) Re-imbursement of expenses of non-executive directors:**

The Company recognizes that non-executive directors, particularly non-executive promoter directors, also play a vital role in the business of the Company. The non-executive promoter directors contribute their time, energy, and expertise in helping the Company garner business and run its operations successfully, thereby ultimately resulting in value addition to the Company.

It is fair that the expenses incurred by directors exclusively for the purposes of the Company be borne by the Company

or be reimbursed to them. Payment may be made on their behalf either by the Company or be paid by them directly. Where the concerned director seeks to claim reimbursement, he/she is required to submit a claim along with relevant particulars in supporting of the expenses incurred.

The following is an illustrative list of expenses incurred, whether in India or abroad, in any currency that may be reimbursed by the Company-

1. Air/Train fare;
2. Hotel accommodation;
3. Meals for self and guests, where the concerned director is entertaining guests for business purposes of the Company;
4. Car rental;
5. Use of personal vehicle for official purpose.

(iii) Availing of outside professional advice:

The Board and its Committees shall have the authority to obtain legal and other professional advice from external sources to assist in their decision making process. These professional advisors shall report directly to the Board or to the concerned Committee as the case may be. The fee and other related expenses of any such advisors shall be borne by the Company.

(iv) Appointment and remuneration to Key Managerial Personnel and Senior Management:

It shall be the endeavor of the N&RC to identify suitable candidates to be appointed as Key Managerial Personnel (KMP) and in the position of senior management of the Company.

To be eligible for appointed as a KMP or in the rank of senior management, a person should possess adequate qualification commensurate with the designation and where required specific professional qualification depending upon the requirement of the post.

The compensation package will be commensurate with the seniority,

experience and competence of the person and his/ her designation. While finalizing the remuneration, the N&RC shall take note of industry norms.

Annual increment shall be determined based upon individual performance relatable to the performance benchmarks as decided from time to time. The N&RC will be guided by recommendations of the management but not bound to follow the same. It may, at its own discretion and for sufficient reasons, deviate from the recommendations of the management as it may deem fit.

The overall endeavor shall be to attract and retain talent in the Company.

The N&RC shall, from time to time, identify the Company personnel in its core management team who are to be included within the ambit of the expression senior management.

(v) General:

The compensation package to directors, KMPs and senior management will generally be determined having regard to long term and short term performance objectives appropriate to the working of the Company, the Company's goals and will, accordingly, be a balanced combination of fixed salary, perquisites, incentive bonus and/or commission.

**(e) Details of remuneration:**

Presently, there is one Managing Director and one Whole-time Director. The remuneration paid to them is subject to the limits laid down under Sections 196, 197 read with Schedule V to the Companies Act, 2013. The remuneration consists of salary, contribution to provident fund, gratuity, perquisites and allowances in accordance with respective service contracts and rules of the Company, applicable from time to time.

The Managing Director and the Whole-time Director are not paid any sitting fee for attending the Board/ Committee meetings. The non-executive directors are paid sitting fees @ Rs. 10,000/- per Board Meeting and @ Rs. 7,500/- per Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee

meetings and out-of-pocket expenses to attend these meetings, if any.

(a) **The terms of appointment of the Executive Directors are as under-**

Name of the Director, Designation	Salary	Commission	Perquisites & Allowance*	Service Contract	
				Tenure	Notice Period
Mr. Gaurav Jain, Managing Director/ Chief Executive Officer #	Rs.2,00,000/- per month	Not exceeding the limits laid down in Section 309(3) of the Companies Act, 1956.	Up to Rs. 2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	04.06.2013 to 03.06.2018	3 months
Mr. Vasudeo S. Pandit, Director-Works #	Not exceeding Rs.4,00,000/- per month	Not exceeding the limits laid down in Section 197 of the Companies Act, 2013.	Up to Rs. 2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 2013.	01.04.2015 to 31.03.2018	3 months

**Note:**

\*Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with re-imbursement of expenses or allowances for the utilization of gas, electricity, water, furnishing and repairs, medical expenses/ re-imbursement for self and his family including dependents, leave travel concession for self and his family including dependents, club fees, medical insurance and such other perquisites and allowances as agreed/ authorized by the Board.

There is no separate provision for payment of severance fee.

# Re-appointed by the Board for a further period of 5 years with effect from 04.06.2018 and 3 years w.e.f. from 01.04.2018 respectively, subject to the approval of the members at the ensuing Annual General Meeting.

(b) **The details of remuneration paid to the Directors ( including perquisites and allowances) for the year ended 31.03.2018 are a under:**

Name of Director	Sitting Fees* (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. Anand Jain	65,000/-	Nil	Nil	65,000/-
Mr. Virendra Jain	1,25,000/-	Nil	Nil	1,25,000/-
Mr. Khurshed M. Doongaji	92,500/-	Nil	Nil	92,500/-
Mr. Sandeep H. Junnarkar	65,000/-	Nil	Nil	65,000/-
Mr. Sachindra N. Chaturvedi	65,000/-	Nil	Nil	65,000/-
Dr. Anup P. Shah	95,000/-	Nil	Nil	95,000/-
Mr. Aziza A. Chitalwala	75,000/-	Nil	Nil	75,000/-
Mr. Gaurav Jain **	Nil	Nil	Nil	Nil
Mr. Vasudeo S. Pandit	Nil	40,89,784/-	Nil	40,89,784/-

\* excluding Service Tax/ Goods and Services Tax

\*\* Has voluntarily stopped accepting any remuneration w.e.f. 01.11.2015

### 7.3 Stakeholders Relationship Committee:

Pursuant to Regulation 20 of the Listing Regulations, the Stakeholders Relationship Committee was formed to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders. Non-executive director, Mr. Khurshed M. Doongaji has been appointed the Chairman of the Committee. Dr. Anup P. Shah Mr. Virendra Jain and Mr. Gaurav Jain are the other members.

The Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company.

The Stakeholders Relationship Committee meet at least once in every quarter to resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance

sheet, non-receipt of declared dividends etc.

**(a) Meeting of the Stakeholders Relationship Committee-**

The Stakeholders Relationship Committee met four times during the financial year ended 31.03.2018. The dates of the meeting were 30.05.2017, 09.08.2017, 10.11.2017 and 14.02.2018.

**(b) Attendance of each member at the Stakeholders Relationship Committee meetings held during 2017-18:**

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Mr. Khurshed M. Doongaji	Chairman	4	2
Mr. Sachindra N. Chaturvedi (upto 13.10.2017)	Member	2*	2
Mr. Virendra Jain	Member	4	4
Mr. Gaurav Jain	Member	4	4
Dr. Anup P. Shah ( from 13.02.018)	Member	1**	1

Note: \* represents number of meetings held till he was a member.

\*\* represents number of meetings held subsequent to appointment.

Mr. Ananjan Datta, the Company Secretary acts as the Secretary to the Committee and is also the compliance officer.

**(c) Investor Complaints Redressal:**

0 investor complaint was unresolved at the beginning of the year, 160 investor complaints were received during the financial year ended 31.03.2018 out of which 160 complaints were resolved. As on 31.03.2018, nil complaint was unresolved.

**7.4 Share Transfer Committee:**

Pursuant to Regulation 40(2) of the Listing Regulations, the Board has delegated *inter alia* the powers to deal with transfer, transmission of shares held in physical form to the Share Transfer Committee. Mr. Virendra Jain, is the Chairman. Mr. Gaurav Jain and Mr. Vasudeo S. Pandit are the other members of the Committee.

**(a) Meeting of the Share Transfer Committee-**

The Share Transfer Committee met nine times during the financial year ended 31.03.2018

**(b) Attendance of each member at the Share**

**Transfer Committee meetings held during 2017-18:**

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Mr. Virendra Jain	Chairman	9	9
Mr. Gaurav Jain	Member	9	9
Mr. V.S. Pandit	Member	9	5

Mr. Ananjan Datta, the Company Secretary acts as the Secretary to the Committee.

**7.5 Risk Management Committee:**

The Board has constituted the Risk Management Committee though not mandated to do so under Regulation 21(5) of the Listing Regulations and delegated the monitoring and reviewing of the risk management plan. Mr. Virendra Jain, is the Chairman, Mr. Gaurav Jain and Mr. Vasudeo S. Pandit are the other members of the Committee.

**(a) Meeting of the Risk Management Committee-**

The Risk Management Committee met once during the financial year ended 31.03.2018.

**(b) Attendance of each member at the Risk Management Committee meetings held during 2017-18:**

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Mr. Virendra Jain	Chairman	1	1
Mr. Gaurav Jain	Member	1	1
Mr. V.S. Pandit	Member	1	1

Mr. Ananjan Datta, the Company Secretary acts as the Secretary to the Committee

**8. Prevention of Insider Trading:**

Code of Conduct to Regulate, Monitor and Report Trading by Insiders came into effect from 15.05.2015. Pursuant to this Code, all directors, officers and designated employees have furnished quarterly/ annual statements of their shareholdings in the Company.

The Company has also formulated the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

**9. Code of Conduct and Business Ethics for Directors and Senior Management:**

The Code of Conduct and Business Ethics for Directors and Senior Management came into effect from 01.12.2015. The Code lays down the standards of business conduct, ethics and governance. The Code was circulated and is posted in the website of the Company. All directors, senior management and designated

employees have affirmed their compliance to the Code annually.

#### 10. Compliance officer:

Mr. Ananjan Datta, the Company Secretary, is the Compliance Officer for complying with SEBI Regulations and requirements under the Listing Agreement/ Listing Regulations.

#### 11. Subsidiary monitoring framework:

All subsidiaries of the Company are Board managed with their respective Boards having rights and obligations to manage such companies in the best interest of their respective stakeholders. It monitors the performance of all subsidiary companies *inter alia* by the following means-

- Financial statements, in particular the investments made by the unlisted subsidiary companies are reviewed and noted by the Audit Committee of the Company.
- All minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the Board.

The Company has formulated a policy for determining 'material' subsidiaries and it has been uploaded on the website of the Company.

#### 12. General body meetings:

- (a) Location and time of **last three Annual General Meetings** of the Company and the special resolutions passed in these meetings-

Year	Date	Day	Time	Location	Special Resolution Passed
2015	23.09.2015	Wednesday	11:00 am	Registered Office, A-3, M.I.D.C. Industrial Area, Nanded – 431 603, Maharashtra	Approval for roll over of preference shares.
2016	21.09.2016	Wednesday	-do-	-do-	None.
2017	12.09.2017	Tuesday	-do-	-do-	Approval for roll over of preference shares.

- (b) Location and time of **Extra-ordinary General Meetings** of the Company held during the last three financial years and the special resolutions passed in these meetings-

No Extra-ordinary General Meeting was held in the last three financial years.

- (c) Details of **postal ballots** held during the last three financial years and the special resolutions passed in these meetings-

No postal ballot was held in the last three financial years.

#### (ii) Details of special resolutions passed last year through postal ballot-

No resolution was passed through postal ballot last year.

#### (iii) Persons who conducted the postal ballot exercise-

Not Applicable.

#### (iv) Special resolution proposed to be passed through postal ballot-

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing of special resolution by postal ballot.

#### (v) Procedure of postal ballot-

Not Applicable.

#### 13. Disclosures:

- Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large-**

None of the transactions with any of the related parties were in conflict with the interests of the Company at large. The Company has formulated a policy on determining materiality of and dealing with related



party transactions and posted the same on the website of the Company.

All transactions are in ordinary course of business and on an arm's length basis.

Further in compliance to the Indian Accounting Standard (IndAS-24), a detailed disclosure of transactions with related parties has been made in Note 39 of the standalone financial statements.

**(ii) Disclosure of Accounting Treatment**

Pursuant to Notification dated 16.02.2015 by the Ministry of Corporate Affairs (Indian Accounting Standards (Ind AS) became applicable to certain classes of companies from 01.04.2016 with a transition date of 01.04.2015. Ind AS replaced the generally accepted accounting principles (Indian GAAP) prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

**(iii) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years-**

There was no non-compliance on any matter related to capital markets during the last three years.

**(iv) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee-**

The Vigil Mechanism & Whistle Blower Policy is posted in the website of the Company. No personnel were denied access to the Audit Committee.

**(v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause-**

All mandatory provisions have been complied with.

**(vi) Management Discussion & Analysis Report, 2018 -**

The Management Discussion & Analysis Report will be made a part of the Directors' Report for the year ended 31.03.2018.

**7. Secretarial Audit:**

In compliance to SEBI Regulations and Listing Agreement with the Stock Exchanges, the Company subjects itself to secretarial audits as per the frequencies mandated. The Company confirms that there exists no discrepancy with regard to its issued equity share capital, listed equity share capital, equity share capital held in

de-materialised form and equity share capital held in physical form. Practicing Company Secretary, Messrs Savita Jyoti Associates conducts the secretarial audits. In compliance with Section 204 of the Companies Act, 2013 Secretarial Audit Report prepared pursuant Rule 9 of the Companies (Appointment & Remuneration of Management Personal) Rule, 2014 forms part of the Director's Report.

**8. Means of Communication:**

**Quarterly Results-** The quarterly and annual financial results are published in newspapers, displayed in the Company's website [www.jaicorpindia.com](http://www.jaicorpindia.com) and are available on the portals of BSE and NSE.

**(i) Newspapers wherein results normally published –** The financial results are normally published in 'The Free Press Journal' and 'Navshakti'.

**Website where displayed -** The financial results, quarterly corporate governance reports, quarterly shareholding pattern, announcements to shareholders, loss of share certificates etc. are displayed in the Company's website [www.jaicorpindia.com](http://www.jaicorpindia.com).

**Display official news releases, presentation etc.-** All news release such as notice of meetings, outcome of board/general meetings, clarifications issued to the Stock Exchanges etc. are displayed in the website of the Company, [www.jaicorpindia.com](http://www.jaicorpindia.com). The website contains a separate dedicated section 'Investors Relations' where information of interest to the investors is available.

**(ii) Other means of communication:**

**(a) Annual Report-**

Annual Report containing, *inter alia*, audited accounts, consolidated financial statements, Directors' Report, independent Auditors' Report, Corporate Governance Report, notice of Annual General Meeting, and other important and relevant information are circulated to the members and others entitled to receive it. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report. Annual Reports are available in the website of the Company.

**(b) Reminder to investors –**

Reminder to the investors to cash unclaimed dividend, to make nomination

etc. are included in the notice to the Annual General Meeting.

(c) **Designated exclusive e-mail address-**

The Company has designated the following e-mail address exclusively for investor servicing: cs2@jaicorpindia.com.

**9. General Shareholder Information:**

**(i) 33<sup>rd</sup> Annual General Meeting: Date, Time and Venue –**

Friday, the 31<sup>st</sup> day of August, 2018 at 4:00 p.m. at the Registered Office of the Company at A-3, M.I.D.C. Industrial Area, Nanded – 431 603, Maharashtra.

**(ii) Financial Year : 01-04-2018 to 31-03-2019.**

**(iii) Financial Calendar ( Tentative)**

- Results for the quarter ended June, 2018 : 2<sup>nd</sup> week of August, 2018
- Results for the quarter ended September, 2018 : 2<sup>nd</sup> week of November, 2018
- Results for the quarter ended December, 2018 : 2<sup>nd</sup> week of February, 2019
- Results for the quarter ended March, 2019 : 2<sup>nd</sup> week of May, 2019
- 34<sup>th</sup> Annual General Meeting : 3<sup>rd</sup> week of September, 2019

**(iv) Dates of Book Closure : 25-08-2018 to 31-08-2018 (both days inclusive)**

**(v) Dividend Payment Date : on or after 03-09-2018**

**(vi) Listing on Stock Exchanges :**

The Company's shares are listed on the following Stock Exchanges:

- a) **BSE Limited (BSE)** at 'Phiroze Jeejeebhoy Towers', Dalal Street, Mumbai – 400 001.
- b) **National Stock Exchange of India Limited (NSE)** at 'Exchange Plaza', Plot No. C/1, 'G' Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051.

Annual Listing fee have been paid to both these Stock Exchanges for the financial years 2017-18 and 2018-19.

**(vii) De-materialisation of shares:**

The equity shares of the Company are traded in compulsory de-materialisation list with effect from 09.03.2001. The Company

has entered into agreements with both the depositories enabling the investors to hold shares of the Company in electronic form through the depository of their choice -

- a) **National Securities Depository Limited (NSDL)** at 'Trade World', A Wing, 4<sup>th</sup> & 5<sup>th</sup> Floors, Kamala Mills Compound, Lower Parel (West), Mumbai – 400013.
- b) **Central Depository Services (India) Limited (CDSL)** at Marathon Futurex, A-Wing, 25<sup>th</sup> floor, NM Joshi Marg, Lower Parel, Mumbai 400013

**(viii) Stock Codes :**

- a) **BSE : 512237**
- b) **NSE : JAICORPLTD**
- c) **Demat ISIN for NSDL and CDSL : INE070D01027**

**(ix) Registration Details with the Registrar of Companies :**

The Company is registered in the State of Maharashtra, India. It falls under the jurisdiction of the Registrar of Companies Maharashtra, Mumbai at 'Everest Building', #100, Marine Drive, Mumbai – 400 002.

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) – L17120MH1985PLC036500.

**(x) Registrar & Share Transfer Agents:**

Karvy Computershare Private Limited is the Registrar & Share Transfer Agent of the Company. Contact details of Karvy Computershare Private Limited:

- a) Postal : Unit - Jai Corp Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
- b) Telephone : (91-40) 6716 2222/ 1800-345-4001.
- c) Fax : (91-40) 230 01153.
- d) E-mail : einward.ris@karvy.com

**(xi) Address for correspondence:**

Investors' correspondence should be addressed to the Registrar & Share Transfer Agent of the Company as per details furnished at '(x)' above.

The investors can also contact the Company through the designated e-mail address – cs2@jaicorpindia.com.

**(xii) Website of the Company:**



Investors can visit the website of the Company at [www.jaicorpindia.com](http://www.jaicorpindia.com) for information.

**(xiii) Share Transfer System:**

**a) Shares held in physical form-**

Transfers of shares held in physical form are processed and share certificates returned within a period of 10-15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's shares to Share Transfer Committee. A summary of transfer, transmission etc. of shares of the Company so approved by the Committee is placed at every Board meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

**b) Shares held in de-materialised form-**

For transfer/ transmission of shares held in de-materialised form a shareholder has to approach his/her Depository Participant and lodge/follow the prescribed instruction slip/ the process required by the Depository Participant.

**(xiv) Dematerialization of equity shares and liquidity :**

Value ( in Rs. Lakh)	2,18,178.36	10,05,937.06	12,24,115.42
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**(xv) Distribution of shareholding:**

**a) The equity shareholding pattern as at 31.03.2018 is as follows-**

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shares
1	Promoters, Non-promoter Directors and their relatives	19	13,02,82,800	73.01
2	Mutual Funds	10	2,81,680	0.16
3	Domestic Financial Institutions & Banks	10	32,05,574	1.79
4	Domestic Bodies Corporate	791	62,15,749	3.48
5	NRIs/ Foreign Nationals/ FIIs/ Foreign Bodies Corporate	597	1,03,95,430	5.83
6	Resident Individuals/ HUF	77,276	2,70,61,283	15.16
7	Trusts	4	52,200	0.03
8	NBFC	13	2,17,311	0.12
9	Clearing Members	160	4,24,356	0.24
10	Unclaimed Suspense Account	1	17,280	0.01
11	IEPF	1	2,95,747	0.17
	<b>Total</b>	<b>78,882**</b>	<b>17,84,49,410*</b>	<b>100.00</b>

\* paid-up/ listed share capital. Does not include 44,600 shares forfeited but not re-issued.

a) As at 31.03.2018, 17,76,66,550 equity shares were de-materialised representing 99.56% of the total paid-up/ listed equity share capital.

**b) Details of de-materialised and physical equity shares as on 31.03.2018-**

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shares
1	CDSL	34,487	1,32,53,300	7.43
2	NSDL	45,392	16,44,13,250	92.13
	<b>Total Dematerialised Holding</b>	<b>79,879</b>	<b>17,76,66,550</b>	<b>99.56</b>
3	Physical	697	7,82,860	0.44
	<b>Total</b>	<b>80,576**</b>	<b>17,84,49,410*</b>	<b>100.00</b>

\* paid-up/ listed share capital. Does not include 44,600 shares forfeited but not re-issued.

\*\* Not clubbed PAN or folio number-wise.

**c) Liquidity of equity shares –**

The number of equity shares of the Company that were traded in BSE and NSE during 01.04.2017 to 31.03.2018 and the value thereof are given below:

Particulars	BSE	NSE	Total
Shares (nos.)	15,63,00,852	69,77,80,060	85,40,80,912

\*\* number of shareholders are consolidated on the basis of the PAN and folio number pursuant to SEBI Circular dated 19.12.2017

- b) Distribution of equity shareholding as at 31.03.2018 is as follows-

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shareholders
1	1-5,000	78,071	1,86,01,804	10.42
2	5,001-10,000	428	31,55,114	1.77
3	10,001-20,000	205	29,30,325	1.64
4	20,001-30,000	58	14,16,089	0.79
5	30,001-40,000	34	11,72,461	0.66
6	40,001-50,000	15	6,81,362	0.38
7	50,001-1,00,000	25	17,96,872	1.01
8	1,00,001 and above	46	14,86,95,383	83.33
	<b>Total</b>	<b>78,882**</b>	<b>17,84,49,410*</b>	<b>100.00</b>

\* paid-up/listed share capital. Does not include 44,600 shares forfeited but not re-issued.

\*\* number of shareholders are consolidated on the basis of the PAN and folio number pursuant to SEBI Circular dated 19.12.2017

- (xvi) Performance in comparison of broad based indices of BSE and NSE:

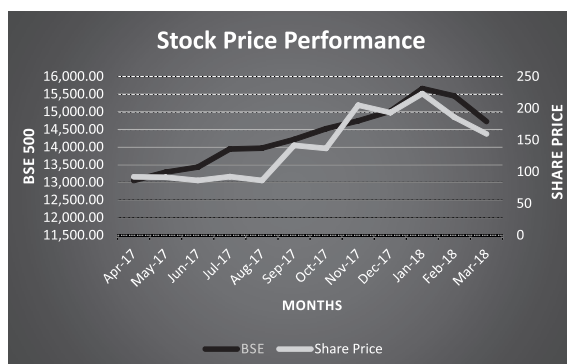
- a) Market price data ( high and low) during each month of the last financial year on BSE and NSE is given below-

Month	BSE		NSE	
	High (in Rs.)	Low (in Rs.)	High (in Rs.)	Low (in Rs.)
April, 2017	92.20	74.50	92.45	74.20
May, 2017	91.50	73.15	91.40	73.00
June, 2017	86.60	76.15	86.75	76.55
July, 2017	92.35	78.40	92.45	78.40
August, 2017	86.40	68.05	86.30	68.25
September, 2017	141.70	83.00	141.70	82.80
October, 2017	136.90	108.45	136.75	108.55
November, 2017	204.70	112.80	204.90	112.95
December, 2017	193.00	159.60	193.00	159.40
January, 2018	223.30	172.10	223.30	171.05
February, 2018	186.00	145.60	185.85	145.35
March, 2018	159.70	123.60	159.65	123.20

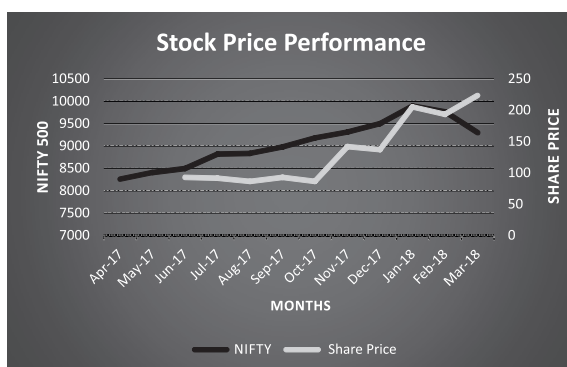
- (xvii) Performance in comparison to BSE and NSE indices-

The Company's shares form a part of the BSE 500 index of BSE and S & P CNX 500 index of NSE. The performance of the shares of the Company vis-à-vis these two indices are given below:

- a) Company's shares vis-à-vis BSE 500



**b) Company's shares vis-à-vis NIFTY 500**



**(xviii) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity share capital:**

Not applicable as the Company has not issued any such instrument.

**(xix) Plant Locations:**

The Company's plants vis-à-vis their locations are given division-wise below-

Sr. No.	Division	Location
1	Steel	Nanded, Maharashtra
2	Plastic Processing	Khadoli, Silvassa ( Dadra & Nagar Haveli- UT), Dabhel, Daman ( Daman & Diu-UT) – 2 units.
3	Plastic Processing and Master Batch	Dabhel, Daman ( Daman & Diu-UT)
4	Plastic Processing and PSF	Athal, Silvassa, ( Dadra & Nagar Haveli- UT)
5	Textile-Dyeing	Sarigam, Valsad, Gujarat
6	Textile-Spinning	Vasona, Silvassa, ( Dadra & Nagar Haveli- UT)

**(xx) Build-up of equity share capital:**

Sr. No.	Particulars	Year of Event	No. of Equity Shares
1	Subscribers to the Memorandum	1985	70
2	Further Issue	-do-	1,99,930
3	Public Issue	-do-	3,00,000
4	Rights Issue	1987	3,00,000
5	Bonus Issue	1994	24,00,000
6	Public Issue	1994	11,00,000

7	Amalgamation of Sipta Coated Steels Limited and Comet Steels Limited with the Company.	1996	49,63,522
8	Cancellation of shares under the Scheme of Arrangement	2002	6,32,122
9	Share Split (1:10)	2007	8,63,14,000
10	Bonus shares (1:1 excluding shares forfeited but not cancelled or re-issued)	-do-	8,62,69,400
11	Preferential Offer	-do-	59,10,610

**(xxi) Transfer of Unclaimed and Unpaid Dividend Amount to Investor Education & Protection Fund:**

During the year under review, Rs. 3,26,444/- amount was credited to the Investor Education and Protection Fund (IEPF) pursuant to Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**(xxii) Equity Shares in the Suspense Account:**

In terms of Regulation 39 read with Schedule V to the Listing Regulations, details in respect of equity shares lying in the suspense accounts which were issued in demat form and physical form, respectively:

Particulars	Demat		Physical	
	Number of Shareholders	Number of equity shares	Number of Shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 01.04. 2017.	122	84,610	-	-
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year.	3	1,960	-	-
Number of shareholders whose shares were transferred to the Investor Education and Protection Fund pursuant to the provisions of the Companies Act, 2013	91	65,370		
Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year.	-	-	-	
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 31.03. 2018	28	17,280	-	-

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

**(xxiii) Non-Mandatory Requirements:**

**(a) Audit Qualifications**

There was no qualification in the standalone Audit Report for the year ended March 31<sup>st</sup>, 2018.

**(b) Separate posts of Chairman and CEO**

The Company has separate persons as the Chairman and the Chief Executive Officer.

**(c) Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

**(xxiv) Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations:**

Particulars	Regulation Number	Compliance Status
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/ compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21(1), (2), (3), (4)	NA
Vigil Mechanism	22	Yes
Policy for related party transaction	23(1),(5),(6), (7) & (8)	Yes
Prior or omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	NA
Composition of Board of Directors of unlisted material subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	NA
Maximum directorship & tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Membership in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management	26(3)	Yes
Disclosure of shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to obligations of directors and senior management	26(2) & 26(5)	Yes
Terms and conditions of appointment of independent directors	46(2)(b)	Yes
Composition of various committees of board of directors	46(2)(c)	Yes
Code of conduct of board of directors and senior management personnel	46(2)(d)	Yes
Details of establishment of vigil mechanism/ Whistle Blower Policy	46(2)(e)	Yes
Criteria for making payments to non-executive directors	46(2)(f)	Yes
Policy for dealing with related party transactions	46(2)(g)	Yes
Policy for determining 'material' subsidiaries	46(2)(h)	Yes
Details of familiarization programmes imparted to independent directors	46(2)(i)	Yes

**DECLARATION OF CODE OF CONDUCT**

Pursuant to the provisions of Clause D of Schedule V to the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that the members of the board of directors and senior management personnel have affirmed compliance with the Code of Conduct of board of directors and senior management of the Company.

Place: Mumbai,

Date: 25<sup>th</sup> May, 2018

**Gaurav Jain**  
Managing Director and Chief Executive Officer  
DIN 00077770

**CERTIFICATE OF CORPORATE GOVERNANCE**

As required under Regulation 17(8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we confirm as under:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls,
 

if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**(Gaurav Jain)**  
**Managing Director and Chief**

**(Pramod Kumar Jaiswal)**  
**Financial Officer**  
**Chief Executive Officer**

**Place:** Mumbai,  
**Dated:** 25-05-2018

## AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

To,  
The Members,  
Jai Corp Limited

1. The Corporate Governance Report prepared by **Jai Corp 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 31<sup>st</sup> March, 2018. This certificate is required by the Company for annual submission to the Stock exchanges and to be sent to the shareholders of the Company.

### MANAGEMENT'S RESPONSIBILITY

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

### AUDITOR'S RESPONSIBILITY

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

### OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, 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 31<sup>st</sup> March, 2018, referred to in paragraph 1 above.

### OTHER MATTERS AND RESTRICTION ON USE

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

For **D T S & Associates**  
Chartered Accountants  
Firm Registration No: 142412W

**Anuj Bhatia**  
Partner  
Membership No.122179

Place: Mumbai  
Date: 25<sup>th</sup> May, 2018



## Independent Auditor's Report

**To the Members of  
Jai Corp Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **JAI CORP LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Financial Statements.

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

### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its profit including total comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

### Other Matter

The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2017 prepared in accordance with Indian Accounting Standards, included in these Standalone Financial Statements, have been audited by the predecessor auditors. The report of the predecessor auditors on the comparative financial information dated 30<sup>th</sup> May, 2017 expressed an unmodified opinion.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”;

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements as referred to in Note no. 40 to the financial statements.
- (b) The Company does not have long term contracts including derivative contracts for which there were any material foreseeable losses
- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in “**Annexure B**” hereto, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

### For D T S & Associates

Chartered Accountants  
Firm Registration No: 142412W

### Anuj Bhatia

Partner  
Membership No.122179

Place: Mumbai  
Date: 25<sup>th</sup> May, 2018

**“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of Jai Corp Limited on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2018)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Jai Corp Limited (“the Company”)** as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors’ 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 Act, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For D T S & Associates**

Chartered Accountants

Firm Registration No: 142412W

**Anuj Bhatia**

Partner

Membership No.122179

Place: Mumbai

Date: 25<sup>th</sup> May, 2018

**“ANNEXURE B” TO INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 2 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Jai Corp Limited on the Standalone financial statements for the year ended 31<sup>st</sup> March, 2018)

## i. In respect of its fixed assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the Company has physically verified fixed assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- c. As per the information and explanation provided to us and the records examined by us and based on the examination of the registered sale deed/ conveyance deed, we report that, the title deeds, comprising all the immovable properties of, land and building which are freehold, are held in the name of the Company as at the balance sheet date and which are leasehold, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:-

Particulars	Actual Cost as at 31 <sup>st</sup> March 2018 (Rs. In lacs)	Net Block as at 31 <sup>st</sup> March 2018 (Rs. In lacs)	Remarks
Freehold/ Leasehold land (No of Lands: 7)	44.86	41.79	The title deeds are in the names of erstwhile Companies that merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to Schemes of Amalgamation and Arrangement as approved by the Honorable High Court.
Buildings (No of Buildings: 4)	8.85	5.27	Out of Rs. 8.85 Lacs, the title deeds of Rs. 4.45 Lacs are in the names of erstwhile Companies that merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to Schemes of Amalgamation and Arrangement as approved by the Honorable High Court.

## ii. In respect of its inventories:

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

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

- a. In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company.
  - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and /or receipts of interest have been regular as per stipulations.
  - c. There are no overdue amounts as at the year-end in respect of both principal and interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 & 186 of the Act as applicable, in respect of grant of loans and making investments.
- 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 provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods & service tax, cess and any other statutory dues to the appropriate authorities as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable
  - Details of dues of Income tax and sales tax / Value added tax aggregating to Rs. 2022.15 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)*	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income Tax	170.45	AY 2003-04 to AY 2006-07	Commissioner of Income Tax (Appeal)
		1,305.22	AY 2008-09, AY 2009-10, & AY 2015-16	Commissioner of Income Tax (Appeal)
		419.96	AY 2011-12 & AY 2013-14	ITAT
Central Excise Act, 1944	Excise Duty	3.43	2004-05	Commissioner (Appeal)
Bombay Sales Tax Act	Sales Tax	26.28	2000-01 & 2002-03	Maharashtra Sales Tax Tribunal
		96.81	2013-14	Joint Commissioner of Sales Tax (Appeal)
<b>Total</b>		<b>2022.15</b>		

(\*) Net of amount deposited under protest

- Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. During the year, the Company did not have any loans from financial institutions or by way of debentures.
- According to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and no term loans raised during the year. Therefore, provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- According to the information and explanations given to us, Company's transactions with the related parties are in compliance with section 177 and 188 of the Act as applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not raised any money by preferential allotment or private placement of share or debentures. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him, Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For D T S & Associates**

Chartered Accountants

Firm Registration No: 142412W

**Anuj Bhatia**

Partner

Membership No. 122179

Place: Mumbai

Date : 25<sup>th</sup> May, 2018

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018

		(Rs.in Lacs)	
Particulars	Note	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2	16,073.94	17,255.23
(b) Capital work-in-progress	2	2,036.33	629.49
(c) Investment properties	3	1,963.49	661.07
(d) Intangible assets	4	3.78	5.92
(e) Financial assets			
(i) Investments	5	1,12,571.58	1,50,680.00
(ii) Other Non-current financial assets	6	454.80	406.65
(f) Non-current tax assets (Net)	7	2,063.16	1,711.28
(g) Other Non-current assets	8	11,252.81	12,872.13
<b>2 Current assets</b>			
(a) Inventories	9	7,502.13	7,491.38
(b) Financial assets			
(i) Investments	10	1,336.66	2,364.64
(ii) Trade receivables	11	7,765.30	7,496.22
(iii) Cash and Cash Equivalents	12	874.65	380.63
(iv) Bank Balances other than (iii) above	13	503.72	554.44
(v) Loans	14	4.53	18.03
(vi) Other current financial assets	15	271.40	429.47
(c) Other current assets	16	2,247.82	2,129.79
(d) Assets classified as held for sale	17	15.48	878.77
<b>TOTAL ASSETS</b>		<b>1,66,941.58</b>	<b>2,05,965.14</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18(a)	1,784.71	1,784.71
(b) Other equity	18(b)	1,20,902.29	1,06,640.94
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	38,770.22	-
(b) Deferred tax liabilities (Net)	20	3,275.65	3,086.67
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	51.20	0.03
(ii) Trade payables	22	683.38	455.03
(iii) Other financial liabilities	23	1,259.30	93,579.84
(b) Other current liabilities	24	89.71	98.96
(c) Provisions	25	125.12	318.96
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,66,941.58</b>	<b>2,05,965.14</b>
<b>Significant accounting policies</b>	1		
<b>Notes to the financial statements</b>	1 to 46		

As per our report of even date

**For D T S & Associates**  
Chartered Accountants  
(Firm Registration No. 142412W)

**Anuj Bhatia**  
Partner  
Membership No. 122179

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

For and on behalf of the Board of Directors

**Anand Jain**  
Chairman  
(DIN 00003514)

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**Pramod Jaiswal**  
Chief Financial Officer

**A. Datta**  
Company Secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

		(Rs.in Lacs)	
Particulars	Note	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
I. Revenue From Operations	26	58,485.50	70,987.02
II. Other Income	27	1,631.20	1,526.11
<b>III. Total Revenue (I + II)</b>		<b>60,116.70</b>	<b>72,513.13</b>
IV. Expenses:			
Cost of Materials Consumed	28	36,832.79	41,900.39
Purchase of Stock-in-Trade		20.92	186.15
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	29	(373.87)	1,014.35
Excise duty expense		887.86	5,446.01
Employee Benefits Expense	30	4,770.89	5,256.21
Finance Costs	31	5,218.35	7,753.01
Depreciation and Amortization Expense		1,536.34	1,643.61
Other Expenses	32	6,932.24	8,702.62
<b>Total Expenses</b>		<b>55,825.52</b>	<b>71,902.34</b>
<b>V. Profit Before Exceptional items and Tax (III-IV)</b>		<b>4,291.18</b>	<b>610.79</b>
VI. Exceptional items		-	-
<b>VII. Profit Before Tax (V-VI)</b>		<b>4,291.18</b>	<b>610.79</b>
VIII. Tax Expense:	33		
(i) Current Tax		3,051.54	3,407.15
(ii) Deferred Tax (Credit)		(1,201.75)	(1,345.41)
		1,849.79	2,061.74
<b>IX. Net Profit/(Loss) After Tax (VII-VIII)</b>		<b>2,441.39</b>	<b>(1,450.95)</b>
<b>X. Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss	34	10,256.10	8,618.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		(18.33)	(24.63)
		10,237.77	8,593.44
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>XI. Total Comprehensive Income for the year (IX+X)(Comprising Profit/(Loss) and Other Comprehensive Income for the year)</b>		<b>12,679.16</b>	<b>7,142.49</b>
XII. Earnings per Equity Share:	43		
Basic & Diluted (in Rs.)		1.37	(0.81)
Face Value per Share (in Rs.)		1.00	1.00
Significant Accounting Policies	1		
Notes to the Financial Statements	1 to 46		

As per our report of even date

For and on behalf of the Board of Directors

**For D T S & Associates**  
Chartered Accountants  
(Firm Registration No. 142412W)

**Anand Jain**  
Chairman  
(DIN 00003514)

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**Anuj Bhatia**  
Partner  
Membership No. 122179

**Pramod Jaiswal**  
Chief Financial Officer

**A. Datta**  
Company Secretary

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**  
**STATEMENT OF CHANGES IN EQUITY**

(Rs.in Lacs)		(Rs.in Lacs)							(Rs.in Lacs)
Equity share capital		Number of shares		Amount					
As at 31 March 2016		17,84,49,410		1,784.71					
Changes during the year		-		-					
As at 31 March 2017		17,84,49,410		1,784.71					
Changes during the year		-		-					
As at 31 March 2018		17,84,49,410		1,784.71					
Other equity									
Particulars	Reserves and surplus					Equity component of preference shares	FVOCI - equity instruments	Remeasurements of defined benefit plans	Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings				
Opening balance as at 1 <sup>st</sup> April 2016	92.17	85.55	43,348.95	19,876.87	27,656.44	21,801.63	(12,778.66)	28.86	1,00,111.81
Total comprehensive income for the year	-	-	-	-	(1,450.95)	-	-	-	(1,450.95)
Loss for the year	-	-	-	-	-	-	8,546.90	46.54	8,593.44
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transactions during the year	-	3.45	-	(3.45)	-	-	-	-	-
Transfer from retained earnings on account of redemption of preference shares	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	(240.84)	-	-	-	(240.84)
Tax on dividends	-	-	-	-	(47.79)	-	-	-	(47.79)
Early Redemption of Preference Shares	-	-	-	-	-	(324.73)	-	-	(324.73)
Closing balance as at 31 <sup>st</sup> March 2017	92.17	89.00	43,348.95	19,873.42	25,916.86	21,476.90	(4,231.76)	75.40	1,06,640.94

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**  
**STATEMENT OF CHANGES IN EQUITY**

Particulars	Reserves and surplus					Equity component of preference shares	FVOCI - equity instruments	Remeasurements of defined benefit plans	Total
	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings				
Other equity									(Rs.in Lacs)
Opening balance as at 1 <sup>st</sup> April 2017	92.17	89.00	43,348.95	19,873.42	25,916.86	21,476.90	(4,231.76)	75.40	1,06,640.94
Total comprehensive income for the year									
Profit for the year	-	-	-	-	2,441.39	-	-	-	2,441.39
Other comprehensive income for the year	-	-	-	-	-	-	10,203.13	34.64	10,237.77
Transactions during the year									
Transfer from retained earnings on account of redemption of preference shares	-	35.02	-	(35.02)	-	-	-	-	-
Dividend Paid	-	-	-	-	(240.84)	-	-	-	(240.84)
Tax on dividends	-	-	-	-	(38.95)	-	-	-	(38.95)
Transfer from FVOCI - equity instruments on financial assets sold	-	-	-	-	8,216.78	-	(8,216.78)	-	-
Term Extension of Preference Shares (Net off tax)	-	-	-	-	-	2,584.62	-	-	2,584.62
Early Redemption of Preference Shares	-	-	-	-	-	(722.65)	-	-	(722.65)
Closing balance as at 31 <sup>st</sup> March 2018	92.17	124.02	43,348.95	19,838.40	36,295.24	23,338.87	(2,245.41)	110.03	1,20,902.29

As per our report of even date

For and on behalf of the Board of Directors

**For D T S & Associates**  
Chartered Accountants  
(Firm Registration No. 142412W)

**Anand Jain**  
Chairman  
(DIN 00003514)

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**Anuj Bhatia**  
Partner  
Membership No. 122179

**Pramod Jaiswal**  
Chief Financial Officer

**A. Datta**  
Company Secretary

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	(Rs.in Lacs)	
	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit and Loss	4,291.18	610.79
Adjusted for :		
Depreciation and Amortization Expense	1,536.34	1,643.61
Net (gain)/loss on foreign currency transaction and translation	(0.85)	48.96
Sundry Balances Written Off (Net)	20.75	10.06
Bad Debts	62.49	67.28
Profit on sale/discarding of PPE ( Net )	(673.67)	(151.32)
Gains on sales of Investments	(167.90)	(117.66)
Finance Costs	5,218.35	7,753.01
Interest Income	(20.78)	(29.17)
Fair value (gains) / losses on Financial assets classified and measured at FVTPL	(56.50)	1,365.77
Dividend Income	(368.51)	(211.48)
	<b>5,549.72</b>	<b>10,379.06</b>
<b>Operating Profit before Working Capital Changes</b>	<b>9,840.90</b>	<b>10,989.85</b>
Adjusted for :		
Trade & Other Receivables	(414.97)	483.41
Inventories	(10.76)	1,409.35
Trade and Other Payables	(23.60)	(1,999.42)
Cash generated from operations	<b>9,391.57</b>	<b>10,883.18</b>
Direct taxes paid	(3,403.42)	(3,679.04)
<b>Net Cash From Operating Activities</b>	<b>5,988.15</b>	<b>7,204.15</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of PPE	(1,656.79)	(1,603.53)
Sale of PPE	1,041.24	317.39
Purchase of Investment Property	(57.16)	-
Purchase of Intangible Assets	(3.00)	-
Purchase of Investments including Share Application Money		
- Subsidiaries	(893.50)	(15.00)
- Others	(92,879.98)	(39,151.00)
Reduction / Sale of Investments	1,44,194.20	38,578.40
Movement in Loans (Net)	7.11	(6.10)
Interest Income	24.19	30.55
Dividend Income	368.51	211.48
<b>Net Cash From/(used in) Investing Activities</b>	<b>50,144.82</b>	<b>(1,637.81)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

	(Rs.in Lacs)	
Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of Preference Shares	(55,503.34)	(5,237.96)
Fixed Deposits/Margin Money with Banks and Government Authorities (Net)	102.15	109.89
Unclaimed for Scheme of Arrangement	(0.03)	-
Finance Costs Paid	(9.11)	(5.72)
Dividend Paid including tax thereon	(279.79)	(288.62)
<b>Net Cash (used in) Financing Activities</b>	<b>(55,690.12)</b>	<b>(5,422.41)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>442.85</b>	<b>143.93</b>
Opening Balance of Cash and Cash Equivalents	380.60	236.67
Balance of Cash and Cash Equivalents	874.65	380.63
<b>Closing balance of Cash and Cash Equivalents</b>	<b>823.45</b>	<b>380.60</b>
Components of Cash and Cash Equivalents:		
Balances with Banks in Current Accounts	819.87	379.50
Cheques, Drafts in Hand	50.00	0.07
Cash on Hand	4.78	1.06
Less: Working Capital Loan from Bank repayable on Demand	(51.20)	(0.03)

### Notes

Changing Liabilities arising from financing activities of Non-current (Including Current Maturities) and Current Borrowings:

	(Rs.in Lacs)	
Particulars	31-03-2018	31-03-2017
Opening Balance of liabilities arising from financing activities	92,298.69	89,468.09
Add change on account of far Valuation	(55,303.34)	(5,237.96)
Closing Balance of liabilities arising from financing activities	1,974.87	8,068.57
	<b>38,770.22</b>	<b>92,298.69</b>

- 1 Bracket indicates cash outflow.
- 2 Previous year figures have been reclassified/regrouped wherever necessary
- 3 The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

### For D T S & Associates

Chartered Accountants  
(Firm Registration No. 142412W)

### Anuj Bhatia

Partner  
Membership No. 122179

Place : Mumbai

Date : 25<sup>th</sup> May, 2018

For and on behalf of the Board of Directors

### Anand Jain

Chairman  
(DIN 00003514)

### Gaurav Jain

Managing Director  
(DIN 00077770)

### Pramod Jaiswal

Chief Financial Officer

### A. Datta

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**Company Information**

Jai Corp Limited ('the Company') is a company limited by shares and is domiciled in India. The Company's registered office is at **A-3, M.I.D.C. Industrial Area, Nanded - 431 603**. These financial statements are the separate financial statements of the company. The company is primarily involved in manufacturing activities which produces Flexible intermediate bulk containers (FIBC Jumbo Bags), woven sacks and fabrics, manmade fiber yarns, Masterbatch and steel coils and sheets.

**Basis of Preparation**

The separate financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 133 of Companies Act, 2013 as per Companies (Indian Accounting Standards (Ind AS)) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

The Financial Statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities (including derivative instruments) measured at fair value; assets held for sale – measured at fair value less cost to sell and defined benefit plan assets measured at fair value.

**1 Significant accounting policies****a Investment in subsidiaries and associates**

Investments in subsidiaries and associates are accounted at cost in accordance with Ind AS 27 – Separate financial statements.

**b Foreign currency translation**

The functional currency of the company is Indian national rupee (INR) which is also the presentation currency. All other currencies are accounted for as foreign currency.

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.

Foreign currency monetary items are reported using the closing exchange rates. 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 initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is 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).

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

**c Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the company.

Revenue from operations includes sales of goods, services, scrap, commission, export incentives. Revenue includes excise duty wherever charged from the customer but excludes service tax and sales tax / value added taxes / Goods and Service Taxes.

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have passed to the customer. Amounts disclosed as revenue are inclusive of excise duty and net of returns, value added taxes and amounts collected on behalf of third parties.

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend Income is recognised when right to receive the payment is established by the balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Commission and job-work income are recognised on an accrual basis in accordance with the terms of relevant agreement.

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the Company against exports made by it are recognised as and when goods are imported against them.

### **d Income taxes**

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **e Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### **f Leases**

#### **As a lessee**

Leases where the company is a lessee and has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**g Impairment of non-financial assets**

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

**h Valuation of inventories**

In general, all inventories of finished goods, work-in-progress etc., are stated at lower of cost and net realisable value. 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 material and stores and spares are stated at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost is determined on FIFO basis in respect of Packaging / Spinning Division and on average basis in respect of Steel Division. Scrap and trial run products are valued at estimated net realisable value. Inventories of finished goods and scrap include excise duty wherever applicable.

**i Non – current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

**j Investments and financial assets****Classification**

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

**Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Measurement of debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss, is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

### Measurement of equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### De-recognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**k Derivatives and embedded derivatives**

The company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains / (losses).

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

**l Property, plant and equipment**

The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1st April, 2015 of the Property, plant and equipment is considered as a deemed cost on the date of transition. Property, plant and equipment are stated at cost of acquisition or construction, net of MODVAT / CENVAT, Value Added Tax Goods and Service Tax, less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price, borrowing cost if capitalisation criteria are met, and directly attributable cost of bringing the asset to its working conditions for the intended use.

**Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on straight-line method over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013 except acquisition of insurance spares and additions/extensions forming an integral part of existing plants, which are depreciated over residual life of the respective fixed assets. Residual values, useful lives and method of depreciation of PPE 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 change arises.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Property, plant and equipment where ownership vests with the Government/local authorities are amortised over the useful life of asset as prescribed in Part-C of Schedule II to the Companies Act, 2013.

**m Intangible assets**

The carrying value (Gross Block less accumulated amortisation) as on 1st April, 2015 of the Intangible assets is considered as a deemed cost on the date of transition. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

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

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. Residual values, useful lives and method of depreciation of assets 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 change arises.

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.

**n Investment properties**

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

Depreciation on investment properties are 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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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 statement of profit and loss in the period of derecognition.

### **o Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Preference shares which are mandatorily redeemable on a specific date are classified as a financial liability. Dividends on preference shares are recognised in statement of profit and loss.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

### **p Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss as finance costs.

### **q 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.

### **r Employee benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss for the year in which the related service is rendered.

Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

Re-measurement gains and losses pertaining to defined benefit obligations arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they occur

Compensated absences are accounted similar to the short term employee benefits.

Retirement benefits in the form of Provident Fund and other Funds are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

respective funds are due. There are no other obligations other than the contribution payable to the fund.

**s Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**t Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**u Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**v Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

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

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

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

**x 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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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.

### **y 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.

### **z 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.

#### **i) 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.

#### **ii) 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 financial statements.

#### **iii) 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.

#### **iv) 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.

#### **v) Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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.

vi) **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.

vii) **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.

viii) **Provisions:**

Provisions and liabilities are recognized 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.

ix) **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.

**aa Standards Issued But Not Effective:**

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

(i) **Issue of Ind AS 115 - Revenue from Contracts with Customers**

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

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

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

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 12 - Income Taxes

Applications of the above standards are not expected to have any significant impact on the Company's Financial Statements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note 2 - Property, plant and equipment

(Rs. In Lacs)

Particulars	Land- Leasehold	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>COST</b>								
At 1 <sup>st</sup> April, 2016	267.42	2,251.59	4,611.04	11,671.53	40.71	95.08	61.23	18,998.60
Additions	-	-	173.76	1,649.00	0.26	-	7.83	1,830.85
Disposals	-	0.31	0.52	282.31	0.17	20.99	0.99	305.29
At 31 <sup>st</sup> March, 2017	267.42	2,251.28	4,784.28	13,038.22	40.80	74.09	68.07	20,524.16
Additions	-	-	54.10	615.87	0.89	12.29	9.67	692.82
Disposals	18.33	17.84	75.87	394.70	-	9.76	0.46	516.96
At 31 <sup>st</sup> March, 2018	249.09	2,233.44	4,762.51	13,259.39	41.69	76.62	77.28	20,700.02
<b>ACCUMULATED DEPRECIATION</b>								
At 1 <sup>st</sup> April, 2016	6.29	-	216.49	1,420.54	11.97	13.53	15.75	1,684.57
Depreciation	6.27	-	217.10	1,370.56	12.05	10.54	12.65	1,629.17
Disposals	-	-	-	42.75	0.05	1.92	0.09	44.81
At 31 <sup>st</sup> March, 2017	12.56	-	433.59	2,748.35	23.97	22.15	28.31	3,268.93
Depreciation	6.04	-	220.78	1,259.27	8.05	7.93	10.99	1,513.06
Disposals	0.08	-	0.87	150.39	-	4.27	0.30	155.91
At 31 <sup>st</sup> March, 2018	18.52	-	653.50	3,857.23	32.02	25.81	39.00	4,626.08
<b>NET BLOCK</b>								
At 31 <sup>st</sup> March, 2017	254.86	2,251.28	4,350.69	10,289.87	16.83	51.94	39.76	17,255.23
At 31 <sup>st</sup> March, 2018	230.57	2,233.44	4,109.01	9,402.16	9.67	50.81	38.28	16,073.94
<b>CAPITAL WIP</b>								
At 31 <sup>st</sup> March, 2017								629.49
At 31 <sup>st</sup> March, 2018								2,036.33

2.1 Building includes **Rs. 0.01 Lacs** (Previous Year Rs. 0.01 Lacs as at 31<sup>st</sup> March, 2017) being the cost of shares in Co-operative Housing Society towards ownership of residential flats.

2.2 Gross Block of Plant and Equipments includes **Rs. 64.68 Lacs** (Previous Year Rs. 64.68 Lacs as at 31<sup>st</sup> March, 2017) and **Rs. 33.56 Lacs** (Previous Year Rs. 33.56 Lacs as at 31<sup>st</sup> March, 2017) being the amount spent for laying Power Line and Water Pipe Line respectively, the ownership of which vests with the respective Government Authorities.

2.3 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 respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried by the management there was no impairment loss on fixed assets during the year ended 31<sup>st</sup> March, 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## Note 3 - Investments Properties

(Rs.in Lacs)

Particulars	Land	Building	Total
<b>COST</b>			
<b>At 1<sup>st</sup> April, 2016</b>	<b>141.59</b>	<b>540.77</b>	<b>682.36</b>
Additions	-	-	-
Disposals	-	-	-
<b>At 31<sup>st</sup> March, 2017</b>	<b>141.59</b>	<b>540.77</b>	<b>682.36</b>
Additions	-	1,323.56	1,323.56
Disposals	-	-	-
<b>At 31<sup>st</sup> March, 2018</b>	<b>141.59</b>	<b>1,864.33</b>	<b>2,005.92</b>
<b>ACCUMULATED DEPRECIATION</b>			
<b>At 1<sup>st</sup> April, 2016</b>	-	10.66	10.66
Depreciation	-	10.63	10.63
Disposals	-	-	-
<b>At 31<sup>st</sup> March, 2017</b>	-	<b>21.29</b>	<b>21.29</b>
Depreciation	-	21.14	21.14
Disposals	-	-	-
<b>At 31<sup>st</sup> March, 2018</b>	-	<b>42.43</b>	<b>42.43</b>
<b>NET BLOCK</b>			
<b>At 31<sup>st</sup> March, 2017</b>	<b>141.59</b>	<b>519.48</b>	<b>661.07</b>
<b>At 31<sup>st</sup> March, 2018</b>	<b>141.59</b>	<b>1,821.90</b>	<b>1,963.49</b>

## 3.1. Fair value of investment properties

(Rs.in Lacs)

Particulars	31-Mar-2018	31-Mar-2017
Freehold land	2,262.59	2,158.34
Buildings	8,717.07	7,763.86
<b>Total</b>	<b>10,979.66</b>	<b>9,922.19</b>

## 3.2. Income from Investment Properties generating Rental Income

(Rs.in Lacs)

Particulars	31-Mar-2018	31-Mar-2017
Rental Income derived from investment properties	2.98	2.69
Direct Operating expenses (including repairs and maintenance) generating rental income	-	-
Income arising from investment properties before depreciation	2.98	2.69
Depreciation	0.19	0.19
Income from Investment properties (Net)	2.79	2.50

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### 3.3. Income from Investment Properties not generating Rental Income

(Rs.in Lacs)

Particulars	31-Mar-2018	31-Mar-2017
Rental Income derived from investment properties	-	-
Direct Operating expenses (including repairs and maintenance) generating rental income	35.32	30.78
Income arising from investment properties before depreciation	(35.32)	(30.78)
Depreciation	20.95	10.44
Income from Investment properties (Net)	(56.27)	(41.22)

### 3.4. Estimation of fair value of investment properties:

The best evidence of fair value is current price in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

### Note 4 - Intangible Assets

(Rs.in Lacs)

Particulars	Amount
<b>COST</b>	
<b>At 1<sup>st</sup> April, 2016</b>	<b>14.28</b>
Additions	-
Disposals	-
<b>At 31<sup>st</sup> March, 2017</b>	<b>14.28</b>
Additions	-
Disposals	-
<b>At 31<sup>st</sup> March, 2018</b>	<b>14.28</b>
<b>ACCUMULATED DEPRECIATION</b>	
<b>At 1<sup>st</sup> April, 2016</b>	4.55
Depreciation	3.81
Disposals	-
<b>At 31<sup>st</sup> March, 2017</b>	<b>8.36</b>
Depreciation	2.14
Disposals	-
<b>At 31<sup>st</sup> March, 2018</b>	<b>10.50</b>
<b>NET BLOCK</b>	
<b>At 31<sup>st</sup> March, 2017</b>	<b>5.92</b>
<b>At 31<sup>st</sup> March, 2018</b>	<b>3.78</b>

4.1 Intangible assets represents software other than self generated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## Note 5 - Investments

	(Rs.in Lacs)			
	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Quantity (No's)	Face value	Quantity (No's)	Face value
<b>A) In Subsidiaries carried at cost</b>				
<b>1. Equity Instruments</b>				
<b>a) Equity Shares - Unquoted fully paid-up</b>				
Jai Realty Ventures Limited (including 6 shares of Rs. 10 each fully paid-up held jointly with nominees)	35,55,500	10	355.55	10
Urban Infrastructure Venture Capital Limited (including 60 Shares of Rs. 5 each fully paid-up held jointly with nominees)	1,00,00,000	5	100.28	5
Urban Infrastructure Trustees Limited (including 6 Shares of Rs. 10 each fully paid-up held jointly with nominees)	50,000	10	5.01	10
Ashoka Realty and Developers Limited	50,000	10	5.00	10
Ekdant Realty & Developers Limited	50,000	10	5.00	10
Hari Darshan Realty Limited	50,000	10	5.00	10
Hill Rock Construction Limited	50,000	10	5.00	10
Hind Agri Properties Limited	50,000	10	5.00	10
Iconic Realtors Limited	75,000	10	7.50	10
Jailaxmi Realty and Developers Limited	50,000	10	5.00	10
Krupa Land Limited	85,000	10	8.50	10
Krupa Realtors Limited	50,000	10	5.00	10
Multifaced Impex Limited	80,000	10	844.89	10
Novelty Realty & Developers Limited	50,000	10	5.00	10
Rainbow Infraprojects Limited	50,000	10	5.00	10
Rudradev Developers Limited	50,000	10	5.00	10
Swar Land Developers Limited	50,000	10	5.00	10
Swastik Land Developers Limited	50,000	10	4.81	10
Vasant Bahar Realty Limited	50,000	10	5.00	10
Welldone Real Estate Limited	50,000	10	5.00	10
Yug Developers Limited	50,000	10	5.00	10
Jai Corp Welfare Foundation	50,000	10	5.00	10
<b>Total equity shares</b>			<b>1,401.54</b>	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Rs.in Lacs)

	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>b) 1% Optionally convertible non cumulative redeemable preference shares - Unquoted fully paid up</b>						
Jai Realty Ventures Limited	5,000	10	50.00	5,000	10	50.00
Hari Darshan Realty Limited	10,200	10	102.00	10,200	10	102.00
Hill Rock Construction Limited	9,550	10	95.50	9,550	10	95.50
Multifaced Impex Limited	450	10	4.50	450	10	4.50
Vasant Bahar Realty Limited	3,300	10	33.00	3,300	10	33.00
Welldone Real Estate Limited	7,350	10	73.50	7,350	10	73.50
Yug Developers Limited	5,000	10	50.00	5,000	10	50.00
<b>Total Preference shares</b>			<b>408.50</b>			<b>408.50</b>
<b>c) 0% Optionally fully convertible debentures - Unquoted fully paid up</b>						
Ekdant Realty & Developers Limited	1,67,500	1,000	1,675.00	1,67,500	1,000	1,675.00
Hari Darshan Realty Limited	78,622	1,000	786.22	78,622	1,000	786.22
Hill Rock Constructions Limited	76,595	1,000	765.95	53,325	1,000	533.25
Hind Agri Properties Limited	24,400	1,000	244.00	24,400	1,000	244.00
Iconic Relators Limited	11,93,050	1,000	11,930.50	11,93,050	1,000	11,930.50
Jai Laxmi Realty & Developers Limited	1,94,200	1,000	1,942.00	1,94,200	1,000	1,942.00
Krupa Land Limited	2,01,008	1,000	2,010.08	1,98,508	1,000	1,985.08
Krupa Realtors Limited	82,600	1,000	826.00	82,600	1,000	826.00
Multi Faced Impex Limited	10,650	1,000	106.50	10,150	1,000	101.50
Novelty Realty & Developers Limited	97,900	1,000	979.00	97,900	1,000	979.00
Rainbow Infraprojects Limited	1,23,300	1,000	1,233.00	1,23,300	1,000	1,233.00
Rudradev Developers Limited	1,17,400	1,000	1,174.00	1,17,400	1,000	1,174.00
Swar Land Developers Limited	2,51,500	1,000	2,515.00	1,90,000	1,000	1,900.00
Vasant Bahar Realty Limited	12,214	1,000	122.14	11,934	1,000	119.34
Welldone Real Estate Limited	47,255	1,000	472.55	47,255	1,000	472.55
Yug Developers Limited	1,13,925	1,000	1,139.25	1,13,425	1,000	1,134.25
Jai Realty Ventures Limited	12,38,800	1,000	12,388.00	12,38,800	1,000	12,388.00
Share application money towards OFCD's of subsidiary companies			8.00			-
<b>Total Debentures</b>			<b>40,317.19</b>			<b>39,423.69</b>
<b>Total Equity Instruments</b>			<b>42,127.23</b>			<b>41,233.73</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

	(Rs.in Laacs)			
	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Quantity (No's)	Face value	Quantity (No's)	Face value
<b>Deemed investment on inter-corporate deposits</b>				
Jai Realty Ventures Limited		8,269.26		8,269.26
<b>Total investments in subsidiaries</b>		<u>50,396.49</u>		<u>49,502.99</u>
<b>B) In Associates carried at cost</b>				
<b>1. Equity Instruments</b>				
<b>a) Equity Shares - Unquoted fully paid-up</b>				
Urban Infrastructure Holdings Pvt. Limited	11,35,17,714	10	11,35,17,714	10
<b>Total equity Shares</b>		<u>11,351.77</u>		<u>11,351.77</u>
<b>b) In debentures - Unquoted fully paid-up</b>				
Zero percent fully compulsorily convertible debentures of Urban Infrastructure Holdings Pvt. Limited	57,51,540	100	27,33,540	100
Zero percent fully compulsorily convertible debentures of Urban Infrastructure Holdings Pvt. Limited	8,52,27,110	10	8,52,27,110	10
Share application money towards Debentures of Associate Company	-	-	-	-
<b>Total debentures</b>		<u>15,783.25</u>		<u>11,256.25</u>
<b>Investments in associate</b>		<u>27,135.02</u>		<u>22,608.02</u>
<b>C) In Others</b>				
<b>(i) Financial assets classified and measured at Fair value through other comprehensive income</b>				
<b>1. Equity Instruments</b>				
<b>a) Equity Shares - Unquoted fully paid up</b>				
Mumbai SEZ Limited	22,93,77,346	10	22,456.04	10
Rewas Ports Limited	5,00,00,000	10	4,505.00	10
Gold Bricks Infrastructure Pvt. Limited	8,06,700	10	282.75	10
Neelkanth Realty Pvt. Ltd. (Refer note 5.1 below)	2,13,333	10	77.33	10
Neelkanth Rice Lands Pvt. Limited	80,000	10	72.77	10
Nirmal Infrastructure Pvt. Limited (Refer Note 5.2 below)	1,09,000	10	100.00	10
Ozone Projects Pvt. Limited	9,57,133	10	-	10
Ozone Urbana Infra Developers Pvt. Limited	4,44,143	10	636.17	10
Sterling Urban Infraprojects Pvt. Limited	-	-	-	10
Supernal Realtors Pvt. Limited	26,667	10	-	10
Vengas Realtors Pvt. Limited	26,667	10	-	10

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>b) Equity Shares - Unquoted Partly paid up</b>						
Nilayami Realtors Pvt. Ltd. (Rs. 5/- paid up each)	1,06,000	10	67.27	1,06,000	10	84.85
<b>c) Equity Shares - Quoted fully paid up</b>						
Reliance Industries Ltd.	5,10,178	10	4,503.85	35,22,000	10	46,462.22
<b>Total investment in equity shares</b>			<b>32,701.18</b>			<b>75,410.14</b>
<b>d) 0% Fully Compulsorily Convertible Debentures - Unquoted fully paid up</b>						
Neelkanth Realty Pvt. Ltd. (Refer note 5.1 below)	33,600	100	33.60	33,600	100	33.60
Neelkanth Rice Lands Pvt. Ltd.	11,200	1,000	126.93	11,200	1,000	145.52
Supernal Realtors Pvt. Ltd.	18,721	-	-	18,721	-	-
Vengas Realtors Pvt. Ltd.	26,733	-	-	26,733	-	-
<b>e) 0% Fully Compulsorily Convertible Debentures - Unquoted partly paid up</b>						
Nilayami Realtors Pvt. Ltd. (Rs. 10/- paid up each) (FCCD)	8,480	1,000	0.63	8,480	1,000	16.26
<b>Total debentures</b>			<b>161.16</b>			<b>195.38</b>
<b>Total equity instruments at FVOCI</b>			<b>32,862.34</b>			<b>75,605.52</b>
<b>(ii) Financial assets classified and measured at FVTPL</b>						
<b>Units</b>						
HDFC India Real Estate Fund	8,886	1,000	79.81	8,886	1,000	85.75
Urban Infrastructure Opportunities Fund	7,619	49,430	2,097.92	7,619	60,430	2,877.72
<b>Total units at FVTPL</b>			<b>2,177.73</b>			<b>2,963.47</b>
<b>Total non-current investments</b>			<b>1,12,571.58</b>			<b>1,50,680.00</b>
<b>Aggregate amount of quoted investments and market value thereof</b>			<b>4,503.85</b>			<b>46,462.22</b>
<b>Aggregate amount of unquoted investments</b>			<b>1,08,067.73</b>			<b>1,04,217.78</b>
5.1 Original Share / Debenture Certificates have been misplaced and steps are being taken to obtain duplicate certificates.						
5.2 Original Equity shares of Nirmal Infrastructure Private Ltd. have been kept in Escrow Account and proposed transaction for disposal of investment is being executed.						
5.3 Investments classified as:						
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2018</b>			<b>As at 31<sup>st</sup> March, 2017</b>		
At Cost			77,531.51			72,111.01
At FVOCI			32,862.34			75,605.52
At FVTPL			2,177.73			2,963.47
			<b>1,12,571.58</b>			<b>1,50,680.00</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

<b>Note 6 - Other non current financial assets</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
Bank Deposits with more than 12 months maturity (refer note 6.1 below)	75.74	126.04	
Security Deposits	379.06	280.61	
<b>Total</b>	<b>454.80</b>	<b>406.65</b>	

6.1 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department, Sales-tax Department and Customs Authorities

75.74

126.04

<b>Note 7 - Non current tax assets (Net)</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
Income-tax	2,063.16	1,711.28	
<b>Total</b>	<b>2,063.16</b>	<b>1,711.28</b>	

<b>Note 8 - Other non current assets</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
Capital advances	11,240.36	12,856.96	
Prepaid Expenses	12.45	15.17	
<b>Total</b>	<b>11,252.81</b>	<b>12,872.13</b>	

<b>Note 9 - Inventories</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
<b>Raw Materials</b>			
Goods-in-Transit	82.17	16.83	
Others	2,209.13	2,657.33	
<b>Work-in-Progress</b>	997.97	1,091.68	
<b>Finished Goods</b>			
Goods-in-Transit	891.53	1,080.28	
Others	2,563.67	1,939.19	
<b>Stores and Spares</b>	702.17	682.43	
<b>Scrap</b>	55.49	23.64	
<b>Total</b>	<b>7,502.13</b>	<b>7,491.38</b>	

9.1. For mode of valuation please refer note no 1 (h)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note 10- Current investments

(Rs.in Lacs)

	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>(i) Financial assets classified and measured at Amortised Cost</b>						
<b>a) 1% Redeemable Non Cumulative Preference shares - Unquoted fully paid up</b>						
Ashoka Realty and Developers Limited	-	-	-	9,50,000	10	95.00
Swastik Land Developers Limited	-	-	-	9,50,000	10	95.00
Swarland Developers Limited	-	-	-	40,000	10	4.00
<b>Total Preference shares</b>			<b>-</b>			<b>194.00</b>
<b>(ii) Financial assets classified and measured as fair value through profit and loss</b>						
<b>a) Mutual Funds - Unquoted Fully Paid-up</b>						
Birla Sunlife Floating Rate Fund Short Term Plan Growth Direct Plan	3,60,048.812	100	835.26	1,96,487.193	100	426.09
Birla Sunlife Savings Fund -Growth Direct Plan	1,45,788.959	100	501.40	5,44,982.437	100	1,744.55
<b>Total Units in Mutual Funds at FVTPL</b>			<b>1,336.66</b>			<b>2,170.64</b>
<b>Total Current Investments</b>			<b>1,336.66</b>			<b>2,364.64</b>
Aggregate amount of quoted investments and market value thereof			-			-
Aggregate amount of unquoted investments			1,336.66			2,364.64

10.1 Refer Note No. 1 ( J ) for the mode of valuation of current investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Note 11 - Trade receivables		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
<b>Unsecured, considered good</b>			
Trade Receivables	7,765.30	7,496.22	
<b>Total</b>	<b>7,765.30</b>	<b>7,496.22</b>	

Note 12 - Cash and Cash Equivalents		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
<b>Cash and Cash Equivalents</b>			
Balances with Banks in Current Accounts	819.87	379.50	
Cheques, Drafts in Hand	50.00	0.07	
Cash on Hand	4.78	1.06	
<b>Total</b>	<b>874.65</b>	<b>380.63</b>	

12.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
Balances with Banks in Current Accounts	819.87	379.50	
Cheques, Drafts in Hand	50.00	0.07	
Cash on Hand	4.78	1.06	
	874.65	380.63	
Less: Working Capital Loan from Bank repayable on Demand	51.20	0.03	
	<b>823.45</b>	<b>380.60</b>	

Note 13 - Bank Balance other than Cash and Cash Equivalents		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
<b>Other Bank Balances - Earmarked</b>			
Unpaid Dividend Accounts	37.80	36.67	
Fixed Deposits with banks	465.92	517.77	
<b>Total</b>	<b>503.72</b>	<b>554.44</b>	

<b>Earmarked Balances with Bank:</b>			
13.1 Fixed Deposits with Banks as Deposit with Various Government Departments.	86.92	143.68	
13.2 Fixed Deposits with Bank pledged against Bank Overdraft Facility	379.00	374.09	

Note 14 - Current financial assets - Loans		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
<b>Unsecured, considered good unless otherwise specified</b>			
<b>Loans and advances to related parties</b>			
Inter-corporate deposits (Refer Note No. 39)	-	7.11	
<b>Others</b>			
Interest Receivable	4.53	10.92	
<b>Total</b>	<b>4.53</b>	<b>18.03</b>	

14.1 Inter Corporate Deposits given for the working capital need of the subsidiary companies.			
Note 15 - Other current financial assets		(Rs. In Lacs)	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Other Advances	271.40	429.47
<b>Total</b>	<b>271.40</b>	<b>429.47</b>

15.1 Other Advances mainly includes Claims & Discount receivables from various parties and other receivables etc.

### Note 16 - Other current assets

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Export Incentive Receivable	147.94	184.58
Balance with Customs, Excise & GST Authorities	1,429.55	532.50
Other Advances	670.33	1,412.71
<b>Total</b>	<b>2,247.82</b>	<b>2,129.79</b>

16.1 Other Advances mainly includes Advance to Suppliers, VAT Receivables, Cenvat receivable, Export Incentive Licences etc.

### Note 17 - Assets held for sale

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Property, Plant & Equipments Held for Disposal (refer note 17.1 below)	15.48	22.00
Investment in equity shares measured at fair value through other comprehensive income (refer 17.2 below)	-	856.77
<b>Total</b>	<b>15.48</b>	<b>878.77</b>

17.1 Assets held for sale represents Plant and Machineries discarded in current year and earlier years and not in use and are carried at estimated net realisable value as determined by the management.

17.2 During the previous year promoters of Earnest Towers Pvt Ltd. proposed to purchase the entire stake of Jai Corp Limited for sum of Rs. 856.77 Lacs which was accepted by the Company and classified as Assets Held for Sale in the Previous Year.

### Note 18 (a) - Equity share capital

(Rs. in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Authorised:</b>		
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	4,500.00	4,500.00
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000 Preference Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	150.00	150.00
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000 Unclassified Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	350.00	350.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued and Subscribed:</b>		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	1,784.94	1,784.94
<b>TOTAL</b>	<b>1,784.94</b>	<b>1,784.94</b>
<b>Paid-Up:</b>		
17,84,49,410 Equity Shares of Re. 1 each fully paid up (17,84,49,010 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	1,784.49	1,784.49
Add: Forfeited Shares (Amount originally paid on 4,460 (4,460) shares of Rs. 10 each)	0.22	0.22
<b>TOTAL</b>	<b>1,784.71</b>	<b>1,784.71</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**18(a).1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:**

Particulars	2017-18		2016-17	
	(In Nos.)	(Rs. In Lacs)	(In Nos.)	(Rs. In Lacs)
Shares outstanding at the beginning of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49
Shares outstanding at the end of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49

**18(a).2 The terms / rights attached to the Equity Shares:**

The holder of equity shares of Re. 1 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

**18(a).3 Details of shares in the Company held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
<b>Equity Shares:</b>				
Harsh Jain	2,32,53,153	13.03	2,32,51,560	13.03
Aero Trust	2,17,19,120	12.17	-	-
Iceberg Trust	2,12,73,120	11.92	-	-
Satyapal Jaikumar Jain	1,82,11,800	10.21	1,82,11,800	10.21
Sushma Jain	1,61,30,740	9.04	1,61,30,740	9.04
Laxmi Jain	1,42,53,540	7.99	1,42,53,540	7.99
Gaurav Jain	1,05,28,794	5.90	1,05,27,200	5.90
Rina Jain	-	-	2,17,19,220	12.17
Ankit Jain	-	-	1,54,01,700	8.63

**18(a).4 Forfeited shares (Amount originally paid up):**

(Rs. In Lacs)

Particulars	2017-18	2016-17
44,600 (Previous Year 44,600) Equity Shares of Re.1 each (Originally 4,460 Equity Shares of Rs.10/- each)	0.22	0.22

**Note 18 (b) - Other equity**

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Capital reserve</b>		
Opening balance	92.17	92.17
Transaction during the year	-	-
<b>Closing balance</b>	<b>92.17</b>	<b>92.17</b>

Nature and Purpose - The Reserve was created in pursuant to scheme for the merger of Comet Steels Ltd and Sipta Coated Steels Ltd with Jai Corp Ltd. The reserve will be utilized in the compliance with the provisions of the Company's Act, 2013.

(Rs.in Lacs)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Capital redemption reserve</b>		
Opening balance	89.00	85.55
Transaction during the year -		
Transfer from retained earnings on account of redemption of preference shares	35.02	3.45
<b>Closing balance</b>	<b>124.02</b>	<b>89.00</b>

Nature and Purpose - The reserve was created upon the redemption of preference shares and will be utilised with the compliance of the provisions of the Company's Act, 2013.

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Securities premium reserve</b>		
Opening balance	43,348.95	43,348.95
Transaction during the year	-	-
<b>Closing balance</b>	<b>43,348.95</b>	<b>43,348.95</b>

Nature and Purpose - Securities premium was created when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>General reserve</b>		
Opening balance	19,873.42	19,876.87
Transaction during the year -		
Transfer to capital redemption reserve	(35.02)	(3.45)
<b>Closing balance</b>	<b>19,838.40</b>	<b>19,873.42</b>

Nature and Purpose - 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.

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Retained earnings</b>		
Opening balance	25,916.86	27,656.44
Transaction during the year -		
Net profit / (loss) for the year	2,441.39	(1,450.95)
Dividends Paid	(240.84)	(240.84)
Tax on dividends	(38.95)	(47.79)
Transfer from FVOCI - equity instruments on financial assets sold	8,216.78	-
<b>Closing balance</b>	<b>36,295.24</b>	<b>25,916.86</b>

Nature and Purpose - Retained earnings represents the accumulated profits / losses made by the Company over the years.

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>FVOCI - Equity instruments</b>		
Opening balance	(4,231.76)	(12,778.66)
Transaction during the year -		
Profits realised on sale of equity instruments transferred to retained earnings	(8,216.78)	-
Fair value gains and losses on restatement to fair value on reporting date	10,203.13	8,546.90
<b>Closing balance</b>	<b>(2,245.41)</b>	<b>(4,231.76)</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Nature and Purpose - The company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income.

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Remeasurements of defined benefit plans</b>		
<b>Opening balance</b>	<b>75.40</b>	<b>28.86</b>
Transaction during the year -		
Actuarial gains	52.97	71.17
Deferred tax	(18.33)	(24.63)
<b>Closing balance</b>	<b>110.03</b>	<b>75.40</b>

Nature and purpose - Other comprehensive income also comprises of re-measurements of defined benefit obligations.

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Equity component of preference shares issued</b>		
<b>Opening balance</b>	<b>21,476.90</b>	<b>21,801.63</b>
Transaction during the year -		
Term Extension of Preference Shares	3,957.02	-
Deferred tax on above	(1,372.40)	-
Early Reception of Preference Shares	(722.65)	(324.73)
<b>Closing balance</b>	<b>23,338.87</b>	<b>21,476.90</b>

Nature and purpose - The difference between the fair value of preference shares on the date of issue / modification and the transaction price is recognised as a deemed equity component by the promoters.

Estimation of fair value - For computation of the below fair value benefit, the company has estimated the fair value of the financial liability on the date of issue / modification by considering comparable market interest rates adjusted to the facts and circumstances relevant to the company.

		(Rs.in Lacs)
<b>Total other equity as at 31st March 2018</b>		
31-Mar-17		1,06,640.94
31-Mar-18		1,20,902.29

Note 19 - Non - current financial liabilities - Borrowings		(Rs. In Lacs)
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Borrowings other than from banks</b>		
<b>Unsecured</b>		
1% Non-Cumulative, Non-Participating Redeemable Preference Shares (refer note 19.1 below)	38,770.22	-
<b>Total</b>	<b>38,770.22</b>	<b>-</b>

#### 19.1 The terms / rights attached to the Preference Shares:

On 27<sup>th</sup> November, 2007 1,50,00,000 1% Non - cumulative, Non - Participating Redeemable Preference Shares of Re.1 each fully paid-up were allotted. Subsequently 1,24,02,000 shares have been redeemed in various tranches and the balance 25,98,000 are redeemable at a premium of 6 % p.a. from the date of allotment over and above the total issue price of Rs. 1,000/- per share which were rolled over for a further period of two years with effect from 26<sup>th</sup> November, 2017 as approved by share holders at their meeting held on 12<sup>th</sup> September, 2017 these Preference shares are to be redeemable on 25<sup>th</sup> November, 2019. The Preference Shareholders have a preferential right to dividend of 1% per annum, carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company and have no voting rights.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### 19.2 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
<b>Preference Shares:</b>				
Harsh Jain	-	-	4,00,000	6.56
Sushma Jain	5,77,750	22.24	6,23,300	10.22
Gaurav Jain	-	-	5,41,250	8.87
LJNK Trust	1,80,120	6.93	-	-
Neha Bagaria	3,35,000	12.89	3,35,000	5.49
Prime Trust	8,66,000	33.33	17,03,300	27.92
Mega Trust	3,27,800	12.62	9,84,980	16.15
IIFL Cash Opportunities Fund	-	-	6,22,000	10.20

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

Particulars	2017-18		2016-17	
	(In Nos.)	(Rs. In Lacs)*	(In Nos.)	(Rs. In Lacs)*
Shares outstanding at the beginning of the year	60,99,900	61.00	64,44,900	64.45
Less: Shares redeemed during the year	35,01,900	35.02	3,45,000	3.45
Shares outstanding at the end of the year	25,98,000	25.98	60,99,900	61.00

\* Preference shares value shown above is valued at its Face Value.

### Note 20 - Deferred tax liabilities

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Deferred tax liabilities</b>		
Related to Property, plant and Equipments	2,161.56	2,136.53
Related to redeemable preference share liability	1,155.96	1,008.22
Financial assets measured at FVOCI	-	38.13
Taxable temporary differences on financial assets measured at FVTPL	1.43	2.89
<b>Deferred tax assets</b>		
Disallowance Under the Income-tax Act, 1961	43.30	60.97
Financial assets measured at FVOCI	-	38.13
<b>Net deferred tax liability</b>	<b>3,275.65</b>	<b>3,086.67</b>

### 20.1 Movement in Deferred Tax Liabilities

(Rs. In Lacs)

	PPE	Pref. Share Liab	Financial assets measured at FVTPL	Disallowance under the Income Tax Act	Others	Total
As at 1 <sup>st</sup> April, 2016	1,957.69	2,513.20	0.47	(63.07)	(0.85)	4,407.44
Charged/(Credited)						
- to Profit & Loss	178.84	(1,504.98)	2.42	(22.53)	0.85	(1,345.41)
- to Other Comprehensive Income	-	-	-	24.63	-	24.63
As at 31 <sup>st</sup> March, 2017	2,136.53	1,008.22	2.89	(60.97)	-	3,086.67
Charged/(Credited)						
- to Profit & Loss	25.03	(1,224.66)	(1.46)	(0.66)	-	(1,201.75)
- to Other Comprehensive Income	-	-	-	18.33	-	18.33
- to Other Components of Equity	-	1,372.40	-	-	-	1,372.40
<b>As at 31<sup>st</sup> March, 2018</b>	<b>2,161.56</b>	<b>1,155.96</b>	<b>1.43</b>	<b>(43.30)</b>	<b>-</b>	<b>3,275.65</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**20.2 Unrecognised deferred tax assets:****a) On Deductible temporary differences -**

Deferred tax assets are not recognised for certain deductible temporary differences arising on fair valuation of investments to the extent of **Rs. 31,648.24 Lacs** ( 31<sup>st</sup> March 2017 - 29,340.17 Lacs) because it is not probable that future taxable profits will be available against which these deductible temporary differences can be utilised.

Capital Losses

(Rs. In Lacs)

In relation to Financial Year ending	As at 31 <sup>st</sup> March 2018	Expiry Year	As at 31 <sup>st</sup> March 2017	Expiry Year
2015-2016	8.31	2023-2024	8.31	2023-2024
2016-2017	607.10	2024-2025	607.10	2024-2025
2017-2018	183.40	2025-2026	-	-

**Note 21 - Current financial liabilities - Borrowings**

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Secured Loans</b>		
Working Capital Loans from Banks repayable on Demand (refer note 21.1 below)	51.20	0.03
<b>Total</b>	<b>51.20</b>	<b>0.03</b>

21.1. Rs. 51.20 Lacs (Previous year Rs. 0.03 Lacs as at 31<sup>st</sup> March, 2017) is secured against pledge of fixed deposits with a bank.

**Note 22 - Trade payables**

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Micro, Small and Medium Enterprises	-	9.72
Others	683.38	445.31
<b>Total</b>	<b>683.38</b>	<b>455.03</b>

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

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
a) Principal amount Outstanding	-	9.72
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, along with amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable in the succeeding years.	-	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

<b>Note 23 - Other current financial liabilities</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
Current Maturities of Non-current Borrowings	-	92,298.69	
Unpaid Dividends	37.80	36.67	
Unclaimed for Scheme of Arrangement	38.77	38.80	
Creditors for Capital Expenditure	91.67	2.00	
<b>Other Payables</b>			
Others	1,091.06	1,203.68	
<b>Total</b>	<b>1,259.30</b>	<b>93,579.84</b>	

23.1 Unclaimed Dividends does not include amount, due and outstanding, to be credited to Investor Education and Protection Fund.

23.2 Others Includes Security Deposits from Dealers and Liability for expenses etc.

<b>Note 24 - Other current liabilities</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
Advances from Customers	0.11	23.63	
Statutory Dues	88.80	74.33	
Others (Refer Note 24.1 below)	0.80	1.00	
<b>Total</b>	<b>89.71</b>	<b>98.96</b>	

24.1 others includes advance rent etc.

<b>Note 25 - Provisions - Current</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	
<b>Provision for employee benefits</b>			
Gratuity (Funded) (Refer Note No. 42)	24.62	30.21	
Leave Encashment	100.50	145.95	
<b>Others</b>			
Provision for Excise Duty	-	142.80	
<b>Total</b>	<b>125.12</b>	<b>318.96</b>	

25.1 The Company had recognised liability based on substantial degree of estimation for excise duty payable on the clearance of goods lying in stock as on 31<sup>st</sup> March, 2017 of Rs. 142.80 Lacs as per the estimated pattern of dispatches. During the year 2017-18, Rs. 142.80 Lacs was utilised for clearance of goods.

<b>Note 26 - Revenue from operations</b>		(Rs.in Lacs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Sale of Products (including excise duty)	55,897.56	69,603.84	
Traded Goods	21.42	186.15	
Sale of Services	2,267.66	680.88	
Other Operating Revenue	298.86	516.15	
<b>Total</b>	<b>58,485.50</b>	<b>70,987.02</b>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## Note 27 - Other income

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Interest Income from Financial Assets measured at amortised cost		
From Inter-Corporate Deposits	0.54	0.35
From Fixed Deposits	41.00	70.52
From Customers	233.47	38.99
From Others	13.71	7.36
Dividend Income		
From Non-current investments - Subsidiary	50.00	211.48
From Equity Investments designated at FVOCI	318.51	-
Profit on Sale of Investments (Net)		
From Non-current investments	-	0.12
From Current Investments	167.90	117.54
Rent Income	2.98	2.69
Profit on Sale of Plant, Property and Equipments (Net)	673.67	151.32
Net Gain on Foreign Currency Transactions and Translation	15.61	-
Insurance Claim Received (Refer Note No. 27.1 below)	-	536.36
Miscellaneous Income (Refer Note No. 27.2 below)	57.31	389.38
Fair value changes (net) on financial assets classified as fair value through profit and loss - net income	56.50	-
<b>Total</b>	<b>1,631.20</b>	<b>1,526.11</b>

27.1 During the previous year Insurance Claim received includes Rs. 525.69 Lacs on account of final settlement of Loss of Profit (LOP) in respect of the Company's claim arising due to a major fire on 11<sup>th</sup> October, 2012 at one of the Company's HDPE/PP woven sacks units located at Daman.

27.2 Miscellaneous Income includes **Rs. 24.86 Lacs** (Previous Year Rs. 308.02 Lacs) on account of refund of excess electricity charges paid and **Rs. Nil** (Previous Year Rs. 40.53 Lacs) towards refund of excess excise duty.

## Note 28 - Cost of materials consumed

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Opening Stock of Raw Material	2,674.16	3,011.98
Less: Cost of Raw Material Sold	1.63	-
Add: Purchases	36,451.56	41,562.57
	<b>39,124.09</b>	<b>44,574.55</b>
Less: Closing Stock of Raw Material	2,291.30	2,674.16
<b>Cost of Materials consumed</b>	<b>36,832.79</b>	<b>41,900.39</b>

## Note 29 - Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>At the end of the Year</b>		
Finished Goods	3,455.20	3,019.47
Work-in-Progress	997.97	1,091.68
Scrap	55.49	23.64
	<b>4,508.66</b>	<b>4,134.79</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>At the beginning of the Year</b>		
Finished Goods	3,019.47	4,343.92
Work-in-Progress	1,091.68	761.13
Scrap	23.64	44.09
	<u>4,134.79</u>	<u>5,149.14</u>
<b>Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade</b>	<b>(373.87)</b>	<b>1,014.35</b>

**Note 30 - Employee benefits expense**

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Salaries, Wages and Perquisites	4,481.90	4,874.47
Contribution to Provident, Gratuity and Other Funds	246.43	337.00
Staff Welfare Expenses	42.56	44.74
<b>Total</b>	<b>4,770.89</b>	<b>5,256.21</b>

**Note 31 - Finance costs**

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Interest expense on redeemable preference shares measured at amortized cost	5,209.24	7,747.29
Interest on Other	9.11	5.72
<b>Total</b>	<b>5,218.35</b>	<b>7,753.01</b>

**Note 32 - Other expenses**

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Stores, Spare parts and Packing Materials Consumed	1,563.79	1,491.06
Power and Fuel	2,729.93	2,933.35
Job Work Charges	10.36	198.76
Repairs to Machinery	74.19	83.62
Repairs to Buildings	25.52	42.57
Advertisement, Publicity and Sales Promotion Expenses	20.23	26.37
Brokerage and Commission	489.33	311.36
Freight Outward, Handling charges and Octroi (Net)	598.56	670.60
Payment to Auditors (Refer Note No. 32.1 below)	45.93	72.06
Rent	81.29	93.26
Rates and Taxes	90.63	59.09
Repairs & Maintenance - Others	23.09	41.45
Insurance	136.45	180.49
Legal, Professional and Consultancy Charges	454.49	374.80
Travelling and Conveyance	71.64	110.00
Directors' Sitting Fees	5.83	6.03
Donations	5.00	5.00
Bank Charges	13.08	13.75
Net Loss on Foreign Currency Transactions and Translations	-	67.32
Bad Debts	62.49	67.28
Sundry Balances Written Off (Net)	20.75	10.06
Corporate Social Responsibilities Expenditure	149.92	209.95
Miscellaneous Expenses	259.74	268.62
Fair value changes (net) on financial assets classified as fair value through profit and loss - net expense	-	1,365.77
<b>Total</b>	<b>6,932.24</b>	<b>8,702.62</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

32.1 Payment to Auditors		(Rs.in Lacs)	
Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017	
Audit Fees	36.00	36.00	
Tax Audit Fees	-	10.00	
Certification Charges	9.00	25.07	
Reimbursement of Expenses	0.93	0.99	
<b>Total</b>	<b>45.93</b>	<b>72.06</b>	

## 32.2 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. 142.33 Lacs** (Previous Year Rs. 188.66 Lacs)
- b) Expenditure related to Corporate Social Responsibility is **Rs. 149.92 Lacs** (Previous Year Rs. 209.95 Lacs).

		(Rs. In Lacs)	
Particulars	2017-18	2016-17	
Education	84.59	162.44	
Rural Transformation	48.07	29.35	
Others	17.26	18.16	
	<b>149.92</b>	<b>209.95</b>	

## Note 33 - Tax expense

		(Rs.in Lacs)	
Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017	
<b>Current tax expense</b>			
Current tax for the year	3,051.54	3,407.15	
<b>Deferred taxes</b>			
Change in deferred tax assets	-	-	
Change in deferred tax liabilities	(1,201.75)	(1,345.41)	
	(1,201.75)	(1,345.41)	
<b>Total</b>	<b>1,849.79</b>	<b>2,061.74</b>	

## Note 33.1 - Tax reconciliation (for profit and loss)

		(Rs.in Lacs)	
Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017	
<b>Profit before income tax expense</b>	4,291.18	610.79	
Tax at the rate of 34.608%	1,485.10	211.38	
Related to Property, Plant and Equipment	(130.79)	106.95	
Expenses not allowed	63.26	119.06	
Exempted Income	(127.53)	-	
Fair Valuation of Financial Assets and liabilities	556.96	1,659.28	
Income taxed at a different rate	-	(36.59)	
Others	2.81	1.65	
<b>Income tax expense</b>	<b>1,849.79</b>	<b>2,061.74</b>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note 34 - Other comprehensive income

(Rs.in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>(i) Items that will not be reclassified to profit or loss</b>		
Actuarial gains on defined benefit obligations	52.97	71.17
Deferred taxes credits on actuarial gains	(18.33)	(24.63)
Fair value changes (net) on financial assets classified as fair value through other comprehensive income	10,203.13	8,546.90
Total items that will not be reclassified to profit and loss	10,256.10	8,618.07
Deferred taxes	(18.33)	(24.63)
<b>Total</b>	<b>10,237.77</b>	<b>8,593.44</b>

### Note 35 - Fair value measurements

#### Financial instruments by category:

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost
<b>Financial assets (other than investment in subsidiaries and associates)</b>						
<b>Non current assets</b>						
Investments in Unquoted Equity Shares (including assets held for sale)	28,197.33	-	-	29,804.69	-	-
Investments in Quoted Equity Shares	4,503.85	-	-	46,462.22	-	-
Investments in units	-	2,177.73	-	-	2,963.47	-
Investment in FCCD's	161.16	-	-	195.38	-	-
Other non-current financial assets	-	-	454.80	-	-	406.65
<b>Current assets</b>						
Investment in Preference Shares of Subsidiaries	-	-	-	-	-	194.00
Investment in mutual funds	-	1,336.66	-	-	2,170.64	-
Trade receivables	-	-	7,765.30	-	-	7,496.22
Cash & Cash Equivalents	-	-	874.65	-	-	380.63
Other bank balances	-	-	503.72	-	-	554.44
Current loans	-	-	4.53	-	-	18.03
Other current financial assets	-	-	271.40	-	-	429.47
<b>Total financial assets</b>	<b>32,862.34</b>	<b>3,514.38</b>	<b>9,874.40</b>	<b>76,462.29</b>	<b>5,134.11</b>	<b>9,479.45</b>
<b>Financial liabilities</b>						
<b>Non-current liabilities</b>						
Non-current borrowings	-	-	38,770.22	-	-	-
<b>Current liabilities</b>						
Current borrowings	-	-	51.20	-	-	0.03
Trade payables	-	-	683.38	-	-	455.03
Other financial liabilities	-	-	1,259.30	-	-	93,579.84
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>40,764.10</b>	<b>-</b>	<b>-</b>	<b>94,034.90</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**Fair value hierarchy**

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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the company include forward exchange contract derivatives.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Instruments in level 3 category for the company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds

**Financial assets and liabilities measured at fair value at each reporting date**

(Rs.in Lacs)

	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets (other than investment in subsidiaries and associates)</b>						
<b>Financial assets measured at FVOCI</b>						
Investments in Unquoted Equity Shares (including assets held for sale)	-	-	28,197.33	-	-	29,804.69
Investments in quoted equity shares	4,503.85	-	-	46,462.22	-	-
Investment in FCCD's	-	-	161.16	-	-	195.38
<b>Total</b>	<b>4,503.85</b>	<b>-</b>	<b>28,358.49</b>	<b>46,462.22</b>	<b>-</b>	<b>30,000.07</b>
<b>Financial assets measured at FVTPL</b>						
Investments in units	-	-	2,177.73	-	-	2,963.47
Investment in units of Mutual funds	1,336.66	-	-	2,170.64	-	-
<b>Total</b>	<b>1,336.66</b>	<b>-</b>	<b>2,177.73</b>	<b>2,170.64</b>	<b>-</b>	<b>2,963.47</b>

**Fair value for assets measured at amortised cost**

(Rs.in Lacs)

	As at 31 <sup>st</sup> March, 2018				As at 31 <sup>st</sup> March, 2017			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial assets</b>								
Other non-current financial assets	-	455.40	-	454.80	-	409.78	-	406.65
<b>Financial liabilities</b>								
Current Maturities of Non-current Borrowings	-	-	-	-	-	92,298.69	-	92,298.69
Non-current borrowings	-	36,310.51	-	38,770.22	-	-	-	-

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and cash equivalents, and other bank balances, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities are considered to be approximately equal to the fair value.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

The fair values disclosed above are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

### Valuation process

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also, the Company internally evaluates the valuation process and obtains independent price validation for certain instruments wherever necessary

### Valuation techniques used to determine fair value and significant estimates and judgements made in:

Significant valuation techniques used to value financial instruments include:

- Investment in units, equity instruments and FCCD's are fair valued using the discounted cash flow method or market comparison method or cost approach as appropriate

### Changes in fair values for items measured at level 3 as per the hierarchy

(Rs.in Lacs)

	Unquoted equity shares	FCCD's	Units
<b>As at 1<sup>st</sup> April 2016</b>	<b>30,859.43</b>	<b>242.27</b>	<b>5,855.23</b>
Reduction in paid up value	-	-	(1,485.71)
Sale proceeds	-	-	(3.56)
Realized Gains/ (losses) recognised in Profit and loss	-	-	0.12
Unrealized Gains/ (losses) recognised in Profit and loss	-	-	(1,402.63)
Unrealized Gains/ (losses) losses recognised in OCI	(1,054.74)	(46.89)	-
<b>As at 31<sup>st</sup> March 2017</b>	<b>29,804.69</b>	<b>195.38</b>	<b>2,963.47</b>
Reduction in paid up value	-	-	(838.09)
Sale proceeds	(1,528.77)	-	-
Realized Gains/ (losses) recognised in Profit and loss	474.19	-	-
Unrealized Gains/ (losses) recognised in Profit and loss	-	-	52.35
Unrealized Gains/ (losses) recognised in OCI	(552.78)	(34.22)	-
<b>As at 31<sup>st</sup> March 2018</b>	<b>28,197.33</b>	<b>161.16</b>	<b>2,177.73</b>

### Valuation inputs for fair values of items in level 3 and their relationships to fair value

Fair valuation of Investments in units and unquoted equity shares and FCCD's are classified as level 3 in the fair value hierarchy because of the unobservable inputs / significant adjustments to observable inputs used to determine the fair value. These investments are mainly into the real estate sector. The valuation methodologies include discounted cash flow method, comparable market price method, as appropriate. The significant unobservable inputs / significantly adjusted observable inputs used in the valuation include prevailing discount rates, market value of land parcels, cost of projects, expected sales consideration etc. A change upto +/- 10% in these inputs will impact the profit before tax by Rs. (209.79) / 209.79 Lacs for the year ended 31<sup>st</sup> March, 2018 and Other comprehensive income before tax by Rs. (447.36) / 509.63 Lacs for the year ended 31<sup>st</sup> March, 2018. The profit for the year would be impacted as a result of gains / losses on investments classified as at fair value through profit or loss, i.e. units. Other comprehensive income would be impacted as a result of gain / losses on investments classified as at fair value through other comprehensive income, i.e. unquoted equity shares and FCCD's.

### 36 Financial risk management

**The company is exposed to credit risk, liquidity risk and Market risk.**

#### A Credit risk

Credit risk arises from cash and bank balances, current and non-current loans, trade receivables and other financial assets measured at amortised cost.

#### Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The company is exposed to credit risk from loans to group companies, bank balances, security deposits, investments measured at amortised cost, trade receivables and other current financial assets.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual limits are set accordingly. Investments at Amortised Cost are strategic investments in associated lines of business activity, the company closely monitors the performance of these Companies. Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

Loans and other deposits are mostly placed with group companies and government authorities hence the risk of credit loss is negligible. Loans to group companies are reassessed at every reporting dates. The loans are extended for genuine business activities.

Trade Receivable: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. Also the company does not enter into sales transaction with customers having credit loss history. There are no significant credit risks with related parties of the Company. The Company is exposed to credit risk in the event of non-payment by customers. Also credit risk in some of cases are mitigated by letter of credit/Advances from the customer.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

**B Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

**Liquidity risk management**

The company manages its liquidity risk by regularly monitoring its rolling cash flow forecasts. The company's operations provide a natural liquidity of receivables against payments due to creditors. Receipts exceeding the amount of payables to creditors are invested in liquid assets like mutual funds. Borrowings are managed through credit facilities agreed with the Banks, internal accruals and realisation of liquid assets. In the event of cash shortfalls, the company approaches the lenders for a suitable term extension.

**Maturities of non – derivative financial liabilities****As at 31<sup>st</sup> March 2018**

(Rs.in Lacs)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-current borrowings	-	-	38,770.22	-	38,770.22
Current borrowings	51.20	-	-	-	51.20
Trade payables	683.38	-	-	-	683.38
Other current financial liabilities	1,259.30	-	-	-	1,259.30
<b>Total</b>	<b>1,993.88</b>	<b>-</b>	<b>38,770.22</b>	<b>-</b>	<b>40,764.10</b>

**As at 31<sup>st</sup> March 2017**

(Rs.in Lacs)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Current borrowings	0.03	-	-	-	0.03
Trade payables	455.03	-	-	-	455.03
Current maturities of Non-Current Borrowings	-	92,298.69	-	-	92,298.69
Other current financial liabilities	1,281.15	-	-	-	1,281.15
<b>Total</b>	<b>1,736.21</b>	<b>92,298.69</b>	<b>-</b>	<b>-</b>	<b>94,034.90</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### C Market risk

#### Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency receivables and payables. The foreign currency exposures are to USD and Euro.

#### Foreign currency risk management

Considering the time duration of exposures, the company believes that there will be no significant impact on account of fluctuation in exchange rates.

(Rs. In Lacs)

Particulars	Financial assets	Financial liabilities	Net Exposure - Assets/(Liability)
	Trade receivables	Trade payables	
<b>31<sup>st</sup> March, 2018</b>			
USD	6,13,031.47	1,76,702.46	4,36,329.01
INR	398.54	113.98	284.56
EURO	-	1,00,360.17	(1,00,360.17)
INR	-	77.55	(77.55)
<b>TOTAL INR</b>	<b>398.54</b>	<b>191.53</b>	<b>207.01</b>
<b>31<sup>st</sup> March, 2017</b>			
USD	22,57,422.57	28,152.55	22,29,270.02
INR	1,463.68	18.20	1,445.49
EURO	33,529.60	-	33,529.60
INR	23.33	-	23.33
<b>TOTAL INR</b>	<b>1,487.01</b>	<b>18.20</b>	<b>1,468.81</b>

#### Sensitivity to foreign currency risk

Particulars	Impact on statement of profit and loss (Before tax) for the year ending Profit/(Loss)	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>USD sensitivity</b>		
INR / USD		
Increase by 1%	2.85	14.45
Decrease by 1%	(2.85)	(14.45)
<b>Euro sensitivity</b>		
INR / EUR		
Increase by 1%	(0.78)	0.23
Decrease by 1%	0.78	(0.23)

#### Price risk

The company holds investments in units, equity instruments and mutual funds. The Company's exposure to equity security's price risks arises from these investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

#### Price risk management :-

The company evaluates the performance of its investments on a periodic basis. Also, the investments have been placed for a long term objective and any deterioration for a temporary period is not taken into account while evaluating the performance of its investments. Majority of the investments are placed for strategic management purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Sensitivity for quoted Investments

(Rs. In Lacs)

	Impact on profit/(loss) (Before Tax)		Impact on other components of equity	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Equity Shares				
Increase in price by 5%	-	-	225.19	2,323.11
Decrease in price by 5%	-	-	(225.19)	(2,323.11)
Mutual Funds				
Increase in price by 1%	13.37	21.71	-	-
Decrease in price by 1%	(13.37)	(21.71)	-	-

Profit for the year would increase/ decrease as a result of gains/ losses on investments classified as at fair value through profit or loss. Other components of equity would increase/ decrease as a result of equity securities classified as at fair value through other comprehensive income.

Please refer Sensivity impact of significant unobservable inputs for level 3 Fair value management in Note No. 35. These represents the price risk since the price will vary basis the significant inputs.

**37 Capital Management****37.1 Risk 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 debt). Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances. Equity comprises all components including other comprehensive income.

The capital composition is as follows:

(Rs. in Lacs)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Total debts	38,821.42	92,298.72
Less: Cash and Cash Equivalents	874.65	380.63
Net Debts	<b>37,946.77</b>	<b>91,918.09</b>
Total equity	1,22,687.00	1,08,425.65
Total Capital (Net Debt plus Total Equity)	<b>1,60,633.77</b>	<b>2,00,343.74</b>
Net Debt Equity Ratio	<b>0.24</b>	<b>0.46</b>

**37.2 Dividend paid and Proposed dividend**

(Rs.in Lacs)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>a Equity dividend</b>		
Final dividend for the year ended 31 <sup>st</sup> March 2017 of Re. 0.50 (31 <sup>st</sup> March 2016 - Re. 0.50) per fully paid share	<b>240.84</b>	240.84
<b>b Preference dividend</b>		
Final dividend for the year ended 31 <sup>st</sup> March 2017 of Re. 0.01 (31 <sup>st</sup> March 2016 - Re. 0.01) per fully paid share	<b>0.49</b>	0.63
<b>c Dividends not recognized at the end of the reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of <b>Re. 0.50</b> (31 <sup>st</sup> March 2017 - Re. 0.50) per fully paid equity share and <b>Re. 0.01</b> (31 <sup>st</sup> March 2017 - Re. 0.01) per fully paid preference share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	<b>241.09</b>	241.42

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### 38. Investments in subsidiaries, associates and joint ventures:

Sr. No	Subsidiary / associate / joint venture	Name of the Subsidiary / associate / joint venture	Principal place of business and country of incorporation	Proportion of ownership interest 31 <sup>st</sup> March, 2018	Proportion of ownership interest 31 <sup>st</sup> March, 2017	Principal Activities
1	Subsidiary	Jai Realty Ventures Ltd.	India	100%	100%	Real Estate
2	Subsidiary	Urban Infrastructure Venture Capital Ltd.	India	100%	100%	Investment Management
3	Subsidiary	Urban Infrastructure Trustees Ltd.	India	100%	100%	Investment Management
4	Subsidiary	Ashoka Realty and Developers Limited	India	100%	100%	Real Estate
5	Subsidiary	Ekdant Realty & Developers Limited	India	100%	100%	Real Estate
6	Subsidiary	Hari Darshan Realty Limited	India	100%	100%	Real Estate
7	Subsidiary	Hill Rock Construction Limited	India	100%	100%	Real Estate
8	Subsidiary	Hind Agri Properties Limited	India	100%	100%	Real Estate
9	Subsidiary	Iconic Realtors Limited	India	100%	100%	Real Estate
10	Subsidiary	Jailaxmi Realty and Developers Limited	India	100%	100%	Real Estate
11	Subsidiary	Krupa Land Limited	India	100%	100%	Real Estate
12	Subsidiary	Krupa Realtors Limited	India	100%	100%	Real Estate
13	Subsidiary	Multifaced Impex Limited	India	100%	100%	Real Estate
14	Subsidiary	Novelty Realty & Developers Limited	India	100%	100%	Real Estate
15	Subsidiary	Rainbow Infraprojects Limited	India	100%	100%	Real Estate
16	Subsidiary	Rudradev Developers Limited	India	100%	100%	Real Estate
17	Subsidiary	Swar Land Developers Limited	India	100%	100%	Real Estate
18	Subsidiary	Swastik Land Developers Limited	India	100%	100%	Real Estate
19	Subsidiary	Vasant Bahar Realty Limited	India	100%	100%	Real Estate
20	Subsidiary	Welldone Real Estate Limited	India	100%	100%	Real Estate
21	Subsidiary	Yug Developers Limited	India	100%	100%	Real Estate
22	Subsidiary	Jai Corp Welfare Foundation	India	100%	100%	Trust
23	Subsidiary	UI Wealth Advisors Private Limited	India	100%	100%	Investment Management
24	Subsidiary	Belle Terre Realty Limited	Mauritius	100%	100%	Real Estate
25	Subsidiary	Oasis Holding FZC	Sharjah, UAE	75%	75%	Real Estate
26	Associate	Searock Developers FZC	Sharjah, UAE	50%	50%	Real Estate
27	Associate	Urban Infrastructure Holdings Private Limited	India	32%	32%	Investment Management

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**39 Related Party Disclosure:**

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:-

**39.1 List of related parties and relationship.**

- (i) **Subsidiary:** Ashoka Realty and Developers Limited  
Assurene Products Corporation till 17.03.2017  
Belle Terre Realty Limited  
Ekdant Realty & Developers Limited  
Hari Darshan Realty Limited  
Hill Rock Construction Limited  
Hind Agri Properties Limited  
Iconic Realtors Limited  
Jailaxmi Realty and Developers Limited  
Jai Realty Ventures Limited  
Krupa Land Limited  
Krupa Realtors Limited  
Multifaced Impex Limited  
Novelty Realty & Developers Limited  
Oasis Holding FZC  
Rainbow Infraprojects Limited  
Rudradev Developers Limited  
Swar Land Developers Limited  
Swastik Land Developers Limited  
UI Wealth Advisors Private Limited  
Urban Infrastructure Trustees Limited  
Urban Infrastructure Venture Capital Limited  
Vasant Bahar Realty Limited  
Welldone Real Estate Limited  
Yug Developers Limited  
Jai Corp Welfare Foundation (Registered U/S 8 of Companies Act, 2013)
- (ii) **Associates :** Searock Developers FZC  
Urban Infrastructure Holdings Private Limited
- (iii) **Key Managerial Personnel :**
  - (a) Shri Anand Jain
  - (b) Shri Virendra Jain
  - (c) Shri Gaurav Jain
  - (d) Shri V. S. Pandit



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(iv) Relatives of Key Managerial Personnel :

(a) Smt. Laxmi Jain	Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
(b) Smt. Rina Jain	Relative of Shri Virendra Jain and Shri Anand Jain
(c) Smt. Sushma Jain	Relative of Shri Anand Jain and Shri Virendra Jain
(d) Shri. Ankit Jain	Relative of Shri Anand Jain and Shri Virendra Jain
(e) Smt. Neha Bagaria	Relative of Shri Anand Jain and Shri Virendra Jain
(f) Shri. Harsh Jain	Relative of Shri Anand Jain and Shri Virendra Jain
(g) Shri. Satyapal Jain	Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
(h) Smt. Ruchi Jain	Relative of Shri Anand Jain and Shri Virendra Jain

(v) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:

- Poly-Resin Agencies (India) Limited
- Resin Distributors Limited
- Techfab (India) Industries Limited
- Malhar Developers Pvt Limited
- India Net
- Prime Trust
- Mega Trust
- GJRJ Trust
- LJNK Trust
- AERO Trust
- Iceberg Trust
- NK Trust

### 39.2 In accordance with the Clause 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, advance in the nature of loans is/are as under:

(a) (Rs. In lacs )

Name of the company	Relationship	Balance	Balance	Maximum amount outstanding during the year
		as at 31 <sup>st</sup> March, 2018	as at 31 <sup>st</sup> March, 2017	
Jai Corp Welfare Foundation	Subsidiary	-	0.01	0.01
Hari Darshan Realty Limited	Subsidiary	-	2.10	2.50
Krupa Land Ltd.	Subsidiary	-	-	5.00
Krupa Realtors Ltd.	Subsidiary	-	1.00	1.00
Multifaced Impex Limited	Subsidiary	-	1.00	1.00
Rudradev Developers Ltd.	Subsidiary	-	0.50	0.50
Vasant Bahar Realty Limited	Subsidiary	-	2.50	2.70

(b) None of the loanees have made, *per se*, investment in the shares of the Company.

(c) Investment in subsidiaries by: **Jai Realty Ventures Limited** (Rs. In lacs )

S. No.	Name of Company	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
		No. of Shares		No. of Shares	
		Equity	Preference	Equity	Preference
1	Belle Terre Realty Limited.	9,933	2,27,74,300	9,933	2,27,74,300

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## NOTE 39.3

Transactions during the year with related parties :

(Rs. In Lacs)

Nature of Transaction	Name of the Related Party	2017-18	2016-17
Revenue from Operation	Assurene Products Corporation	-	5,705.12
Interest Income	Hill Rock Construction Limited	-	0.01
	Hind Agri Properties Limited	-	0.02
	Welldone Realstate Limited	-	0.04
	Hari Darshan Realty Limited	0.18	0.06
	Krupa Realtors Limited	0.07	0.03
	Rudradev Developers Limited	0.04	0.01
	Multifaced Impex Limited	0.05	0.01
	Vasant Bahar Realty Limited	0.20	0.09
	Yug Developers Limited	-	0.08
Dividend Income	Urban Infrastructure Venture Capital Ltd.	50.00	-
	Sarbags PTY Ltd	-	0.29
	Assurene Products Corporation	-	211.19
Profit on Sale of Plant, Property & Equipments	India Nets	-	252.31
Reimbursement of expenses from	Assurene Products Corporation	-	418.98
	Welldone Realstate Limited	0.03	-
	Multifaced Impex Limited	0.03	-
	Swar Land Developers Limited	0.27	-
Remmuneration Paid	Shri V S Pandit	40.90	36.95
Dividend paid on Preference shares	Smt. Laxmi Jain (Rs. 467.50)	0.00	0.19
	Smt. Sushma Jain	0.06	0.09
	Smt. Rina Jain	-	0.19
	Smt. Neha Bagaria	0.03	0.03
	Shri Harsh Jain	0.04	0.04
	Shri Anand Jain	0.01	0.02
	Shri Satyapal Jain	0.01	0.02
	Smt. Ruchi Jain	0.02	-
	Shri Gaurav Jain	0.05	-
	Shri Ankit Jain	0.02	-
	Prime Trust	0.17	-
	Mega Trust	0.10	-
	GJRJ Trust	0.01	-
	LJNK Trust	0.02	-
Directors' Sitting Fee	Shri Virendra Jain	1.25	1.22
	Shri Anand Jain	0.65	0.48
Commission Paid	Assurene Products Corporation	-	18.59
Other Expenses	Malhar Developers Pvt Ltd	78.95	78.98
Rebate & Discount	Assurene Products Corporation	-	27.09

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

		(Rs. In Lacs)	
Nature of Transaction	Name of the Related Party	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Preference Shares	Smt.Laxmi Jain	-	707.38
	Smt.Sushma Jain	8,621.82	9,431.27
	Smt. Neha Bagaria	4,999.24	5,068.95
	Shri Harsh Jain	-	6,052.47
	Shri Anand Jain	-	1,891.40
	Shri Satyapal Jain	865.54	877.61
	Shri Gaurav Jain	298.46	8,189.73
	Smt Ruchi Jain	-	2,269.68
	N K Trust	1,885.24	-
	Shri Ankit Jain	-	2,723.61
	Prime Trust	12,923.41	25,772.94
	Mega Trust	4,891.79	14,903.91
	GJRJ Trust	1,596.77	1,619.04
	LJNK Trust	2,687.95	3,379.10
Redemption of Preference Shares	Smt. Sushma Jain	723.48	-
	Shri. Ankit Jain	2,843.16	991.81
	Smt. Rina Jain	-	755.13
	Shri. Harsh Jain	6,353.32	-
	Smt. Ruchi Jain	2,360.79	-
	Shri. Satyapal Jain	282.76	1,746.93
	Shri. Anand Jain	2,727.95	1,746.93
	LJNK Trust	569.79	-
	Mega Trust	10,252.19	-
	NK Trust	6,265.01	-
	Prime Trust	13,296.84	-
Investments Purchased	Hill Rock Construction Limited	232.70	-
	Iconic Realtors Limited	-	15.00
	Krupa Land Limited	25.00	-
	Multifaced Impex Limited	5.00	-
	Swar Land Developers Limited	615.00	-
	Vasant Bahar Realty Limited	2.80	-
	Yug Developers Limited	5.00	-
	Urban Infrastructure Holding Private Limited	4,527.00	2,006.00
Sale/Redemption during the year	Ashoka Realty and Developers Limited	95.00	-
	Swar Land Developers Limited	4.00	545.00
	Swastik Land Developers Limited	95.00	-
	Hind Agri Properties Ltd	-	700.00
	Assurene Products Corporation	-	3.03
Investments (including deemed investments) - Subsidiaries		-	-
	Jai Realty Ventures Ltd.	21,062.81	21,062.81

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Nature of Transaction	Name of the Related Party	(Rs. In Lacs)	
		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	Urban Infrastructure Venture Capital Ltd.	100.28	100.28
	Urban Infrastructure Trustees Ltd.	5.01	5.01
	Ashoka Realty and Developers Limited	5.00	100.00
	Ekdant Realty & Developers Limited	1,680.00	1,680.00
	Hari Darshan Realty Limited	893.22	893.22
	Hill Rock Construction Limited	866.45	633.75
	Hind Agri Properties Limited	249.00	249.00
	Iconic Realtors Limited	11,938.00	11,938.00
	Jailaxmi Realty and Developers Limited	1,947.00	1,947.00
	Krupa Land Limited	2,018.58	1,993.58
	Krupa Realtors Limited	831.00	831.00
	Multifaced Impex Limited	955.89	950.89
	Novelty Realty & Developers Limited	984.00	984.00
	Rainbow Infraprojects Limited	1,238.00	1,238.00
	Rudradev Developers Limited	1,179.00	1,179.00
	Swar Land Developers Limited	2,520.00	1,909.00
	Swastik Land Developers Limited	4.81	99.81
	Vasant Bahar Realty Limited	160.14	157.34
	Welldone Real Estate Limited	551.05	551.05
	Yug Developers Limited	1,194.25	1,189.25
	Jai Corp Welfare Foundation	5.00	5.00
Investments - Associates	Urban Infrastructure Holdings Pvt. Ltd.	27,135.02	22,608.02
Loans & Advances	Hari Darshan Realty Limited	-	2.10
	Vasant Bahar Realty Limited	-	2.50
	Jaicorp Welfare Foundation	-	0.01
	Krupa Realtors Ltd	-	1.00
	Rudradev Developers Ltd	-	0.50
	Multifaced Impex Ltd	-	1.00
Interest receivable	Hind Agri properties Ltd	-	0.02
	Hari Darshan Realty Ltd	0.16	0.06
	Krupa Realtors Ltd	0.06	0.03
	Rudradev Developers Ltd	0.04	0.01
	Multifaced Impex Ltd	0.05	0.01
	Vasant Bahar Realty Ltd	0.18	0.08
Debenture Application Money	Rudradev Developers Ltd	1.00	-
	Krupa Realtors Ltd	1.00	-
	Vasant Bahar Realty Ltd	3.00	-
	Hari Darshan Realty Ltd	3.00	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### 39.3.1 Compensation to key management personnel of the Company

(Rs. In Lacs)

Nature of Transaction	2017-18	2016-17
Short-term employee benefits	40.90	37.35
Post-employment benefits	10.90	10.04
<b>Total compensation paid to key management personnel</b>	<b>51.80</b>	<b>47.39</b>

39.3.2 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.

### Terms & Conditions:

39.3.3 For terms related to Preference shares issued to related parties refer note 19

39.3.4 Outstanding loans and advances are unsecured and repayable on demand.

39.3.5 Inter Corporate Deposits given for the working capital need of the subsidiary companies. The same are interest bearing and at arm's length.

39.3.6 The sales to related parties were in the ordinary course of business. The company has not recorded any loss allowances for trade receivable from related parties.

### 40 Contingent Liabilities and Commitments (To the extent not provided for) (Rs. In lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>(A) Contingent Liabilities</b>		
<b>(a) Claims against the Company not acknowledged as debts</b>		
(i) Disputed Liability in Appeal (No cash outflow is expected in the near future)		
- Income-tax (Rs. 150.00 Lacs paid under protest)	2,039.57	1,741.63
- Excise Duty / Service Tax (Rs. 18.14 Lacs (Previous Year Rs. 18.14 Lacs) paid under protest)	20.49	20.49
- Railway Claims (Rs. 65.00 Lacs paid under protest)	95.83	95.83
- MIDC Service Charges	7.34	7.34
- Sales Tax (Rs. 0.57 Lacs paid under protest)	123.66	26.85
	<b>2,286.88</b>	<b>1,892.13</b>
<b>(B) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for / Net of advance paid		
- Property, Plant and Equipments	64.49	836.23
- Intangible Assets	4.00	-
(Cash outflow is expected on execution of such capital contracts)		
(b) Uncalled liability on partly paid-up Shares/Debentures	89.25	89.25

40.1 Management is of the view that above litigations will not have any material impact on the financial positions of the Company.

### 41 Events occurring after the reporting date

Refer to note 37.2 for the dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**42 Employee benefits**

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

**(a) Defined Benefit Plan :**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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 (Funded)	
	2017-18	2016-17
<b>Actuarial assumptions</b>		
Mortality Table	IALM (2006-08) (Ultimate)	IALM (2006-08) (Ultimate)
Expected Return on Plan Asset	7.85%	7.74%
Discount rate	7.85%	7.74%
Salary growth rate	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%

	(Rs. In lacs )	
<b>Change in the Present value of Projected Benefit Obligation</b>	<b>2017-18</b>	<b>2016-17</b>
Obligation at the beginning of the year	274.17	262.65
Current service cost	80.27	97.26
Interest cost	21.22	21.04
Benefits Paid	(52.56)	(37.05)
Actuarial (gain) on obligation	(58.82)	(69.73)
<b>Obligation at the end of the year</b>	<b>264.28</b>	<b>274.17</b>

	(Rs. In lacs )	
<b>Change in the fair value of Plan Assets</b>	<b>2017-18</b>	<b>2016-17</b>
Fair value at the beginning of the year	243.96	211.01
Interest Income	18.88	16.90
Contribution	35.23	51.65
Return on Plan Assets, excluding Interest Income	(5.85)	1.44
Benefits paid	(52.56)	(37.05)
<b>Fair value at the end of the year</b>	<b>239.65</b>	<b>243.96</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

	(Rs. In lacs )	
<b>Expenses Recognised in Statement of Profit and Loss</b>	<b>2017-18</b>	<b>2016-17</b>
Current service cost	80.27	97.26
Interest cost	21.22	21.04
Interest Income	(18.88)	(16.90)
<b>Expenses recognised in Statement of Profit &amp; Loss</b>	<b>82.61</b>	<b>101.39</b>

	(Rs. In lacs )	
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>	<b>2017-18</b>	<b>2016-17</b>
Acturial (Gains)/Losses on obligations	(58.82)	(69.73)
Return on Plan Assets, excluding Interest Income	5.85	(1.44)
<b>Net (Income)/Expenses for the period recognised in OCI</b>	<b>(52.97)</b>	<b>(71.17)</b>

	(Rs. In lacs )	
<b>Balance Sheet Reconciliation</b>	<b>2017-18</b>	<b>2016-17</b>
Net Obligation at the beginning of the year	30.22	51.64
Expenses recognised in Statement of Profit and Loss	82.61	101.39
Income recognised in Other Comprehensive Income (OCI)	(52.97)	(71.17)
Employers Contribution	(35.23)	(51.65)
<b>Net Obligation at the end of the year</b>	<b>24.63</b>	<b>30.22</b>

<b>Category of Asset</b>	(Rs. In lacs )	
<b>Class of assets</b>	<b>2017-18</b>	<b>2016-17</b>
Insurance Fund	239.65	243.96
<b>Total</b>	<b>239.65</b>	<b>243.96</b>

<b>Net Liability / (Asset) recognised in the balance sheet</b>	(Rs. In lacs )	
<b>Amount recognised in the balance sheet</b>	<b>2017-18</b>	<b>2016-17</b>
Present value of obligations at the end of the year	264.28	274.17
Less: Fair value of plan assets at the end of the year	239.65	243.96
<b>Net liability recognized in the balance sheet</b>	<b>24.63</b>	<b>30.22</b>

Expected contributions to post employment benefit plans for the year ending 31<sup>st</sup> March, 2019 are Rs. 106.20 Lacs  
The weighed average duration of the defined benefit obligation is 12 years (March' 17 - 13 years)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Maturity Analysis of Projected Benefit Obligation: From the Fund		(Rs. In lacs )
Projected Benefits Payable in Future Years from the date of Reporting	2017-18	2016-17
1 <sup>st</sup> Following Year	55.72	50.26
2 <sup>nd</sup> Following Year	7.19	8.62
3 <sup>rd</sup> Following Year	6.30	7.14
4 <sup>th</sup> Following Year	20.21	10.17
5 <sup>th</sup> Following Year	4.89	24.19
Sum of Years 6 to 10	85.09	76.64
Sum of years 11 and above	<b>671.85</b>	722.42

Sensitivity Analysis		(Rs. In lacs )
Particulars	2017-18	2016-17
Projected Benefits Obligation on Current Assumptions	264.28	274.17
Delta effect of + 0.5% change in Rate of Discounting	(12.98)	(14.21)
Delta effect of - 0.5% change in Rate of Discounting	14.33	15.69
Delta effect of + 0.5% change in Rate of Salary Increase	14.52	15.88
Delta effect of - 0.5% change in Rate of Salary Increase	(13.26)	(14.49)
Delta effect of + 0.5% change in Rate of Employee Turnover	1.85	1.78
Delta effect of - 0.5% change in Rate of Employee Turnover	(2.08)	(2.02)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlate.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

**Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest risk:** A fall in the discount rate which is linked to G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**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.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of the Income Tax Rules, 1962, this generally reduces ALM risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### (b) Defined Contribution Plan:

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is 221.81 Lacs (31<sup>st</sup> March 2017 – 233.92 Lacs).

Contribution to Defined Contribution Plan, recognized as expense for the year are as under: (Rs. in Lacs)

Particulars	2017-18	2016-17
Employer's Contribution to Provident and other Funds	221.81	233.92

### Note 43 - Earnings per share

(Rs. In lacs )

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Net Profit / (loss) after tax for the year (Rs. in Lacs)	2,441.39	(1,450.95)
<b>Profit / loss attributable to equity share holders (Rs. in Lacs)</b>	<b>2,441.39</b>	<b>(1,450.95)</b>
Weighted Average Number of equity shares outstanding during the year	17,84,49,410	17,84,49,410
Basic and Diluted Earnings Per Share (Rs.)	1.37	(0.81)
Face Value per Share (Re.)	1.00	1.00

### Note 44 - Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liability and Contingent Assets:-

#### 44.1 Movement in Provisions:

(Rs. In lacs )

Nature of Provisions	Provision for Excise Duty
As at 1 <sup>st</sup> April, 2016	317.20
Provision during the year	142.80
Payment during the year	(317.20)
Excess provisions reversed during the year	-
As at 31 <sup>st</sup> March, 2017	142.80
Provision during the year	-
Payment during the year	(142.80)
Excess provisions reversed during the year	-
As at 31 <sup>st</sup> March, 2018	-

### Note 45

As per Ind AS 108 on "Operating Segment" - Segment information has been provided under the notes on Consolidated Financial Statements.

### Note 46

Previous period figures have been regrouped / re-classified wherever necessary to make them comparable.

As per our report of even date

For and on behalf of the Board of Directors

#### For D T S & Associates

Chartered Accountants  
(Firm Registration No. 142412W)

#### Anuj Bhatia

Partner  
Membership No. 122179

Place : Mumbai

Date : 25<sup>th</sup> May, 2018

#### Anand Jain

Chairman  
(DIN 00003514)

#### Pramod Jaiswal

Chief Financial Officer

#### Gaurav Jain

Managing Director  
(DIN 00077770)

#### A. Datta

Company Secretary

## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the financials statement of subsidiaries/associate companies/joint ventures

## Part "A" Subsidiaries

S. No.	Name of Subsidiary	Reporting Period	Reporting Currency	Exchange Rate 31.03.18	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments		Revenue from Operation	Profit Before Taxation	Provision for Taxation	Profit after Taxation	(Amount in Lacs)	
									Total	Sub. Invest.					Proposed Dividend	% of Share Holding
1	Ashoka Realty and Developers Limited	31.03.2018	INR	1	5.00	136.86	144.74	2.88	120.62	-	144.80	146.81	37.45	109.36	-	100%
2	Belle Terre Realty Limited	31.03.2018	INR	1	14,688.93	(123.31)	14,569.28	9.66	14,559.63	4,466.42	0.01	(15.45)	-	(15.45)	-	100%
		31.03.2018	USD	64.469721	227.84	(1.91)	225.99	0.15	225.84	69.28	0.00	(0.24)	-	(0.24)	-	100%
3	Ekdant Realty and Developers Limited	31.03.2018	INR	1	5.00	1,672.47	1,677.69	0.22	-	-	-	(0.34)	(0.01)	(0.34)	-	100%
4	Hari Darshan Realty Limited	31.03.2018	INR	1	5.00	910.05	929.68	14.63	-	-	-	(0.97)	-	(0.97)	-	100%
5	Hill Rock Construction Limited	31.03.2018	INR	1	5.00	996.92	1,005.96	4.04	-	-	-	(1.05)	0.11	(1.16)	-	100%
6	Hind Agri Properties Limited	31.03.2018	INR	1	5.00	240.08	245.39	0.30	4.64	-	4.64	(0.40)	0.07	(0.47)	-	100%
7	Iconic Realtors Limited	31.03.2018	INR	1	7.50	11,912.78	11,920.55	0.27	3.70	-	-	(1.86)	(0.06)	(1.80)	-	100%
8	Jai Corp Welfare Foundation (Registered U/S 8 of Companies Act, 2013)	31.03.2018	INR	1	5.00	(0.62)	4.62	0.24	-	-	-	(0.24)	-	(0.24)	-	100%
9	Jalaxmi Realty and Developers Limited	31.03.2018	INR	1	5.00	1,939.22	1,944.47	0.25	1.29	-	-	(0.29)	(0.00)	(0.29)	-	100%
10	Jai Realty Ventures Limited	31.03.2018	INR	1	355.55	10,701.71	11,057.83	0.57	11,049.35	10,159.23	-	(1,646.15)	(0.05)	(1,646.10)	-	100%
11	Krupa Land Limited	31.03.2018	INR	1	8.50	1,997.52	2,006.31	0.29	6.38	-	6.38	(5.55)	0.09	(5.64)	-	100%
12	Krupa Realtors Limited	31.03.2018	INR	1	5.00	823.94	829.23	0.29	-	-	-	(0.36)	-	(0.36)	-	100%
13	Multifaced Impex Limited	31.03.2018	INR	1	8.00	100.56	108.99	0.43	2.18	-	-	(0.09)	0.03	(0.12)	-	100%
14	Novelty Realty and Developers Limited	31.03.2018	INR	1	5.00	975.95	981.20	0.24	1.06	-	1.06	(0.30)	(0.01)	(0.30)	-	100%
15	Oasis Holding FZC	31.03.2018	INR	1	26.60	246.76	8,474.14	45.84	8,437.02	-	-	313.88	-	313.88	-	75%
		31.03.2018	AED	17.7363	1.50	13.91	477.79	2.58	475.69	-	36.07	17.70	-	17.70	-	-
16	Rainbow Infraprojects Limited	31.03.2018	INR	1	5.00	1,227.82	1,232.88	0.25	0.71	-	-	(0.31)	(0.00)	(0.30)	-	100%
17	Rudraved Developers Limited	31.03.2018	INR	1	5.00	1,172.19	1,177.46	0.26	-	-	-	(0.33)	-	(0.33)	-	100%
18	Swar Land Developers Limited	31.03.2018	INR	1	5.00	2,997.11	3,372.60	370.49	11.84	-	217.60	(18.81)	(2.00)	(16.81)	-	100%
19	Swastik Land Developers Limited	31.03.2018	INR	1	5.00	213.51	223.80	5.28	177.71	-	11.84	16.33	5.98	10.35	-	100%
20	Vasant Bahar Realty Limited	31.03.2018	INR	1	5.00	190.09	196.39	1.30	-	-	-	(0.91)	-	(0.91)	-	100%
21	Welldone Real Estate Limited	31.03.2018	INR	1	5.00	518.46	524.08	0.62	1.16	-	-	(0.93)	(0.00)	(0.93)	-	100%
22	Yug Developers Limited	31.03.2018	INR	1	5.00	1,198.77	1,204.02	0.25	2.96	-	2.96	(2.02)	0.02	(2.04)	-	100%
23	Urban Infrastructure Trustees Limited	31.03.2018	INR	1	5.00	57.26	65.98	3.72	64.73	-	-	0.67	(1.90)	2.56	-	100%
24	Urban Infrastructure Venture Capital Limited	31.03.2018	INR	1	500.00	18,750.87	19,630.46	379.59	10,952.03	210.00	868.42	(95.49)	67.20	(162.69)	-	100%
25	UI Wealth Advisors Private Limited	31.03.2018	INR	1	210.00	159.77	380.07	10.30	351.48	-	-	13.41	0.22	13.19	-	100%

**Part "B" Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs. In Lacs)

S. No.	Name of Associates/Joint Ventures	Searock Developers FZC	Urban Infrastructure Holdings Private Limited
1	Latest audited Balance Sheet Date	31.03.2018	31.03.2017
2	Shares of Associate/Joint Ventures held by the company on the year end No.	50	113517714
	Amount of Investment in Associates/Joint Venture	7,960.36	11,277.08
	Extend of Holding %	50%	32%
		Due to Percentage of Share Capital	Due to Percentage of Share Capital
3	Description of how there is significant influence		
4	Reason why the associate/joint venture is not consolidated	-	-
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	-57.69	232,837.75
6	Profit/Loss for the year		
i.	Considered in Consolidation	-3.91	-900.02
i.	Not considered in Consolidation		

**Note**

- 1 There are no Associates which are yet to commence operations.
- 2 There are no Associates which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

**Anand Jain**  
Chairman  
(DIN 00003514)

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

**Pramod Jaiswal**  
Chief Financial Officer

**A. Datta**  
Company Secretary

## INDEPENDENT AUDITOR'S REPORT

To The Members of

Jai Corp Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Jai Corp Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and change in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Basis for Qualified Opinion

*The consolidated financial statements also include the Group's share of total comprehensive income (net loss plus other comprehensive income) of Rs. (905.64) lacs for the year ended 31<sup>st</sup> March, 2018, in respect of one of the associates, whose financial statements have not been audited. The consolidated financial statements of that associate are unaudited and have been approved by the Board of Directors of that associate and our opinion on the consolidated financial statements, in so far as it relates to the amounts and financial information included in respect of above associate, is based solely on these unaudited consolidated financial statements. Consequently, effects on the Group's share of total comprehensive income, if any, pursuant to the audit of that associate, is not ascertainable at this stage.*

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, referred to in Other Matters paragraph below, and *except for the effects of matter described in the Basis for Qualified Opinion paragraph above*, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March 2018, and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

## Emphasis of Matter

We draw attention in respect of

1. Note No. 16.2, 17.2 & 18.2 of the consolidated financial statements regarding non receipts of balance confirmation for Inter-corporate Deposits, Interest receivables and certain advances given for purchase of land and development rights aggregating to Rs. 14,818.23 lacs.
2. Note 16.3 to the consolidated financial statements regarding inter-corporate deposits (ICD) of Rs. 1,195.67 lacs and interest accrued & due on ICD aggregating to Rs. 2,488.55 lacs due from body-corporates. Out of the above, subsidiary Company has initiated legal proceedings in respect of interest accrued and due of Rs. 2,147.12 lacs on ICD. Above receivables have been considered good for recovery and no provision for doubtful debts has been considered necessary, for the reasons stated therein.

Our opinion is not modified in respect of above matters

## Other Matters

- a) We did not audit the financial statements/ consolidated financial statements of 5 subsidiaries whose financial statements reflect total assets of Rs.36,257.22 lacs as at 31<sup>st</sup> March, 2018, total revenues of Rs.2,159.42 lacs and net cash flows of Rs.11.62 lacs for the year ended on that date and financial statements of an associate which reflects

Group's share of total comprehensive income (net loss plus other comprehensive income) of Rs. (3.91) lacs for the year ended 31<sup>st</sup> March, 2018. These financial statements/consolidated financial statements and other financial information have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and financial information included in respect of these subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditors.

- b) The comparative financial information of the Group including its associates for the year ended 31<sup>st</sup> March, 2017 prepared in accordance with Indian Accounting Standard (Ind AS), included in these consolidated financial statements, have been audited by the predecessor auditors. The report of the predecessor auditor on the comparative financial information dated 30<sup>th</sup> May, 2017 expressed a *qualified* opinion.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries and associate incorporated in India, as noted in the Other Matters paragraph above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) *Except for the effects of matter described in the Basis for Qualified Opinion paragraph above*, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



- c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) *Except for the effects of matter described in the Basis for Qualified Opinion paragraph above*, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Companies, incorporated in India, none of the directors of these entities except two directors of the subsidiaries Company, incorporated in India, is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our Report in “**Annexure A**”, which is based on the auditors’ reports of the holding Company and subsidiaries companies incorporated in India.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as referred to in note 11.2, 16.3, 18.2 & 47 to the consolidated financial statements.
  - ii. The Group and its associates do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries companies incorporated in India.

*For D T S & Associates*  
Chartered Accountants  
Firm Registration No: 142412W

*Anuj Bhatia*  
Partner  
Membership No. 122179

Place: Mumbai  
Date: 25<sup>th</sup> May, 2018



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on consolidated financial statements of Jai Corp Limited for the year ended 31<sup>st</sup> March 2018)**

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Group and its associate as of and for the year ended 31<sup>st</sup> March, 2018, we have audited the internal financial controls over financial reporting of **Jai Corp Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries referred to as “the Group”)

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiaries, all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries, 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 the respective 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 internal financial controls over financial reporting of Holding Company and its subsidiaries, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies

*For D T S & Associates*

Chartered Accountants

Firm Registration No: 142412W

*Anuj Bhatia*

Partner

Membership No. 122179

Place: Mumbai

Date: 25<sup>th</sup> May, 2018

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018**

		(Rs.in Lacs)	
Particulars	Note	AS AT 31 <sup>ST</sup> MARCH 18	AS AT 31 <sup>ST</sup> MARCH 17
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2	16,111.31	17,305.93
(b) Capital work-in-progress	2	2,036.33	629.49
(c) Investment properties	3	10,388.97	9,298.37
(d) Intangible assets	4	3.78	10.38
(e) Goodwill on consolidation		855.88	855.88
(f) Financial assets			
(i) Investments			
Investments - Associates	5	35,020.69	31,403.23
Investments - Others	5	36,080.39	79,599.74
(ii) Loans	6	60.46	144.28
(iii) Other non-current financial assets	7	454.80	431.52
(g) Non-current tax assets (net)	8	4,967.34	4,551.68
(h) Deferred tax assets (net)	9	35.83	35.97
(i) Other non-current assets	10	11,418.09	13,079.47
<b>2 Current assets</b>			
(a) Inventories	11	21,522.47	20,806.27
(b) Financial assets			
(i) Investments	12	12,687.11	15,849.75
(ii) Trade receivables	13	7,958.06	7,723.98
(iii) Cash and Cash Equivalents	14	968.46	473.22
(iv) Bank Balances other than (iii) above	15	503.72	554.44
(v) Loans	16	6,385.40	5,430.67
(vi) Other current financial assets	17	1,811.48	1,981.82
(c) Other current assets	18	14,737.57	14,568.36
(d) Assets classified as held for sale	19	15.48	878.77
<b>TOTAL ASSETS</b>		<b>184,023.63</b>	<b>225,613.22</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	20 (a)	1,784.71	1,784.71
(b) Other equity	20 (b)	133,723.72	121,799.03
(c) Non-controlling interest		3,478.77	3,568.57
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	38,770.22	-
(ii) Other financial liabilities	22	31.47	159.24
(b) Provisions	23	71.90	61.17
(c) Deferred tax liabilities (net)	24	3,289.53	3,093.56
(d) Other Non-current liabilities	25	5.33	7.68
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	26	51.20	0.03
(ii) Trade payables	27	784.16	485.30
(iii) Other financial liabilities	28	1,374.14	93,952.85
(b) Other current liabilities	29	315.26	216.84
(c) Provisions	30	337.80	483.32
(d) Current tax liabilities	31	5.43	0.92
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>184,023.63</b>	<b>225,613.22</b>
<b>Significant accounting policies</b>	1		
<b>Notes to the Consolidated financial statements</b>	1-54		

As per our report of even date

**For D T S & Associates**

Chartered Accountants

(Firm Registration No. 142412W)

**Anuj Bhatia**

Partner

Membership No. 122179

**Place :** Mumbai

**Date :** 25<sup>th</sup> May, 2018

For and on behalf of the Board of Directors

**Anand Jain**

Chairman

(DIN 00003514)

**Pramod Jaiswal**

Chief Financial Officer

**Gaurav Jain**

Managing Director

(DIN 00077770)

**A. Datta**

Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

Particulars	Note	(Rs. In Lacs)	
		AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
I. Revenue From Operations	32	59,716.31	74,918.23
II. Other Income	33	2,615.04	2,072.17
III. Total Income (I+II)		62,331.35	76,990.40
IV. Expenses:			
Cost of Materials Consumed	34	36,832.79	41,900.39
Purchase of Stock-in-Trade		20.92	649.51
Changes in Inventories of Work-in-progress, Finished Goods and Stock-in-Trade	35	(1,083.53)	1,978.18
Excise duty/Service Tax expenses		887.86	5,456.49
Employee Benefits Expense	36	5,742.39	6,667.69
Finance Costs	37	5,229.96	7,772.56
Depreciation and Amortization Expense	2	1,831.78	1,665.00
Other Expenses	38	10,117.08	9,554.41
Total Expenses		59,579.25	75,644.23
V. Profit Before Share of Profit of associate, Exceptional items and Tax (III-IV)		2,752.10	1,346.17
VI. Share in Profit of Associates		(903.92)	(845.22)
VII. Profit Before Tax (V-VI)		1,848.18	500.95
VIII. Tax Expense:	39		
(i) Current Tax		3,095.52	3,601.45
(ii) MAT Credit		(3.66)	(16.57)
(iii) Deferred Tax Credit		(1,192.81)	(1,269.69)
(iv) Income tax of earlier year		61.35	14.52
IX. Net Loss After Tax (VII-VIII)		(112.22)	(1,828.76)
X. Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss	40	10,564.31	8,621.02
(ii) Income tax relating to items that will not be reclassified to profit or loss	40	(11.83)	37.27
B. (i) Items that will be reclassified to profit or loss	41	(5.02)	(60.33)
C. Share of Other comprehensive income of Associates		(5.62)	(4.43)
XI. Total Comprehensive Income for the year (IX+X)		10,429.62	6,764.77
Loss attributable to:			
Owners of the Company		(189.89)	(1,826.78)
Non-Controlling interests		77.67	(1.98)
		(112.22)	(1,828.76)
Other Comprehensive Income attributable to:			
Owners of the Company		10,542.58	8,593.53
Non-Controlling interests		(0.74)	-
		10,541.84	8,593.53
Total comprehensive Income attributable to:			
Owners of the Company		10,352.69	6,766.75
Non-Controlling interests		76.93	(1.98)
		10,429.62	6,764.77
XII. Earnings per Equity Share:	42		
Basic & Diluted (in Rs.)		(0.06)	(1.02)
Face Value per Share (in Rs.)		1.00	1.00
Significant Accounting Policies	1		
Notes to the Consolidated Financial Statements	1-54		

As per our report of even date

For and on behalf of the Board of Directors

**For D T S & Associates**

Chartered Accountants

(Firm Registration No. 142412W)

**Anand Jain**

Chairman

(DIN 00003514)

**Gaurav Jain**

Managing Director

(DIN 00077770)

**Anuj Bhatia**

Partner

Membership No. 122179

**Pramod Jaiswal**

Chief Financial Officer

**A. Datta**

Company Secretary

Place : Mumbai

Date : 25<sup>th</sup> May, 2018

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(Rs. In Lacs)	
Equity share capital	Amount
<b>As at 01<sup>st</sup> April 2016</b>	1,784.49
Changes during the year	-
<b>As at 31<sup>st</sup> March 2017</b>	1,784.49
Changes during the year	-
<b>As at 31<sup>st</sup> March 2018</b>	1,784.49

**Other equity** (Rs. In Lacs)

Particulars	Attributable to owners of the Company										Non-Controlling Interest	Total
	Capital reserve	Capital reserve on consolidation	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Foreign currency translation reserve	Equity component of preference shares	FVOCI - equity instruments	Reimbursements of defined benefit plans	Share of Associates in OCI	Total other Equity
Opening balance as at 01 <sup>st</sup> April 2016	92.17	349.95	85.55	43,348.95	27,376.87	32,354.41	2,829.63	21,801.64	(12,594.03)	26.03	(2.79)	115,668.38
Transactions during the year												-
Total comprehensive income for the year	-	-	-	-	-	(1,826.76)	-	-	-	-	-	(1,826.76)
Profit / (loss) for the year	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	(60.33)	-	8,614.89	43.40	(4.43)	8,593.53
Transactions during the year												-
Transfer from retained earnings on account of redemption of preference shares	-	-	3.45	-	(3.45)	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	(240.84)	-	-	-	-	-	(240.84)
Tax on dividends	-	-	-	-	-	(74.51)	-	-	-	-	-	(74.51)
Transfer from FVOCI - equity instruments on financial assets sold	-	-	-	-	-	(2.22)	-	-	2.22	-	-	-
Equity Components of Advances received	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	3.98	-	-	-	-	-	3.98
Transactions with owners in capacity of owners												-
Early Redemption of Preference Shares	-	-	-	-	-	-	-	(324.73)	-	-	-	(324.73)
Closing balance as at 31 <sup>st</sup> March 2017	92.17	349.95	89.00	43,348.95	27,373.42	30,214.04	2,769.30	21,476.91	(3,976.92)	69.43	(7.22)	121,799.03
												3,568.57
												125,367.60

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Other equity Particulars	Attributable to owners of the Company										Non- Controlling Interest	Total (Rs. In Lacs)		
	Reserves and surplus					Retained earnings	Foreign currency translation reserve	Equity component of preference shares	FVOCI - equity instruments	Reimbursements of defined benefit plans			Share of Associates in OCI	Total other Equity
	Capital reserve	Capital reserve on consolidation	Capital redemption reserve	Securities premium reserve	General reserve									
Opening balance as at 01 <sup>st</sup> April 2017	92.17	349.95	89.00	43,348.95	27,373.42	30,214.04	2,769.30	21,476.91	(3,976.92)	69.43	(7.22)	121,799.03	125,367.60	
Transactions during the year														
Total comprehensive income for the year														
Profit / (loss) for the year	-	-	-	-	-	(189.89)	-	-	-	-	-	(189.89)	(112.22)	
Other comprehensive income for the year	-	-	-	-	-	-	(4.28)	-	10,520.49	31.99	(5.62)	10,542.58	10,541.84	
Transactions during the year														
Transfer from retained earnings on account of redemption of preference shares	-	-	35.02	-	(35.02)	-	-	-	-	-	-	-	-	
Dividend Paid	-	-	-	-	-	(240.83)	-	-	-	-	-	(240.83)	(240.83)	
Tax on dividends	-	-	-	-	-	(49.13)	-	-	-	-	-	(49.13)	(49.13)	
Transfer from FVOCI - equity instruments on financial assets sold	-	-	-	-	-	8,216.78	-	-	(8,216.78)	-	-	-	-	
Repayment of Equity Components of Advances received	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transactions with owners in capacity of owners	-	-	-	-	-	-	-	-	-	-	-	(166.73)	(166.73)	
Term Extension of Preference Shares	-	-	-	-	-	-	-	2,584.62	-	-	-	2,584.62	2,584.62	
Early Redemption of Preference Shares	-	-	-	-	-	-	-	(722.65)	-	-	-	(722.65)	(722.65)	
Closing balance as at 31 <sup>st</sup> March 2018	92.17	349.95	124.02	43,348.95	27,338.40	37,950.97	2,765.02	23,338.88	(1,673.21)	101.42	(12.84)	133,723.72	137,202.49	

As per our report of even date

**For D T S & Associates**  
Chartered Accountants  
(Firm Registration No. 142412W)

**Anuj Bhatia**  
Partner  
Membership No. 122179

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

**Anand Jain**  
Chairman  
(DIN 00003514)

**Pramod Jaiswal**  
Chief Financial Officer

For and on behalf of the Board of Directors

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**A. Datta**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Rs. in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit and Loss	2,752.10	1,346.17
Adjusted for :		
Depreciation and Amotisation Expense	1,831.78	1,665.00
Guarantee Commission Expenses	-	17.25
Net loss on foreign currency transaction and translation	4.00	48.19
Profit on sale of Investments ( Net )	(346.22)	(210.74)
Profit on sale/discarding of fixed assets ( Net )	(673.71)	(150.59)
Fair value losses on Financial assets classified and measured at FVTPL	1,345.22	1,189.78
Finance Costs	5,229.96	7,772.56
Sundry Balances Written Off (Net)	83.27	74.88
Interest Income	(269.70)	(631.60)
Dividend Income	(322.70)	(60.23)
Guarantee Commission Income	(15.36)	(1.89)
Fair valuation of rent deposits	2.05	2.05
Fair valuation of loan to employees	18.23	12.95
	<u>6,886.82</u>	<u>9,727.61</u>
Operating Profit before Working Capital Changes	9,638.92	11,073.78
Adjusted for :		
Trade & Other Receivables	(454.89)	(105.30)
Inventories	(716.20)	2,374.39
Trade and Other Payables	(164.77)	(1,521.49)
Cash generated from operations	8,303.06	11,821.38
Direct taxes paid	(3,493.20)	(3,257.17)
Net Cash From Operating Activities	<u>4,809.86</u>	<u>8,564.21</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Plant, property and equipments	(1,658.74)	(1,606.68)
Sale of Plant, property and equipments	1,041.71	317.55
Purchase of Investments Properties	(123.93)	(2,741.93)
Purchase of Intangible Assets	(3.00)	-
Purchase of Investments including Share Application Money	(95,808.85)	(52,709.76)
Sale of Investments	148,338.89	46,229.43
Movement in Loans (Net)	(700.60)	5,210.25
Interest Income	102.87	511.65
Dividend Income	322.70	60.23
Net Cash From/(Used in) Investing Activities	<u>51,511.05</u>	<u>(4,729.26)</u>



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Rs. in Lacs)		
Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of Preference Share Capital including Securities Premium	(55,503.34)	(5,237.96)
(Repayment to)/Receipt from Non-Controlling Interest	(166.73)	2,373.60
Unclaimed for Scheme of Arrangement	(0.03)	-
Short-Term Loans (Net)	-	(843.87)
Fixed Deposits/Margin Money with Banks and Government Authorities (Net)	102.15	113.21
Finance costs paid	(18.91)	(30.78)
Dividend Paid	(289.97)	(315.35)
<b>Net Cash (used in) Financing Activities</b>	<b>(55,876.83)</b>	<b>(3,941.15)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>444.08</b>	<b>(106.21)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>473.19</b>	<b>579.40</b>
Balance of Cash and Cash Equivalents	968.46	473.22
<b>Closing balance of Cash and Cash Equivalents</b>	<b>917.26</b>	<b>473.19</b>
Components of Cash and Cash Equivalents:		
Balances with Banks in Current Accounts	913.68	471.33
Cheques, Drafts in Hand	50.00	0.83
Cash on Hand	4.78	1.06
Less: Working Capital Loan from Bank repayable on Demand	(51.20)	(0.03)

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

(Rs.in lacs)		
Particulars	31.03.2018	31.03.2017
Opening Balance of Liabilities arising from Financing Activities		
Less : Changes from Cash Flow from financing Activities (Net)	92,298.69	89,468.09
Add : Changes on account of fair valuation	(55,503.34)	(5,237.96)
Closing Balance of Liabilities arising from Financing Activities	1,974.87	8,068.57
	<b>38,770.22</b>	<b>92,298.69</b>

## Notes

- 1 Bracket indicates cash outflow.
- 2 Previous year figures have been reclassified/regrouped wherever necessary
- 3 The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow.

As per our report of even date

For and on behalf of the Board of Directors

**For D T S & Associates**

Chartered Accountants  
(Firm Registration No. 142412W)

**Anand Jain**  
Chairman  
(DIN 00003514)

**Gaurav Jain**  
Managing Director  
(DIN 00077770)

**Anuj Bhatia**  
Partner  
Membership No. 122179

**Pramod Jaiswal**  
Chief Financial Officer

**A. Datta**  
Company Secretary

**Place :** Mumbai  
**Date :** 25<sup>th</sup> May, 2018

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### **Company Information**

The consolidated financial statements comprise financial statements of Jai Corp Limited ("the company") and its subsidiaries for the year ended 31<sup>st</sup> March, 2018 ("the Group") and its associates. The Company is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at A-3, M.I.D.C. Industrial Area, Nanded - 431 603.

Group is engaged in the manufacturing activities which produces Flexible intermediate bulk containers (FIBC Jumbo Bags), woven sacks and fabrics, manmade fiber yarns, Masterbatch and steel coils and sheets.

The consolidated financial statements for the year ended 31<sup>st</sup> March, 2018 were approved and adopted by board of directors in their meeting held on 25<sup>th</sup> May, 2018.

During the previous year the Board of Directors of the Subsidiary company had approved scheme of merger with UI Wealth Advisors Limited, subsidiary Company at its meeting held on 21st December, 2016. This Scheme was subject to the approvals from the shareholders and other requisite statutory and regulatory approvals. During the year shareholders meeting was not held and hence the Subsidiary company is in process to file fresh scheme of merger.

### **Basis of Preparation**

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

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

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

### **1 Significant accounting policies**

#### **a Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31<sup>st</sup> March, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statement till the date the Group ceases to control the subsidiary.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

#### **Consolidation procedure:**

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.
- c) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.
- d) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Components of equity are translated at closing rate. Any gain / (Loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR) through OCI.
- e) Consolidated statement of profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- f) Interest in associates are consolidated using equity method as per Ind AS 28 – 'Investment in Associates and Joint Ventures'. The investment in associates is initially recognised at cost. Subsequently, under the equity method, post-acquisition attributable profit/losses and other comprehensive income are adjusted in the carrying value of investment to the extent of the Group's investment in the associates. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.
- g) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.
- h) Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31<sup>st</sup> March. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**b Business Combinations and goodwill:**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values, except certain assets and liabilities required to be measured as per the applicable standard. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### **c Foreign currency reinstatement and translation:**

Transactions in foreign currencies are initially recorded by the Group at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates as on balance sheet date and the resulting exchange difference recognised in consolidated statement of profit and loss. Differences arising on settlement of monetary items are also recognised in consolidated statement of profit and loss.

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 consolidated statement of profit and loss, within finance costs. All other finance gains / losses are presented in the consolidated statement of profit and loss on a net basis.

### **d Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group.

Revenue from operations includes sales of goods/Land, services, scrap, commission, export incentives. Revenue includes excise duty wherever charged from the customer but excludes service tax and sales tax / value added taxes / Goods and Service Taxes.

Revenue from sale of goods/Land is recognised when significant risk and rewards of ownership of the goods have passed to the customer. Amounts disclosed as revenue are inclusive of excise duty and net of returns, value added taxes / Goods and Service Taxes and amounts collected on behalf of third parties.

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend Income is recognised when right to receive the payment is established by the balance sheet date.

Commission and job-work income are recognised on an accrual basis in accordance with the terms of relevant agreement.

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the Group against exports made by it are recognised as and when goods are imported against them.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**e Income taxes**

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred taxes are not recognised on these temporary differences if there is no probable tax outflow on their reversal. Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**f Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**g Leases****As a lessee**

Leases where the group is a lessee and has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### **As a lessor**

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### **h Impairment of non-financial assets**

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The carrying amounts of other assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### **i Valuation of inventories**

In general, all inventories of finished goods, work-in-progress etc., are stated at lower of cost and net realisable value. 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. Finance cost generally are not part of the cost of inventories except Real Estate Division. Raw material and stores and spares are stated at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost is determined on FIFO basis in respect of Packaging / Spinning Division and on average basis in respect of Steel Division. Scrap and trial run products are valued at estimated net realisable value. Inventories of finished goods and scrap includes excise duty wherever applicable.

### **j Non – current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Group classified as held for sale continue to be recognised.

### **k Investments and financial assets**

#### **Classification**

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

**Measurement**

At initial recognition, the group measures a financial asset (except investment in associates) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Measurement of debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the year in which it arises. Interest income from these financial assets is included in other income.

**Measurement of equity instruments**

The group subsequently measures all equity investments (except investments in associates) at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognised as gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Impairment of financial assets**

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### De-recognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### I Derivatives and embedded derivatives

The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains / (losses).

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### m Property, plant and equipment

The carrying value (Gross Block less accumulated depreciation and amortisation) as on 1<sup>st</sup> April, 2015 of the Property, plant and equipment is considered as a deemed cost on the date of transition. Property, plant and equipment are stated at cost of acquisition or construction, net of MODVAT / CENVAT, Value Added Tax, less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price, borrowing cost if capitalisation criteria are met, and directly attributable cost of bringing the asset to its working conditions for the intended use.

#### Depreciation on property, plant and equipment

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on straight-line method over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013 except acquisition of insurance spares and additions/extensions forming an integral part of existing plants, which are depreciated over residual useful life of the respective plant, property and equipments.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term. Residual values, useful lives and method of depreciation of property, plant and equipments 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.

Property, Plant and Equipment where ownership vests with the Government/local authorities are amortised over the useful life of asset as prescribed in Part-C of Schedule II to the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**n Intangible assets**

The carrying value (Gross Block less accumulated amortisation) as on 1<sup>st</sup> April, 2015 of the Intangible assets is considered as a deemed cost on the date of transition. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

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

Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. Residual values, useful lives and method of depreciation of Intangible assets 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.

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.

**o Investment properties**

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

Depreciation on investment properties are 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 Group measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

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

**p Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Preference shares which are redeemable on a specific date are classified as a financial liability. Dividends on preference shares are recognised in statement of profit and loss.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

**q Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss as finance costs as per the effective interest rate method, wherever applicable.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### **r Provisions, contingent liabilities and contingent assets**

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

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

### **s Employee benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and Loss for the year in which the related service is rendered.

Post-employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

Re-measurement gains and losses pertaining to defined benefit obligations arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which they occur

Compensated absences are accounted similar to the short term employee benefits.

Retirement benefits in the form of Provident Fund and other Funds are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

### **t Earnings per share**

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

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

### **u Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **v Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **w Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are disclosed as current borrowings in the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**x Current and non-current classification:**

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- 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,
- 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 Group has identified twelve months as its normal operating cycle.

**y Fair value measurement:**

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

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

- 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

**z Off-setting financial Instrument:**

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

**aa 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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

i) Property, plant and equipment, Investment Properties and Intangible Assets:

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

ii) Income Tax:

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

iii) Contingencies:

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

iv) Impairment of financial assets:

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

v) Impairment of non-financial assets:

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

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

vi) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## vii) 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.

## viii) Provisions:

Provisions and liabilities are recognized 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.

## ix) 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.

**ab Standards Issued But Not Effective:**

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

**(i) Issue of Ind AS 115 - Revenue from Contracts with Customers**

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

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

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

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 12 - Income Taxes

Applications of the above standards are not expected to have any significant impact on the Group's Financial Statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## Note 2 - Property, plant and equipment

Particulars	Land- Leasehold	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>COST</b>								
At 1 <sup>st</sup> April 2016	267.42	2,251.59	4,611.04	11,671.53	72.81	113.74	86.66	19,074.79
Additions	-	-	173.76	1,649.00	1.01	-	10.31	1,834.08
Disposals	-	0.31	0.52	282.31	0.17	20.99	5.79	310.09
At 31 <sup>st</sup> March 2017	267.42	2,251.28	4,784.28	13,038.22	73.65	92.75	91.18	20,598.78
Additions	-	-	54.10	615.87	1.24	12.29	11.27	694.77
Disposals	18.33	17.84	75.87	394.70	-	9.76	1.93	518.43
At 31 <sup>st</sup> March 2018	249.09	2,233.44	4,762.51	13,259.39	74.89	95.28	100.52	20,775.12
<b>DEPRECIATION</b>								
At 1 <sup>st</sup> April 2016	6.29	-	216.49	1,420.54	18.64	10.95	21.96	1,694.87
Depreciation	6.27	-	217.10	1,370.56	18.83	15.12	18.81	1,646.69
Disposals	-	-	-	42.75	0.05	1.92	3.99	48.71
At 31 <sup>st</sup> March 2017	12.56	-	433.59	2,748.35	37.42	24.15	36.78	3,292.85
Depreciation	6.04	-	220.78	1,259.27	13.24	12.52	16.06	1,527.91
Disposals	0.08	-	0.87	150.39	-	4.27	1.34	156.95
At 31 <sup>st</sup> March 2018	18.52	-	653.50	3,857.23	50.66	32.40	51.50	4,663.81
<b>NET BOOK VALUE</b>								
At 31 <sup>st</sup> March 2017	254.86	2,251.28	4,350.69	10,289.87	36.23	68.60	54.40	17,305.93
At 31 <sup>st</sup> March 2018	230.57	2,233.44	4,109.01	9,402.16	24.24	62.88	49.02	16,111.31
<b>CAPITAL WIP</b>								
At 31 <sup>st</sup> March 2017								629.49
At 31 <sup>st</sup> March 2018								2,036.33

2.1 Building includes **Rs. 0.01 Lacs** (Previous year Rs. 0.01 Lacs) being the cost of shares in Co-operative Housing Society towards ownership of residential flats.

2.2 Gross Block of Plant and Equipments includes **Rs. 64.68 Lacs** (Previous year Rs. 64.68 Lacs) and **Rs. 33.56 Lacs** (Previous year Rs. 33.56 Lacs) being the amount spent for laying Power Line and Water Pipe Line respectively, the ownership of which vests with the respective Government Authorities.

2.3 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 respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried by the management there was no impairment loss on fixed assets during the year ended 31<sup>st</sup> March, 2018.

2.4 Refer note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Note 3 - Investments Properties				(Rs.in Lacs)
Particulars	Freehold land	Leasehold Rights	Building	Total
<b>COST</b>				
At 1 <sup>st</sup> April 2016	141.90	5,573.36	982.48	6,697.74
Additions	-	-	2,621.92	2,621.92
Disposals	-	-	-	-
At 31 <sup>st</sup> March 2017	141.90	5,573.36	3,604.40	9,319.66
Additions	-	17.24	1,373.09	1,390.33
Disposals	-	-	-	-
At 31 <sup>st</sup> March 2018	141.90	5,590.60	4,977.49	10,709.99
<b>DEPRECIATION</b>				
At 1 <sup>st</sup> April 2016	-	-	10.66	10.66
Depreciation	-	-	10.63	10.63
Disposals	-	-	-	-
At 31 <sup>st</sup> March 2017	-	-	21.29	21.29
Depreciation	-	129.75	169.98	299.73
Disposals	-	-	-	-
At 31 <sup>st</sup> March 2018	-	129.75	191.27	321.02
<b>NET BOOK VALUE</b>				
At 31 <sup>st</sup> March 2017	141.90	5,573.36	3,583.11	9,298.37
At 31 <sup>st</sup> March 2018	141.90	5,460.85	4,786.22	10,388.97

3.1. Fair value of investment properties			(Rs.in Lacs)
Particulars	31-Mar-2018	31-Mar-2017	
Freehold land	2,262.90	2,158.65	
Leasehold Rights	5,460.85	5,573.36	
Buildings	11,830.24	10,827.49	
<b>Total</b>	<b>19,553.98</b>	<b>18,559.51</b>	

3.2. Income from Investment Properties generating Rental Income			(Rs.in Lacs)
Particulars	31-Mar-2018	31-Mar-2017	
Rental Income derived from investment properties	636.28	2.69	
Direct Operating expenses (including repairs and maintenance) generating rental income	-	-	
Income arising from investment properties before depreciation	636.28	2.69	
Depreciation	276.32	0.19	
Income from Investment properties (Net)	<b>359.96</b>	<b>2.50</b>	

3.3. Income from Investment Properties not generating Rental Income			(Rs.in Lacs)
Particulars	31-Mar-2018	31-Mar-2017	
Rental Income derived from investment properties	-	-	
Direct Operating expenses (including repairs and maintenance) generating rental income	35.32	30.78	
Income arising from investment properties before depreciation	(35.32)	(30.78)	
Depreciation	20.95	10.44	
Income from Investment properties (Net)	<b>(56.27)</b>	<b>(41.22)</b>	

### 3.4. Estimation of fair value of investment properties:

The best evidence of fair value is current price in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

- 3.5 a) Leasehold Rights represents amount paid by one of the subsidiary company for rights to leasehold land in the year 2008. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and valid upto 18<sup>th</sup> June 2058.
- b) Building represents it is used for labour accommodation situated in Dubai, UAE which is constructed on leasehold land. The construction has been completed on 17<sup>th</sup> April, 2017.
- c) The management of one of the subsidiary is of the opinion that, the absence of comparable market prices, the fair value of building can not be reasonable reliably determined but is considered to be at least equal to its carrying amount.
- 3.6 Refer note 47 for disclosure of contractual commitments for the acquisition of investment properties.
- 3.7 Depreciation are inclusive of gain / (loss) of Rs. (2.46 Lacs) on account of translation of investment property and depreciation to date respectively of foreign subsidiary. The effect of which is considered in foreign currency translation reserve.

### Note 4 - Intangible Assets

	(Rs. In Lacs)
Particulars	Amount
<b>COST</b>	
<b>At 1<sup>st</sup> April 2016</b>	<b>26.50</b>
Additions	-
Disposals	-
<b>At 31<sup>st</sup> March 2017</b>	<b>26.50</b>
Additions	-
Disposals	-
<b>At 31<sup>st</sup> March 2018</b>	<b>26.50</b>
<b>AMORTIZATION</b>	
<b>At 1<sup>st</sup> April 2016</b>	8.43
Depreciation	7.69
Disposals	-
<b>At 31<sup>st</sup> March 2017</b>	<b>16.12</b>
Depreciation	6.60
Disposals	-
<b>At 31<sup>st</sup> March 2018</b>	<b>22.72</b>
<b>NET BOOK VALUE</b>	
<b>At 31<sup>st</sup> March 2017</b>	<b>10.38</b>
<b>At 31<sup>st</sup> March 2018</b>	<b>3.78</b>

4.1 Intangible assets represents software other than self generated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## Note 5 - Investments - Others

(Rs.in Lacs)

	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>(i) Financial assets classified and measured at cost</b>						
<b>Unquoted fully paid-up</b>						
Searock Developers FZC	50	AED 1	7,960.36	50	AED 1	7,964.27
Urban Infrastructure Holdings Pvt. Ltd.	113,517,714	10	11,277.08	113,517,714	10	12,182.71
<b>Total equity investments</b>			<b>19,237.44</b>			<b>20,146.98</b>
<b>In debentures</b>						
<b>Unquoted fully paid-up</b>						
Zero percent fully compulsorily convertible debentures of Urban Infrastructure Holdings Pvt. Ltd.	5,751,540	100	5,751.54	2,733,540	100	2,733.54
Zero percent fully compulsorily convertible debentures of Urban Infrastructure Holdings Pvt. Ltd.	85,227,110	10	8,522.71	85,227,110	10	8,522.71
Share application money towards Urban Infrastructure Holdings Pvt. Ltd.	-	-	1,509.00	-	-	-
<b>Total debentures</b>			<b>15,783.25</b>			<b>11,256.25</b>
<b>Investments in associate</b>			<b>35,020.69</b>			<b>31,403.23</b>
<b>(ii) Financial assets classified and measured at Fair value through other comprehensive income</b>						
<b>1. Equity Instruments</b>						
<b>a) Equity Shares - Unquoted fully paid up</b>						
Mumbai SEZ Ltd	229,377,346	10	22,456.04	229,377,346	10	22,456.04
Rewas Ports Ltd	50,000,000	10	4,505.00	50,000,000	10	4,540.00
Gold Bricks Infrastructure Pvt. Ltd.	806,700	10	282.75	806,700	10	342.48
Neelkanth Realty Pvt. Ltd. (Refer Note 5.1)	213,333	10	77.33	213,333	10	77.33
Neelkanth Rice Lands Pvt. Ltd.	80,000	10	72.77	80,000	10	92.68
Nirmal Infrastructure Pvt. Ltd. (Refer Note 5.2)	109,000	10	100.00	109,000	10	100.00
Ozone Projects Pvt. Ltd.	957,133	10	-	957,133	10	-
Ozone Urbana Infra Developers Pvt. Ltd.	444,143	10	636.17	444,143	10	1,056.73
Sterling Urban Infraprojects Pvt. Ltd.	-	-	-	4,400,000	10	197.81
Supernal Realtors Pvt. Ltd.	26,667	10	-	26,667	10	-
Vengas Realtors Pvt. Ltd.	26,667	10	-	26,667	10	-
Prestige Garden Estates Projects Pvt. Ltd.	8,007	10	0.80	8,007	10	0.80
Sun Infrastructures Pvt. Ltd.	28,298	10	-	28,298	10	-
Share application money - Prestige estates projects limited			<b>885.65</b>			<b>885.65</b>
<b>b) Equity Shares - Unquoted Partly paid up</b>						
Nilayami Realtors Pvt. Ltd. (Rs. 5/- paid up each)	106,000	10	67.27	106,000	10.00	84.85

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**Note 5 - Investments - Others**

(Rs.in Lacs)

	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>c) Equity Shares - Quoted fully paid up</b>						
Reliance Industries Ltd.	510,178	10	4,503.85	3,522,000	10	46,462.22
Bajaj Finserv Ltd	2,000	5	103.57	2,000	5	81.97
ERA Infra Engineering Ltd. (Current Year Rs. 6/- and Previous Year Rs. 7/-)	5	2	0.00	5	2	0.00
Indo-Asian Projects Ltd. (Current Year Rs. 10/- and Previous Year Rs. 10/-)	1	10	0.00	1	10	0.00
Future Retail Ltd. (Current Year Rs. 603/- and Previous Year Rs. 474/-)	1	2	0.01	1	2	0.00
Regaliaa Realty Ltd. (Current Year Rs. 11/- and Previous Year Rs. 11/-)	1	10	0.00	1	10	0.00
SAAG RR Infra Ltd. (Current Year Rs. 1/- and Previous Year Rs. 1/-)	1	10	0.00	1	10	0.00
<b>Total investment in equity shares</b>			<b>33,691.21</b>			<b>76,378.56</b>
<b>d) 0% Fully Compulsorily Convertible Debentures - Unquoted fully paid up</b>						
Neelkanth Realty Pvt. Ltd. (Refer Note 5.1)	33,600	100	33.60	33,600	100	33.60
Neelkanth Rice Lands Pvt. Ltd.	11,200	1,000	126.93	11,200	1,000	145.52
Supernal Realtors Pvt. Ltd.	18,721	1,000	-	18,721	1,000	-
Vengas Realtors Pvt. Ltd.	26,733	1,000	-	26,733	1,000	-
<b>e) 0% Fully Compulsorily Convertible Debentures - Unquoted partly paid up</b>						
Nilayami Realtors Pvt. Ltd. (Rs. 10/- paid up each)	8,480	1,000	0.63	8,480	1,000	16.26
<b>Total Debentures</b>			<b>161.16</b>			<b>195.38</b>
<b>Total equity instruments at FVOCI</b>			<b>33,852.37</b>			<b>76,573.94</b>
<b>(iii) Financial assets classified and measured at FVTPL</b>						
<b>a) In Units</b>						
HDFC India Real Estate Fund	8,886	1,000	79.81	8,886	1,000	85.75
Urban Infrastructure Opportunities Fund	7,729	49,430	2,128.21	7,729	60,430	2,920.05
Urban Infrastructure Opportunities Fund - Class B	20,000	100	20.00	20,000	100	20.00
<b>Total units at FVTPL</b>			<b>2,228.02</b>			<b>3,025.80</b>
<b>Total Other non-current investments</b>			<b>36,080.39</b>			<b>79,599.74</b>
<b>Total non-current investments</b>			<b>71,101.08</b>			<b>111,002.97</b>

**Note 5 - Investments - Others**

	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
Aggregate amount of quoted investments and market value thereof			<b>4,607.43</b>			46,544.20
Aggregate amount of unquoted investments			<b>66,493.66</b>			64,458.78
5.1 Original Share / Debenture Certificates have been misplaced and steps are being taken to obtain duplicate certificates.						
5.2 Original Equity shares of Nirmal Infrastructure Private Ltd. have been kept in Escrow Account and proposed transaction for disposal of investment is being executed.						

**5.3 Investments classified as:**

<b>Particulars</b>	(Rs. In Lacs)	
	<b>As at 31<sup>st</sup> March, 2018</b>	<b>As at 31<sup>st</sup> March, 2017</b>
At Cost	<b>35,020.69</b>	31,403.23
At FVOCI	<b>33,852.37</b>	76,573.94
At FVTPL	<b>2,228.02</b>	3,025.80
<b>Total</b>	<b>71,101.08</b>	<b>111,002.97</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

<b>Note 6 - Non current financial assets - Loans</b>		(Rs.in Lacs)	
<b>Particulars</b>	<b>AS AT 31<sup>st</sup> MARCH 18</b>	<b>AS AT 31<sup>st</sup> MARCH 17</b>	
<b>Unsecured, considered good</b>			
Loans to employees	60.46	144.28	
<b>Total</b>	<b>60.46</b>	<b>144.28</b>	

<b>Note 7 - Other non current financial assets</b>		(Rs.in Lacs)	
<b>Particulars</b>	<b>AS AT 31<sup>st</sup> MARCH 18</b>	<b>AS AT 31<sup>st</sup> MARCH 17</b>	
Bank Deposits with more than 12 months maturity (Refer Note 7.1 Below)	75.74	126.04	
Security Deposits	379.06	305.48	
<b>Total</b>	<b>454.80</b>	<b>431.52</b>	

7.1 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department, Sales-tax Department and Customs Authorities

75.74 126.04

<b>Note 8 - Non current tax assets (net)</b>		(Rs.in Lacs)	
<b>Particulars</b>	<b>AS AT 31<sup>st</sup> MARCH 18</b>	<b>AS AT 31<sup>st</sup> MARCH 17</b>	
Income-tax	4,967.34	4,551.68	
<b>Total</b>	<b>4,967.34</b>	<b>4,551.68</b>	

<b>Note 9 - Deferred tax assets (net)</b>		(Rs.in Lacs)	
<b>Particulars</b>	<b>AS AT 31<sup>st</sup> MARCH 18</b>	<b>AS AT 31<sup>st</sup> MARCH 17</b>	
<b>Deferred Tax Assets</b>			
Disallowance Under the Income-tax Act, 1961	79.17	74.57	
On unrealised profit on unsold inter-company inventory	18.11	18.87	
<b>Deferred Tax Liabilities</b>			
Financial assets measured at Fair Value	61.45	57.47	
<b>Total</b>	<b>35.83</b>	<b>35.97</b>	

<b>9.1 Movement in Deferred Tax Assets/(Liabilities)</b>		(Rs.in Lacs)			
<b>Particulars</b>	<b>Disallowance under the Income Tax Act</b>	<b>On unrealised profit on unsold inter-company inventory</b>	<b>Financial assets measured at Fair Value</b>	<b>Total</b>	
As at 1 <sup>st</sup> April, 2016	44.46	75.42	-	119.88	
Charged/(Credited)					
- to Profit & Loss	30.11	(55.82)	(57.47)	(83.18)	
- to Other Comprehensive Income	-	(0.73)	-	(0.73)	
As at 31 <sup>st</sup> March, 2017	74.57	18.87	(57.47)	35.97	
Charged/(Credited)					
- to Profit & Loss	3.58	(0.76)	(10.22)	(7.40)	
- to Other Comprehensive Income	1.02	-	6.24	7.26	
<b>As at 31<sup>st</sup> March, 2018</b>	<b>79.17</b>	<b>18.11</b>	<b>(61.45)</b>	<b>35.83</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## 9.2 Unrecognised deferred tax assets:

## a) On Deductible temporary differences -

Deferred tax assets are not recognised for certain deductible temporary differences arising on fair valuation of investments to the extent of **Rs. 31,648.24 Lacs** ( 31<sup>st</sup> March 2017 - 29,340.17 Lacs) because it is not probable that future taxable profits will be available against which these deductible temporary differences can be utilised.

## b) Tax Losses

The Group has the following unused tax losses which arose on incurrence of business losses and capital losses under the Income Tax Act, 1961 for which no deferred tax asset has been recognised in the Balance Sheet

(Rs.in Lacs)				
In relation to Financial Year ending	As at 31 <sup>st</sup> March 2018	Expiry Year	As at 31 <sup>st</sup> March 2017	Expiry Year
2009-2010	-	-	14.37	2017-2018
2010-2011	29.15	2018-2019	29.15	2018-2019
2011-2012	8.26	2019-2020	8.26	2019-2020
2012-2013	5.96	2020-2021	5.96	2020-2021
2013-2014	4.60	2021-2022	4.60	2021-2022
2014-2015	25.55	2022-2023	28.01	2022-2023
2015-2016	15.34	2023-2024	14.84	2023-2024
2016-2017	14.10	2024-2025	16.04	2024-2025
2017-2018	19.65	2025-2026	-	-

(Rs. In Lacs)				
In relation to Financial Year ending	As at 31 <sup>st</sup> March 2018	Expiry Year	As at 31 <sup>st</sup> March 2017	Expiry Year
2015-2016	8.31	2023-2014	8.31	2023-2014
2016-2017	607.10	2024-2025	607.10	2024-2025
2017-2018	183.40	2025-2026	-	-

Note 10 - Other non current assets				(Rs.in Lacs)
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17		
Capital advances	11,240.36	12,856.96		
MAT Credit Entitlement	23.23	19.56		
Unamortised portion of employee benefits	10.34	25.94		
Balance with GST/Service Tax Authorities	131.71	161.82		
Prepaid Expenses	12.45	15.19		
<b>Total</b>	<b>11,418.09</b>	<b>13,079.47</b>		

Note 11 - Inventories				(Rs. in Lacs)
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17		
<b>Raw Materials</b>				
Goods-in-Transit	82.17	16.83		
Others	2,209.13	2,657.33		
<b>Work-in-Progress</b>	15,011.65	14,395.70		
<b>Finished Goods</b>				
Goods-in-Transit	891.53	1,080.28		
Others	2,563.67	1,939.19		
<b>Stores and Spares</b>	702.17	682.43		
<b>Construction Materials</b>	6.66	10.87		
<b>Scrap</b>	55.49	23.64		
<b>Total</b>	<b>21,522.47</b>	<b>20,806.27</b>		



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**
**Note 11 - Inventories**

(Rs. in Lacs)

Particulars	AS AT 31 <sup>ST</sup> MARCH 18	AS AT 31 <sup>ST</sup> MARCH 17
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11.1. For mode of valuation please refer note 1 (i)

 11.2 Work in Progress includes Land of **Rs. 728.63 Lacs** (Previous year Rs. 728.63 Lacs) pending execution of conveyance/sale deed and possession of the land of **Rs. 367.63 lacs** ( Previous year Rs. 506.51 Lacs) is in dispute.

**Note 12- Current investments**

(Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
	Quantity (No's)	Face value	Amount	Quantity (No's)	Face value	Amount
<b>(i) Financial assets classified and measured at Fair value through other comprehensive income</b>						
<b>1. Equity Instruments</b>						
<b>a) Equity Shares - Quoted fully paid up</b>						
Ansal Properties & Infrastructure Ltd.	762,608	5	147.95	762,608	5	115.15
Bombay Dyeing & Mfg.Co. Ltd.	176,000	2	421.26	176,000	2	145.90
Electrotherm (India) Ltd.	2,500	10	3.18	2,500	10	4.32
Essar Shipping Ltd.	12,512	10	2.85	12,512	10	3.49
The Indian Hotels Company Ltd.	215,419	1	274.34	171,062	1	217.93
Tata Communication Ltd.	38,700	10	240.39	38,700	10	279.61
<b>Total equity instruments at FVOCI</b>			<b>1,089.97</b>			<b>766.41</b>
<b>(ii) Financial assets classified and measured at amortised cost</b>						
<b>a) 0% Redeemable optionally fully convertible Debentures - Unquoted fully paid up</b>						
Sun Infrastructures Private Limited - Series (A)	151,000	1,000	-	151,000	1,000	1,510.00
<b>b) 0% Redeemable optionally fully convertible Debentures - Unquoted fully paid up</b>						
Sun Infrastructures Private Limited (Partly paid up Rs.586/-each) - Series (B)	23,500	1,000	2.57	23,500	1,000	137.71
<b>c) 14% Non- Convertible Debentures - Unquoted fully paid up</b>						
Ozone Propex Pvt. Ltd.	5,400,000	100	5,400.00	5,400,000	100	5,400.00
<b>Total debentures at amortised cost</b>			<b>5,402.57</b>			<b>7,047.71</b>
<b>(iii) Financial assets classified and measured as fair value through profit and loss</b>						
<b>a) Mutual Funds - Unquoted Fully Paid-up</b>						
Birla Sunlife Floating Rate Fund Short Term Plan Growth Direct Plan	508,107.855	100	1,178.74	197,522.216	100	428.33
Birla Sun Life Cash Plus - Growth - Direct Plan	101,087.176	100	282.35	271,554.339	100	633.81
DSP BlackRock Liquidity Fund - Direct Plan -Growth option	-	-	-	18,873.000	1,000	438.93
Reliance Medium Term Fund	1,375,876.480	10	4,232.08	13,808,194.00	10	4,790.02
Birla Sunlife Savings Fund -Growth Direct Plan	145,788.959	100	501.40	544,982.437	100	1,744.55
<b>Total Units in Mutual Funds at FVTPL</b>			<b>6,194.57</b>			<b>8,035.65</b>
<b>Total Current Investments</b>			<b>12,687.11</b>			<b>15,849.75</b>
Aggregate amount of quoted investments and market value thereof			-			-
Aggregate amount of unquoted investments			12,687.11			15,849.75

12.1 Refer Note No. 1 ( k ) for mode of valuation of Investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Note 13 - Trade receivables		(Rs.in Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17	
<b>Unsecured, considered good unless otherwise specified</b>			
Trade Receivables	7,958.06	7,723.98	
<b>Total</b>	<b>7,958.06</b>	<b>7,723.98</b>	

Note 14 - Cash and Cash Equivalents		(Rs.in Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17	
<b>Cash and Cash Equivalents</b>			
Balances with Banks in Current Accounts	913.68	471.33	
Cheques, Drafts in Hand	50.00	0.83	
Cash on Hand	4.78	1.06	
<b>Total</b>	<b>968.46</b>	<b>473.22</b>	

14.1 For the purpose of the statement of cash flows, cash and cash equivalents comprise the followings:-

		(Rs.in Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17	
Balances with Banks in Current Accounts	913.68	471.33	
Cheques, Drafts in Hand	50.00	0.83	
Cash on Hand	4.78	1.06	
	968.46	473.22	
Less: Working Capital Loan from Bank repayable on Demand	51.20	0.03	
	917.26	473.19	

Note 15 - Bank Balance other than Cash & Cash Equivalents		(Rs.in Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17	
<b>Other Bank Balances - Earmarked</b>			
Unpaid Dividend Accounts	37.80	36.67	
Fixed Deposits with banks	465.92	517.77	
<b>Total</b>	<b>503.72</b>	<b>554.44</b>	

15.1 Fixed Deposits with Banks as Deposit with Various Government Departments.

15.2 Fixed Deposits with Bank pledged against Bank Overdraft Facility.

Note 16 - Current financial assets - Loans		(Rs.in Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17	
<b>Unsecured, considered good unless otherwise specified</b>			
<b>Loans and advances to related parties</b>			
Advances to Related Parties (Refer Note No. 46)	122.97	10.19	
<b>Others</b>			
Inter-Corporate Deposits measured at amortised cost	3,070.05	2,369.45	
Interest Receivable	3,166.97	3,029.38	
Other Advances	25.41	21.65	
<b>Total</b>	<b>6,385.40</b>	<b>5,430.67</b>	

16.1 Other Advances mainly includes loans to employees.

16.2 Inter Corporate Deposit (ICD) of **Rs. 1,270.05 Lacs** (Previous year Rs. 73.78 Lacs) and Interest accrued and due on the same of **Rs. 2,524.44 Lacs** ( Previous year Rs. 2,200.78 Lacs) are subject to confirmation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

16.3 Inter-Corporate Deposits of Rs. 1,195.67 Lacs and interest receivable of Rs. 2,488.55 Lacs recoverable are overdue from parties. The Company is pursuing recovery of interest of Rs. 2,147.12 Lacs through a summary suit filed against some of the parties in the Hon'ble Bombay High Court. In view of the value of the assets of the parties and commitment from the Promoter of those parties, the Company is of the view that the entire outstanding amount is recoverable and no provision for doubtful advance is necessary.

16.4 The Subsidiary company has granted loans for the purpose of business and working capital needs of the recipient of the loan.

### Note 17 - Other current financial assets

(Rs.in Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Loans to Employees	54.13	24.81
Interest Accrued on Investments	1,456.06	1,456.06
Other Advances	301.29	500.95
<b>Total</b>	<b>1,811.48</b>	<b>1,981.82</b>

17.1 Other Advances mainly includes Claims & Discount receivables from various parties, rental and other deposits etc.

17.2 Interest accrued on investments of **Rs. 1,456.06 Lacs** (Previous year Rs. 1,456.06 Lacs) are subject to confirmations.

### Note 18 - Other current assets

(Rs.in Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Export Incentive Receivable	147.94	184.58
Balance with Government Authorities	1,530.49	532.50
Advance Towards Purchase of Land / Development Rights	12,239.45	12,303.38
Other Advances	819.69	1,547.89
<b>Total</b>	<b>14,737.57</b>	<b>14,568.36</b>

18.1 Other Advances mainly includes Advance to Suppliers, VAT Receivables, Cenvat receivable etc.

18.2 Advances towards Purchase of Land / Development Rights aggregating to **Rs. 9,567.68 lacs** (Previous year Rs. 9,567.68 Lacs) which are subject to confirmation. Further **Rs. 42.50 Lacs** (Previous year Rs. 42.50 Lacs) in respect of which one of the subsidiary has initiated legal action for non execution of sales deed / conveyance. The management is of the view that the above mentioned amounts are fully recoverable and hence no provisions for doubtful advances is necessary.

### Note 19 - Assets held for sale

(Rs.in Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Property, plant & Equipments Held for Disposal (refer note 19.1 below)	15.48	22.00
Investment in equity shares of Earnest Towers Pvt. Ltd. (refer 19.2 below) - Measured at fair value through other comprehensive income	-	856.77
<b>Total</b>	<b>15.48</b>	<b>878.77</b>

19.1 Assets held for sale represents Plant and Machineries discarded in current year and earlier years and not in use and are carried at estimated net realisable value as determined by the management.

19.2 During the previous year promoters of Earnest Towers Pvt Ltd. proposed to purchase the entire stake of Jai Corp Limited for sum of Rs. 856.77 Lacs which was accepted by the Company and classified as Assets Held for Sale in the Previous Year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Note 20 (a) - Equity share capital		(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	
<b>Authorised:</b>			
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	4,500.00	4,500.00	
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000 Preference Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	150.00	150.00	
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000 Unclassified Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	350.00	350.00	
<b>TOTAL</b>	<b>5,000.00</b>	<b>5,000.00</b>	
<b>Issued and Subscribed:</b>			
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	1784.94	1784.94	
<b>TOTAL</b>	<b>1784.94</b>	<b>1784.94</b>	
<b>Paid-Up:</b>			
17,84,49,410 Equity Shares of Re. 1 each fully paid up (17,84,49,010 Equity Shares of Re.1 each as at 31 <sup>st</sup> March, 2017)	1,784.49	1784.49	
Add: Forfeited Shares (Amount originally paid on 4,460 (4,460) shares of Rs. 10 each)	0.22	0.22	
<b>TOTAL</b>	<b>1,784.71</b>	<b>1784.71</b>	

**20 (a).1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:**

Particulars	2017-18		2016-17	
	(In Nos.)	(Rs. In Lacs)	(In Nos.)	(Rs. In Lacs)
Shares outstanding at the beginning of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49
Shares outstanding at the end of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49

**20 (a).2 The terms / rights attached to the Equity Shares:**

The holder of equity shares of Re. 1 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.

**20 (a).3 Details of shares in the Company held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
<b>Equity Shares:</b>				
Harsh Jain	2,32,53,153	13.03	2,32,51,560	13.03
Rina Jain	-	-	2,17,19,220	12.17
Aero Trust	2,17,19,120	12.17	-	-
Iceberg Trust	2,12,73,120	11.92	-	-
Satyapal Jaikumar Jain	1,82,11,800	10.21	1,82,11,800	10.21
Sushma Jain	1,61,30,740	9.04	1,61,30,740	9.04
Ankit Jain	-	-	1,54,01,700	8.63
Laxmi Jain	1,42,53,540	7.99	1,42,53,540	7.99
Gaurav Jain	1,05,28,794	5.90	1,05,27,200	5.90

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**
**20 (a).4 Forfeited shares (Amount originally paid up):** (Rs. in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
44,600 (Previous Year 44,600 as at 31 <sup>st</sup> March, 2017) Equity Shares of Re.1 each (Originally 4,460 Equity Shares of Rs.10/- each)	0.22	0.22

**Note 20 (b) - Other equity** (Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Foreign Exchange Translation Reserve</b>		
<b>Opening balance</b>	<b>2,769.30</b>	<b>2,829.63</b>
Transaction during the year	(4.28)	(60.33)
<b>Closing balance</b>	<b>2,765.02</b>	<b>2,769.30</b>

Nature and Purpose - The exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The same is cumulatively reclassified to profit or loss when the Foreign operation is disposed off.

**Capital reserve** (Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Capital reserve</b>		
<b>Opening balance</b>	<b>92.17</b>	<b>92.17</b>
Transaction during the year	-	-
<b>Closing balance</b>	<b>92.17</b>	<b>92.17</b>

Nature and Purpose - The Reserve was created in pursuant to scheme for the merger of Comet Steels Ltd and Sipta Coated Steels Ltd with Jai Corp Ltd. The reserve will be utilized in the compliance with the provisions of the Company's Act, 2013.

**Capital reserve on consolidation** (Rs.in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Capital reserve on consolidation</b>		
<b>Opening balance</b>	<b>349.95</b>	<b>349.95</b>
Transaction during the year -	-	-
<b>Closing balance</b>	<b>349.95</b>	<b>349.95</b>

Nature and Purpose - Capital reserve on consolidation represents excess of fair value of net assets over the purchase consideration paid to the acquiree.

**Capital redemption reserve** (Rs. in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Capital redemption reserve</b>		
<b>Opening balance</b>	<b>89.00</b>	<b>85.55</b>
Transaction during the year -		
Transfer from retained earnings on account of redemption of preference shares	35.02	3.45
<b>Closing balance</b>	<b>124.02</b>	<b>89.00</b>

Nature and Purpose - The reserve was created upon the redemption of preference shares and will be utilised with the compliance of the provisions of the Company's Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Securities premium reserve</b>		
Opening balance	43,348.95	43,348.95
Transaction during the year	-	-
<b>Closing balance</b>	<b>43,348.95</b>	<b>43,348.95</b>
Nature and Purpose - Securities premium was created when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>General reserve</b>		
Opening balance	27,373.42	27,376.87
Transaction during the year -		
Transfer to capital redemption reserve	(35.02)	(3.45)
<b>Closing balance</b>	<b>27,338.40</b>	<b>27,373.42</b>
Nature and Purpose - 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.		

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Retained earnings</b>		
Opening balance	30,214.04	32,354.41
Transaction during the year -		
Net loss for the year	(189.89)	(1,826.78)
Dividends Paid	(240.83)	(240.84)
Transfer from FVOCI - equity instruments on financial assets sold	8,216.78	(2.22)
Tax on Proposed Dividends	(49.13)	(74.51)
Others	-	3.98
<b>Closing balance</b>	<b>37,950.97</b>	<b>30,214.04</b>
Nature and Purpose - Retained earnings represents the accumulated profits / losses made by the Group over the years.		

Particulars	(Rs.in Lacs)	
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Remeasurements of defined benefit plans</b>		
Opening balance	69.43	26.03
Transaction during the year -		
Actuarial gains	49.30	66.47
Deferred tax	(17.31)	(23.07)
<b>Closing balance</b>	<b>101.42</b>	<b>69.43</b>
Nature and purpose - Other comprehensive income also comprises of re-measurements of defined benefit obligations.		

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	(Rs.in Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>FVOCI - Equity instruments</b>		
<b>Opening balance</b>	<b>(3,984.16)</b>	<b>(12,596.83)</b>
Transaction during the year -		
Transfer to retained earnings - equity instruments on financial assets sold	(8,216.78)	2.22
Fair value gains and losses on restatement to fair value on reporting date	10,515.01	8,554.55
Deferred tax	5.48	60.33
Share of Other comprehensive income of Associates	(5.62)	(4.43)
<b>Closing balance</b>	<b>(1,686.08)</b>	<b>(3,984.16)</b>

Nature and Purpose - The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income.

	(Rs.in Lacs)	
Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
<b>Equity component of preference shares issued</b>		
<b>Opening balance</b>	<b>21,476.91</b>	<b>21,801.64</b>
Transaction during the year -		
Term Extension of Preference Shares	3,957.02	-
Deferred tax on above	(1,372.40)	-
Early Redemption of Preference Shares	(722.65)	(324.73)
<b>Closing balance</b>	<b>23,338.88</b>	<b>21,476.91</b>

Nature and purpose - The difference between the fair value of preference shares on the date of issue / modification and the transaction price is recognised as a deemed equity component by the promoters.

Estimation of fair value - For computation of the below fair value benefit, the company has estimated the fair value of the financial liability on the date of issue / modification by considering comparable market interest rates adjusted to the facts and circumstances relevant to the company.

	(Rs. In Lacs)
<b>Total other equity as at 31<sup>st</sup> March 2018</b>	
31-Mar-17	121,799.03
31-Mar-18	133,723.72

	(Rs. In Lacs)	
Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
<b>Note 21 - Non - current financial liabilities</b>		
<b>Borrowings other than from banks</b>		
<b>Unsecured</b>		
1% Non-Cumulative, Non-Participating Redeemable Preference Shares (refer note 21.1 below)	38,770.22	-
<b>Total</b>	<b>38,770.22</b>	<b>-</b>

**21.1 The terms / rights attached to the Preference Shares:**

On 27<sup>th</sup> November, 2007 1,50,00,000 1% Non - cumulative, Non - Participating Redeemable Preference Shares of Re.1 each fully paid-up were allotted. Subsequently 1,24,02,000 shares have been redeemed in various tranches and the balance 25,98,000 are redeemable at a premium of 6 % p.a. from the date of allotment over and above the total issue price of Rs. 1,000/- per share which were rolled over for a further period of two years with effect from 26<sup>th</sup> November, 2017 as approved by share holders at their meeting held on 12<sup>th</sup> September, 2017 these Preference shares are to be redeemable on 25<sup>th</sup> November, 2019. The Preference Shareholders have a preferential right to dividend of 1% per annum, carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company and have no voting rights.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## 21.2 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
<b>Preference Shares:</b>				
Harsh Jain	-	-	400,000	6.56
Sushma Jain	577,750	22.24	623,300	10.22
Gaurav Jain	-	-	541,250	8.87
LJNK Trust	180,120	6.93	-	-
Neha Bagaria	335,000	12.89	335,000	5.49
Prime Trust	866,000	33.33	1,703,300	27.92
Mega Trust	327,800	12.62	984,980	16.15
IIFL Cash Opportunities Fund	-	-	622,000	10.20

## 21.3 Reconciliation of number of Preference Shares outstanding at the beginning and at the end of the year:

Particulars	2017-18		2016-17	
	(In Nos.)	(Rs. In Lacs)*	(In Nos.)	(Rs. In Lacs)*
Shares outstanding at the beginning of the year	6,099,900	61.00	6,444,900	64.45
Less: Shares redeemed during the year	3,501,900	35.02	345,000	3.45
Shares outstanding at the end of the year	2,598,000	25.98	6,099,900	61.00

\* Preference shares value shown above is valued at its Face Value.

## Note 22 - Other Non-current financial liabilities

Particulars	(Rs. In Lacs)	
	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Security Deposits	31.47	13.57
Other Payable	-	145.67
<b>Total</b>	<b>31.47</b>	<b>159.24</b>

22.1 Other Payable relates to amount to be paid towards construction contract awarded for labour camp building in U.A.E. by one of the subsidiary company. 5% of the total contract value amounting to **Rs. Nil (USD Nil )** (Previous Year Rs. 145.67 Lacs (USD 224,664) was anticipated to be paid within the next 12 months and a further 5% of the total contract value of **Rs. Nil (USD Nil )** (Previous year Rs. 145.67 Lacs (USD 224,664) is payable in more than 12 months from completion date which is anticipated to be April/May 2017.

## Note 23 - Non - current Provisions

Particulars	(Rs. In Lacs)	
	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Gratuity (unfunded) (Refer Note 49)	71.90	61.17
<b>Total</b>	<b>71.90</b>	<b>61.17</b>

## Note 24 - Deferred tax liabilities

Particulars	(Rs. In Lacs)	
	AS AT 31 MARCH 18	AS AT 31 MARCH 17
<b>Deferred tax liabilities</b>		
Related to Property, plant and Equipments	2,161.94	2,136.94
Related to redeemable preference share liability	1,155.96	1,008.22
Financial assets measured at Fair Value	14.93	52.18
<b>Deferred tax assets</b>		
Disallowance Under the Income-tax Act, 1961	43.30	60.97
Financial assets measured at Fair Value	-	38.13
Deferred tax asset (Others)	-	4.68
<b>Net deferred tax liability</b>	<b>3,289.53</b>	<b>3,093.56</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**24.1 Movement in Deferred Tax Liabilities/(Assets)** (Rs. In Lacs)

Particulars	Related to Property, plant and Equipments	Related to redeemable preference share liability	Financial assets measured at Fair Value	Disallowance Under the Income-tax Act, 1961	Others	Total
As at 1 <sup>st</sup> April, 2016	1,958.18	2,513.21	76.24	(63.07)	(0.85)	4,483.71
Charged/(Credited)						
- to Profit & Loss	178.76	(1,504.99)	(1.85)	(20.97)	(3.83)	(1,352.88)
- to Other Comprehensive Income	-	-	(60.33)	23.07	-	(37.26)
As at 31 <sup>st</sup> March, 2017	2,136.94	1,008.22	14.05	(60.97)	(4.68)	3,093.56
Charged/(Credited)						
- to Profit & Loss	25.00	(1,224.66)	0.12	(0.66)	-	(1,200.21)
- to Other Comprehensive Income	-	-	0.76	18.33	-	19.10
- to Other Equity	-	1,372.40	-	-	4.68	1,377.08
<b>As at 31<sup>st</sup> March, 2018</b>	<b>2,161.94</b>	<b>1,155.96</b>	<b>14.93</b>	<b>(43.30)</b>	<b>-</b>	<b>3,289.53</b>

**Note 25 - Other non current liabilities** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Deferred guarantee commission income	-	7.68
Advanced rent	5.33	-
<b>Total</b>	<b>5.33</b>	<b>7.68</b>

**Note 26 - Current financial liabilities - Borrowings** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
<b>Secured Loans</b>		
Working Capital Loans from Banks repayable on Demand (Refer Note 26.1 below)	51.20	0.03
<b>Total</b>	<b>51.20</b>	<b>0.03</b>

26.1. **Rs. 51.20 Lacs** (Previous year Rs. 0.03 Lacs) is secured against pledge of fixed deposits with a bank.

**Note 27 - Trade payables** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Micro, Small and Medium Enterprises	-	9.72
Others	784.16	475.58
<b>Total</b>	<b>784.16</b>	<b>485.30</b>

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

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
a) Principal amount Outstanding	-	9.72
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, along with amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

e) Interest accrued and remaining unpaids	-	-
f) Further interest remaining due and payable in the succeeding years.	-	-

**Note 28 - Other current financial liabilities** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Current Maturities of Non-current Borrowings	-	92,298.69
Unpaid Dividends	37.80	36.67
Unclaimed for Scheme of Arrangement	38.77	38.80
Creditors for Capital Expenditure	91.67	2.00
Others	1,205.90	1,576.69
<b>Total</b>	<b>1,374.14</b>	<b>93,952.85</b>

28.1 Unclaimed Dividends does not include amount, due and outstanding, to be credited to Investor Education and Protection Fund.

28.2 Others Includes Security Deposits from Dealers and Liability for expenses etc.

**Note 29 - Other current liabilities** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Advances from Customers	165.95	97.99
Statutory Dues	143.60	98.01
Deferred guarantee commission income	-	7.68
Others (Refer Note 29.1 below)	5.71	13.16
<b>Total</b>	<b>315.26</b>	<b>216.84</b>

29.1 others includes advance rent etc.

**Note 30 - Current provisions** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
<b>Provision for employee benefits</b>		
Gratuity (Refer Note 49)	80.41	54.18
Leave Encashment	257.39	286.34
<b>Others</b>		
Provision for Excise Duty	-	142.80
<b>Total</b>	<b>337.80</b>	<b>483.32</b>

**Note 31 - Current tax liabilities** (Rs. In Lacs)

Particulars	AS AT 31 <sup>st</sup> MARCH 18	AS AT 31 <sup>st</sup> MARCH 17
Provisions for Income Tax (Net)	3.66	0.44
Provisions for Income Tax (MAT)	1.77	0.48
<b>Total</b>	<b>5.43</b>	<b>0.92</b>

**Note 32 - Revenue from operations** (Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Sale of Products (including excise duty)	56,027.06	72,277.76
Traded Goods	21.42	186.15
Sale of Services	3,224.17	1,938.17
Other Operating Revenue	443.66	516.15
<b>Total</b>	<b>59,716.31</b>	<b>74,918.23</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

<b>Note 33 - Other income</b>		<b>(Rs. In Lacs)</b>	
	<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>
	Interest Income from Financial Assets measured at amortised cost		
	From Inter-Corporate Deposits	219.57	484.03
	From Fixed Deposits	41.00	70.52
	From Customers	233.47	38.99
	From Others	43.05	126.26
	Dividend Income from Equity Investments designated at FVOCI	322.70	60.23
	Profit on Sale of Investments (Net)		
	From Non-current investments	-	0.12
	From Current Investments	346.22	210.62
	Guarantee commission income	15.36	1.89
	Rent Income	636.36	2.76
	Profit on Sale of Plant, Property and Equipments (Net)	673.71	150.59
	Insurance Claim Received (Refer Note No. 33.1 below)	-	536.36
	Net Gain on Foreign Currency Transactions and Translation	19.29	-
	Miscellaneous Income (Refer Note 33.2 below)	64.31	389.80
	<b>Total</b>	<b>2,615.04</b>	<b>2,072.17</b>

33.1 During the previous year insurance Claim received includes Rs. 525.69 Lacs on account of final settlement of Loss of Profit (LOP) in respect of the Company's claim arising due to a major fire on 11<sup>th</sup> October, 2012 at one of the Company's HDPE/PP woven sacks units located at Daman.

33.2 Miscellaneous Income includes **Rs. 24.86 Lacs** (Previous Year Rs. 308.02 Lacs) on account of refund of excess electricity charges paid and **Rs. Nil** (Previous Year Rs. 40.53 lacs) towards refund of excess excise duty.

<b>Note 34 - Cost of materials consumed</b>		<b>(Rs. In Lacs)</b>	
	<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>
	Opening Stock of Raw Material	2,674.16	3,011.98
	Less: Cost of Raw Material Sold	1.63	-
	Add: Purchases	36,451.56	41,562.57
		39,124.09	44,574.55
	Less: Closing Stock of Raw Material	2,291.30	2,674.16
	<b>Cost of Raw Materials Consumed</b>	<b>36,832.79</b>	<b>41,900.39</b>

**Note 35 - Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade**

		<b>(Rs. In Lacs)</b>	
	<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>
<b>At the end of the Year</b>			
	Finished Goods	3,455.20	3,019.47
	Work-in-Progress	15,011.65	14,395.70
	Scrap	55.49	23.64
		18,522.34	17,438.81
<b>At the beginning of the Year</b>			
	Finished Goods	3,019.47	4,343.92
	Work-in-Progress	14,395.70	14,607.76
	Traded Goods	-	421.22
	Scrap	23.64	44.09
		17,438.81	19,416.99
	<b>Changes in Inventories</b>	<b>(1,083.53)</b>	<b>1,978.18</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

<b>Note 36 - Employee benefits expense</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Salaries, Wages and Perquisites	5,339.51	6,203.27	
Contribution to Provident, Gratuity and Other Funds	291.97	390.54	
Staff Welfare Expenses	63.49	62.89	
Gratuity (Unfunded)	47.42	10.99	
<b>Total</b>	<b>5,742.39</b>	<b>6,667.69</b>	
<b>Note 37 - Finance costs</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Interest on Others	20.72	24.27	
Interest expense on redeemable preference shares measured at amortized cost	5,209.24	7,747.29	
Other Borrowing Cost	-	1.00	
<b>Total</b>	<b>5,229.96</b>	<b>7,772.56</b>	
<b>Note 38 - Other expenses</b>		(Rs. In Lacs)	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
<b>Construction and Land Development Cost</b>			
Cost of Land	207.70	-	
Registration & Stamp Duty Charges	8.71	2.20	
Cost of Material Consumed	746.22	159.49	
Project Approval Cost	-	3.40	
Legal & Professional Expenses	-	18.17	
Survey and Other Charges	9.38	4.48	
Security Charges	1.63	1.32	
Land Assessment Tax	1.78	0.17	
Other Expenses	-	0.38	
<b>Manufacturing Expenses</b>			
Stores, Spare parts and Packing Materials Consumed	1,563.79	1,491.06	
Power and Fuel	2,729.93	2,933.35	
Job Work Charges	10.36	198.76	
Repairs to Machinery	74.19	83.62	
Repairs to Buildings	37.25	51.72	
<b>Selling and Distribution Expenses</b>			
Advertisement, Publicity and Sales Promotion Expenses	27.15	34.30	
Brokerage and Commission	526.20	266.89	
Freight Outward, Handling charges and Octroi (Net)	598.56	670.60	
Payment to Auditors (Refer Note No. 38.1 below)	62.02	89.53	
<b>Administrative and General Expenses</b>			
Rent	196.23	208.41	
Rates and Taxes	104.32	84.60	
Repairs & Maintenance - Others	31.24	43.42	
Insurance	137.95	181.57	
Legal, Professional and Consultancy Charges	986.74	915.77	
Travelling and Conveyance	88.50	146.32	
Directors' Sitting Fees	11.92	11.36	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Donations	5.00	5.00
Bank Charges	14.08	14.54
Net Loss on Foreign Currency Transactions and Translations	-	56.54
Bad Debts	62.49	67.28
Sundry Balances Written Off (Net)	20.79	7.59
Corporate Social Responsibilities Expenditure	149.92	209.95
Guarantee commission Expenses	-	17.25
Fair value changes (net) on financial assets classified as fair value through profit and loss - net expense	1,345.22	1,189.78
Miscellaneous Expenses	357.81	385.59
<b>Total</b>	<b>10,117.08</b>	<b>9,554.41</b>

38.1 Payment to Auditors (Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Audit Fees	49.21	51.07
Tax Audit Fees	1.22	11.40
Certification Charges	9.12	26.07
Reimbursement of Expenses	2.47	0.99
<b>Total</b>	<b>62.02</b>	<b>89.53</b>

38.2 Notes related to Corporate Social Responsibility expenditure

- 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. 148.48 Lacs** (Previous Year Rs. 217.29 Lacs)
- Expenditure related to Corporate Social Responsibility is **Rs. 149.92 Lacs** (Previous Year Rs. 209.95 Lacs).
- In one of the subsidiary expenses related to CSR spent in current year is Rs. 6.25 Lacs which is remain unspent.

Particulars	2017-18	2016-17
Education	84.59	162.44
Rural Transformation	48.07	29.35
Others	17.26	18.16
<b>Total</b>	<b>149.92</b>	<b>209.95</b>

Note 39 - Tax expense (Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Current tax expense</b>		
Current tax for the year	3,095.52	3,601.45
MAT Credit	(3.66)	(16.57)
Income tax of earlier year	61.35	14.52
Deferred taxes (Refer Note 9 & 24)	(1,192.81)	(1,269.69)
<b>Total</b>	<b>1,960.40</b>	<b>2,329.71</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

<b>Note 39.1 - Tax reconciliation (for profit and loss)</b>		<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
<b>Accounting profit before tax and share in profit of associates</b>	2,752.10	1,346.17	
Tax at the rate of 34.608%	952.45	465.88	
Realted to Property, Plant and Equipment	(130.82)	103.50	
Expenses not allowed	104.43	121.27	
Exempted Income	(213.56)	(19.91)	
Fair Valuation of Financial Assets and liabilities	538.19	1,637.37	
Lower Tax rates of Subsidiaries	135.27	(39.86)	
Income tax of earlier year	61.35	14.52	
Tax losses for which no deferred tax recognised	423.83	12.36	
Others	89.27	34.56	
<b>Income tax expense</b>	<b>1,960.40</b>	<b>2,329.71</b>	
<b>Note 40 - Other comprehensive income(items which will not be reclassified to profit and loss)</b>		<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Actuarial gains on defined benefit obligations	49.30	66.47	
Deferred tax impact on the above	(17.31)	(23.07)	
Fair value changes (net) on financial assets classified as fair value through other comprehensive income	10,515.01	8,554.55	
Deferred tax impact on financial assets classified as fair value through other comprehensive income	5.48	60.33	
Share of Other comprehensive income of Associates	(5.62)	(4.43)	
<b>Total</b>	<b>10,546.86</b>	<b>8,653.85</b>	
<b>Note 41 - Other comprehensive income (items which will be reclassified to profit and loss)</b>		<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Foreign currency translation reserve	(5.02)	(60.33)	
<b>Total</b>	<b>(5.02)</b>	<b>(60.33)</b>	
<b>Note 42 - Earnings Per Equity Share</b>		<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2018</b>	<b>For the year ended 31<sup>st</sup> March 2017</b>	
Net Loss for the year	(112.22)	(1,828.76)	
Profit/(Loss) attributable to equity share holders	(112.22)	(1,828.76)	
Weighted Average Number of equity shares outstanding during the year	178,449,410	178,449,410	
Basic and Diluted Earnings Per Share (Rs.)	(0.06)	(1.02)	
Face Value per Share (Re.)	1.00	1.00	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

43 Fair value measurements

Financial instruments by category:

Financial instruments by category:						(Rs. In Lacs)	
Particulars	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017			
	FVOCI	FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost	
Financial assets (other than investment in associates)							
Non current assets							
Investments in Unquoted Equity Shares (including assets held for sale)	29,083.79	-	-	30,691.14	-	-	
Investments in Quoted Equity Shares	4,607.43	-	-	46,544.19	-	-	
Investments in units	-	2,228.02	-	-	3,025.80	-	
Investment in FCCD's	161.16	-	-	195.38	-	-	
Non-current loans	-	-	60.46	-	-	144.28	
Other non-current financial assets	-	-	454.80	-	-	431.52	
Current assets							
Investments in Quoted Equity Shares	1,089.97	-	-	766.40	-	-	
Investment in FCCD's	-	-	2.57	-	-	1,647.71	
Investment in 14% non-convertible debentures	-	5,400.00	-	-	-	5,400.00	
Investment in mutual funds	-	6,194.57	-	-	8,035.64	-	
Trade receivables	-	-	7,958.06	-	-	7,723.98	
Cash & Cash Equivalents	-	-	968.46	-	-	473.22	
Bank Balances other than cash and cash equivalents	-	-	503.72	-	-	554.44	
Current loans	-	-	6,385.40	-	-	5,430.67	
Other current financial assets	-	-	1,811.48	-	-	1,981.82	
Total financial assets	34,942.36	8,422.60	23,544.95	78,197.10	11,061.44	23,787.64	
Financial liabilities							
Non-current liabilities							
Non-current borrowings	-	-	38,770.22	-	-	-	
Other Non-current financial liabilities	-	-	31.47	-	-	159.24	
Current liabilities							
Current borrowings	-	-	51.20	-	-	0.03	
Trade payables	-	-	784.16	-	-	485.30	
Other financial liabilities	-	-	1,374.14	-	-	93,952.85	
Total financial liabilities	-	-	41,011.19	-	-	94,597.42	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**Fair value hierarchy**

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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the group include forward exchange contract derivatives.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level. Instruments in level 3 category for the company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds

**Financial assets and liabilities measured at fair value at each reporting date** (Rs. In Lacs)

	As at 31 <sup>st</sup> March, 2018			As at 31 <sup>st</sup> March, 2017		
Financial assets (other than in investment associates)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets measured at FVOCI</b>						
Investments in Unquoted Equity Shares (including assets held for sale)	-	-	29,083.79	-	-	30,691.14
Investments in quoted equity shares	5,697.40	-	-	47,310.59	-	-
Investment in FCCD's	-	-	161.16	-	-	195.38
<b>Total</b>	<b>5,697.40</b>	<b>-</b>	<b>29,244.95</b>	<b>47,310.59</b>	<b>-</b>	<b>30,886.52</b>
<b>Financial assets measured at FVTPL</b>						
Investments in units	-	-	2,228.02	-	-	3,025.80
Investment in units of Mutual funds	6,194.57	-	-	8,035.64	-	-
<b>Total</b>	<b>6,194.57</b>	<b>-</b>	<b>2,228.02</b>	<b>8,035.64</b>	<b>-</b>	<b>3,025.80</b>

**Fair value for assets measured at amortised cost** (Rs. In Lacs)

	As at 31 <sup>st</sup> March, 2018				As at 31 <sup>st</sup> March, 2017			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial assets</b>								
Other non-current financial assets	-	455.36	-	454.80	-	434.65	-	431.52
Non-current loans	-	-	60.46	60.46	-	-	144.28	144.28
<b>Financial liabilities</b>								
Non-current borrowings	-	36,310.57	-	38,770.22	-	-	-	-
Current maturity of non current borrowings	-	-	-	-	-	92,298.69	-	92,298.69
Other financial liabilities	-	-	31.47	31.47	-	-	159.24	159.24

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of security deposits, inter-corporate deposits, trade receivables, cash and bank balances, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities are considered to be approximately equal to the fair value.

The fair values of disclosed above are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Valuation processes

The Group evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also, the Group internally evaluates the valuation process and obtains independent price validation for certain instruments wherever necessary

### Valuation techniques used to determine fair value and significant estimates and judgements made in:

Significant valuation techniques used to value financial instruments include:

- Investment in units, equity instruments and FCCD's are fair valued using the discounted cash flow method or market comparison method or cost approach as appropriate.

Changes in fair values for items measured at level 3 as per the hierarchy	(Rs. In Lacs)		
	Unquoted equity shares	FCCD's	Units
<b>As at 1<sup>st</sup> April 2016</b>	32,003.43	242.27	5,958.48
Reduction in paid up value	-	-	(1,507.16)
Sale proceeds	-	-	(3.56)
Realized Gains/ (losses) recognised in Profit and loss	-	-	0.12
Unrealized Gains/ (losses) recognised in Profit and loss	-	-	(1,422.09)
Unrealized Gains/ (losses) losses recognised in OCI	(1,312.29)	(46.89)	-
<b>As at 31<sup>st</sup> March 2017</b>	<b>30,691.14</b>	<b>195.38</b>	<b>3,025.80</b>
Reduction in paid up value	-	-	(850.19)
Sale proceeds	(1,528.77)	-	-
Realized Gains/ (losses) recognised in Profit and loss	474.19	-	-
Unrealized Gains/ (losses) recognised in Profit and loss	-	-	52.40
Unrealized Gains/ (losses) recognised in OCI	(552.78)	(34.22)	-
<b>As at 31<sup>st</sup> March 2018</b>	<b>29,083.79</b>	<b>161.16</b>	<b>2,228.02</b>

### Valuation inputs for fair values of items in level 3 and their relationships to fair value

Fair valuation of Investments in units and unquoted equity shares and FCCD's are classified as level 3 in the fair value hierarchy because of the unobservable inputs / significant adjustments to observable inputs used to determine the fair value. These investments are mainly into the real estate sector. The valuation methodologies include discounted cash flow method, comparable market price method, as appropriate. The significant unobservable inputs / significantly adjusted observable inputs used in the valuation include prevailing discount rates, market value of land parcels, cost of projects, expected sales consideration etc. A change upto +/- 10% in these inputs will impact the profit before tax by Rs. (214.82) / 214.82 Lacs for the year ended 31<sup>st</sup> March, 2018 and Other comprehensive income before tax by Rs. (447.36) / 509.63 Lacs for the year ended 31<sup>st</sup> March, 2018. The profit for the year would be impacted as a result of gains / losses on investments classified as at fair value through profit or loss, i.e. units. Other comprehensive income would be impacted as a result of gain / losses on investments classified as at fair value through other comprehensive income, i.e. unquoted equity shares and FCCD's.

## 44 Financial risk management

The Group is exposed to credit risk, liquidity risk and Market risk.

### A Credit risk

Credit risk arises from cash and bank balances, current and non-current loans, trade receivables and other financial assets carried at amortised cost.

### Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Group is exposed to credit risk from loans to employees, inter-corporate deposits, bank balances, security deposits, investments measured at amortised cost, trade receivables and other current financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

The Group periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual limits are set accordingly. Investments at Amortised Cost are strategic investments in associated lines of business activity, the Group closely monitors the performance of these Companies. Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

Deposits are mostly placed with government authorities hence the risk of credit loss is negligible. Inter-corporate deposits given to related parties are reassessed at every reporting dates. The loans are extended for genuine business activities.

Credit risk arising from loans to employees are mitigated by structuring the repayment of loans from the salaries of the employees and retirement benefits. In respect of the loans and NCD's to others the company on a periodical basis checks and assess their creditworthiness

The Group trades with recognized and credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant. Also the Group does not enter into sales transaction with customers having credit loss history. There are no significant credit risks with related parties of the Group. The Group is exposed to credit risk in the event of non-payment by customers. Also credit risk in some of cases are mitigated by letter of credit/advances from the customers and other risk mitigation strategies.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

**B Liquidity risk**

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

**Liquidity risk management**

The Group manages its liquidity risk by regularly monitoring its rolling cash flow forecasts. The Group's operations provide a natural liquidity of receivables against payments due to creditors. Receipts exceeding the amount of payables to creditors are invested in liquid assets like mutual funds. Borrowings are managed through credit facilities agreed with the Banks, internal accruals and realisation of liquid assets. In the event of cash shortfalls, the Parent company approaches the lenders for a suitable term extension.

**Maturities of non – derivative financial liabilities****As at 31<sup>st</sup> March 2018**

(Rs. In Lacs)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Total
Non-current borrowings	-	-	38,770.22	38,770.22
Other long term financial liabilities			31.47	31.47
Current borrowings	51.20	-	-	51.20
Trade payables	784.16	-	-	784.16
Other current financial liabilities	1,374.14	-	-	1,374.14
<b>Total</b>	<b>2,209.50</b>	<b>-</b>	<b>-</b>	<b>41,011.19</b>

**As at 31<sup>st</sup> March 2017**

(Rs. In Lacs)

Particulars	Less than 6 months	6 months to 1 year	Between 1 and 5 years	Total
Other long term financial liabilities			159.24	159.24
Current borrowings	0.03	-	-	0.03
Trade payables	485.30	-	-	485.30
Current maturities of Non-Current Borrowings	-	92,298.69	-	92,298.69
Other current financial liabilities	1,508.49	145.67	-	1,654.16
<b>Total</b>	<b>1,993.82</b>	<b>92,444.36</b>	<b>159.24</b>	<b>94,597.42</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**
**C Market risk**

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency receivables and payables. The foreign currency exposures are to USD, Euro.

Foreign currency risk management

Considering the time duration of exposures, the group believes that there will be no significant impact on account of fluctuation in exchange rates.

(Rs. In Lacs)			
Particulars	Financial assets	Financial liabilities	Net Exposure - Assets/ (Liability)
	Trade receivables	Trade payables	
<b>31st March, 2018</b>			
USD	900,362.24	176,702.46	723,659.78
INR	585.43	113.98	471.45
 EURO	-	100,360.17	(100,360.17)
INR	-	77.55	(77.55)
<b>TOTAL INR</b>	<b>585.43</b>	<b>191.53</b>	<b>393.90</b>
 <b>31st March, 2017</b>			
USD	2,602,842.57	28,152.55	2,574,690.02
INR	1,686.50	18.20	1,668.31
 EURO	33,529.60	-	33,529.60
INR	23.33	-	23.33
<b>TOTAL INR</b>	<b>1,709.83</b>	<b>18.20</b>	<b>1,691.64</b>
<b>Sensitivity to foreign currency risk</b> (Rs. In Lacs)			
Particulars	Impact on statement of profit and loss (Before tax) for the year ending Profit/(Loss)		
	31st March, 2018	31st March, 2017	
<b>USD sensitivity</b>			
INR / USD			
Increase by 1%	4.71	16.68	
Decrease by 1%	(4.71)	(16.68)	
<b>Euro sensitivity</b>			
INR / EUR			
Increase by 1%	(0.78)	0.23	
Decrease by 1%	0.78	(0.23)	

**Price risk**

The Group holds investments in units, equity instruments and mutual funds. The Group's exposure to equity security's price risks arises from these investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

**Price risk management :-**

The Group evaluates the performance of its investments on a periodic basis. Also, the investments have been placed for a long term objective and any deterioration for a temporary period is not taken into account while evaluating the performance of its investments. Majority of the investments are placed for strategic management purposes.

**Sensitivity for quoted Investments:-**

(Rs. In Lacs)

	Impact on profit/(loss) (Before Tax)		Impact on other components of equity	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Equity Shares				
Increase in price by 5%	-	-	230.37	2,327.21
Decrease in price by 5%	-	-	(230.37)	(2,327.21)
Mutual Funds				
Increase in price by 1%	61.95	80.36	-	-
Decrease in price by 1%	(61.95)	(80.36)	-	-

Profit for the year would increase/ decrease as a result of gains/ losses on investments classified as at fair value through profit or loss. Other components of equity would increase/ decrease as a result of equity securities classified as at fair value through other comprehensive income.

Please refer Sensivity impact of significant unobservable inputs for level 3 Fair value management in Note No. 43. These represents the price risk since the price will vary basis the significant inputs.

Please refer Sensivity impact of significant unobservable inputs for level 3 Fair value management in Note No. 43.

**45 Capital Management****45.1 Risk management**

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders or redeem preference shares.

The Group monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents. Equity comprises all components including other comprehensive income.

The capital composition is as follows:

(Rs. in Lacs)

	31st March, 2018	31st March, 2017
Total debts	38,821.42	92,298.72
Less: Cash and Cash Equivalents	968.46	473.22
<b>Net Debts</b>	<b>37,852.96</b>	<b>91,825.50</b>
Total equity	135,508.42	123,583.74
Total Capital (Net Debt plus Total Equity)	173,361.38	215,409.24
<b>Net Debt Equity Ratio</b>	<b>0.22</b>	<b>0.43</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

<b>45.2 Dividends</b>		(Rs. in Lacs)	
		<b>31<sup>st</sup> March, 2018</b>	<b>31<sup>st</sup> March, 2017</b>
<b>a Equity dividend paid</b>			
	Final dividend for the year ended 31 <sup>st</sup> March 2017 of Re. 0.50 (31 <sup>st</sup> March 2016 - Re. 0.50) per fully paid share	<b>240.84</b>	240.84
<b>b Preference dividend paid</b>			
	Final dividend for the year ended 31 <sup>st</sup> March 2017 of Re. 0.01 (31 <sup>st</sup> March 2016 - Re. 0.01) per fully paid share	<b>0.49</b>	0.63
<b>c Dividends not recognised at the end of the reporting period</b>			
	In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Re. 0.50 (31 <sup>st</sup> March 2017 - Re. 0.50) per fully paid equity share and Re. 0.01 (31 <sup>st</sup> March 2017 - Re. 0.01) per fully paid preference share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	<b>241.09</b>	241.42

**46 Related Party Disclosure:**

46.1 As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

- (i) Associates : Searock Developers FZC
  - Urban Infrastructure Holdings Private Limited
  - Urban Infra Venture Capital Fund
- (ii) Key Managerial Personnel :
  - (a) Shri Anand Jain
  - (b) Shri Virendra Jain
  - (c) Shri Gaurav Jain
  - (d) Shri V. S. Pandit
  - (e) Shri Parag Parekh
  - (f) Shri C H Bhoir
- (iii) Relatives of Key Managerial Personnel :
  - (a) Smt. Laxmi Jain                      Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
  - (b) Smt. Rina Jain                        Relative of Shri Virendra Jain and Shri Anand Jain
  - (c) Smt. Sushma Jain                    Relative of Shri Anand Jain and Shri Virendra Jain
  - (d) Shri. Ankit Jain                        Relative of Shri Anand Jain and Shri Virendra Jain
  - (e) Smt. Neha Bagaria                    Relative of Shri Anand Jain and Shri Virendra Jain
  - (f) Shri. Harsh Jain                        Relative of Shri Anand Jain and Shri Virendra Jain
  - (g) Shri. Satyapal Jain                    Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
  - (h) Smt. Ruchi Jain                        Relative of Shri Anand Jain and Shri Virendra Jain
- (iv) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:
  - (a) Poly-Resin Agencies (India) Limited
  - (b) Resin Distributors Limited
  - (c) Techfab (India) Industries Limited
  - (d) Malhar Developers Pvt Limited
  - (e) India Net
  - (f) Prime Trust
  - (g) Mega Trust
  - (h) GJRJ Trust
  - (i) LJNK Trust
  - (j) Aero Trust
  - (k) Iceberg Trust
  - (l) NK Trust



**46 Related Party Disclosure:**

(m) Jubilant Enterprises Pvt Ltd.

(n) Urban Infrastructure Venture Capital Fund

**46.2 Transactions during the year with related parties :**

Nature of Transaction	Name of the Related Party	(Rs. In Lacs)	
		2017-18	2016-17
Revenue from Operations (Sale of Land)	Smt. Nidhi Kanoi	-	234.85
	Smt. Neha Bagaria	-	234.65
	Smt. Ruchi Jain	-	237.10
Profit on Sale of Plant, Property & Equipments	India Nets	-	252.31
Dividend paid on Preference shares	Smt. Laxmi Jain (Current Year Rs. 467.50)	0.00	0.19
	Smt. Sushma Jain	0.06	0.09
	Smt. Rina Jain	-	0.19
	Smt. Neha Bagaria	0.03	0.03
	Shri Harsh Jain	0.04	0.04
	Shri Anand Jain	0.01	0.02
	Shri Satyapal Jain	0.01	0.02
	Smt. Ruchi Jain	0.02	-
	Shri Gaurav Jain	0.05	-
	Shri Ankit Jain	0.02	-
	Prime Trust	0.17	-
	Mega Trust	0.10	-
	GJRJ Trust	0.01	-
	LJNK Trust	0.02	-
Directors' Sitting Fee	Shri Virendra Jain	1.25	1.22
	Shri Anand Jain	0.65	0.48
Remuneration paid	Shri Parag Parekh	172.91	173.39
	Shri V S Pandit	40.90	36.95
	Shri C H Bhoir	4.00	-
Rent Paid	Malhar Developers Pvt Ltd	78.95	78.98
	Jubilant Enterprises Private Limited	106.77	105.25
Reimbursement of expenses from	Urban Infrastructure Venture Capital Fund	763.40	10.09
Reimbursement of expenses to	Urban Infrastructure Venture Capital Fund	-	9.00
	Shri C H Bhoir	2.71	-

Nature of Transaction	Name of the Related Party	(Rs. In Lacs)	
		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Preference Shares	Smt.Laxmi Jain	-	707.38
	Smt.Sushma Jain	8,621.82	9,431.27
	Smt. Neha Bagaria	4,999.24	5,068.95
	Shri Harsh Jain	-	6,052.47
	Shri Anand Jain	-	1,891.40
	Shri Satyapal Jain	865.54	877.61
	Shri Gaurav Jain	298.46	8,189.73
	Smt Ruchi Jain	-	2,269.68
	N K Trust	1,885.24	-
	Shri Ankit Jain	-	2,723.61
	Prime Trust	12,923.41	25,772.94
	Mega Trust	4,891.79	14,903.91

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	GJRJ Trust	1,596.77	1,619.04
	LINK Trust	2,687.95	3,379.10
Redemption of Preference Shares	Smt. Sushma Jain	723.48	-
	Shri. Ankit Jain	2,843.16	991.81
	Smt. Rina Jain	-	755.13
	Shri. Harsh Jain	6,353.32	-
	Smt. Ruchi Jain	2,360.79	-
	Shri. Satyapal Jain	282.76	1,746.93
	Shri. Anand Jain	2,727.95	1,746.93
	LJNK Trust	569.79	-
	Mega Trust	10,252.19	-
	NK Trust	6,265.01	-
	Prime Trust	13,296.84	-
Rental Deposits	Jubilant Enterprises Private Limited	26.18	26.18
Current financial Assets-Loans	Urban Infrastructure Venture Capital Fund	122.97	10.18
Investments - Associates	Urban Infrastructure Holdings Pvt. Ltd	27,060.33	23,438.96
	Searock Developers FZC	7,960.36	7,964.27
Investments Purchased	Urban Infrastructure Holdings Pvt. Ltd	4,527.00	2,006.00
Advance against purchase of land	Shri V. S. Pandit	726.98	726.98

46.3 Compensation to key management personnel of the Company	<b>(Rs. In Lacs)</b>	
<b>Nature of Transaction</b>	<b>2017-18</b>	<b>2016-17</b>
Short-term employee benefits	236.58	256.10
Post-employment benefits	27.90	10.59
<b>Total compensation paid to key management personnel</b>	<b>264.47</b>	<b>266.69</b>

46.4 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Terms & Conditions:**

- 46.5.1 For terms related to Preference shares issued to related parties refer note 21
- 46.5.2 Outstanding loans and advances are unsecured and repayable on demand.
- 46.5.3 The sales to related parties were in the ordinary course of business. The company has not recorded any loss allowances for trade receivable from related parties.

<b>47 Contingent Liabilities and Commitments (To the extent not provided for)</b>	<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>For the Year Ended on 31<sup>st</sup> March, 2018</b>	<b>For the Year Ended on 31<sup>st</sup> March, 2017</b>
<b>(A) Contingent Liabilities</b>		
<b>(a) Claims against the Company not acknowledged as debts</b>		
(i) Disputed Liability in Appeal (No cash outflow is expected in the near future)		
- Income-tax (Rs. 2,229.10 Lacs paid under protest)	5,246.90	6,023.32
- Excise Duty / Service Tax (Rs. 18.14 Lacs paid under protest)	20.49	20.49
- Railway Claims (Rs. 65.00 Lacs paid under protest)	95.83	95.83
- MIDC Service Charges	7.34	7.34
- Sales Tax (Rs. 0.57 Lacs paid under protest)	123.66	26.85

	5,494.21	6,173.83
(B) <b>Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for / Net of advance paid		
- Property, Plant and Equipments	64.49	836.23
- Investment Properties	-	9.42
- Intangible Assets	4.00	-
(Cash outflow is expected on execution of such capital contracts)		
(b) Uncalled liability on partly paid-up Shares/Debentures	186.54	186.54

**47.1** The Income - Tax assessments of the Subsidiary company has been completed up to Assessment Year 2015-16. The disputed demand for Assessment Year 2009-10 was reduced to Rs. 25.32 Lacs. The Subsidiary company has paid Rs.10.00 Lacs under protest and the balance amount was adjusted against the refund of A.Y 2008-09. The Subsidiary company received favourable order from ITAT deleting all the addition and had filled rectification application for order giving effect of ITAT.

In respect of disputed demand of Rs. 10.00 Lacs for the A.Y. 2010-11, the Commissioner of Income-Tax (Appeals) has issued an order against the Assessing Officer. The demand is reduced to Rs. 7.94 Lacs which was adjusted from refund of 2009-10, 2012-13 & 2014-15.

**47.2** Some of the Investors of Urban Infrastructure Opportunity Fund (UIOF) a scheme of Urban Infrastructure Venture Capital Fund (UIVCF) have filed cases against a Subsidiary company, for not getting the fixed return of income, Arbitration proceedings are in progress. As that Subsidiary company is only an investment manager to UIVCF to manage the Investments made by these investors, it does not expect cash outflow on this account.

**47.3** Management is of the view that above litigations will not have any material impact on the financial positions of the Group.

#### **48 Events occurring after the reporting date**

Refer to note 45.2 for the dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

#### **49 Employee benefits**

**49.1** As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

##### **(a) Defined Benefit Plan :**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	Gratuity (Funded)	
	2017-18	2016-17
<b>Actuarial assumptions</b>		
Mortality Table	IALM (2006-08) (Ultimate)	IALM (2006-08) (Ultimate)
Expected Return on Plan Asset	7.85%	7.74%
Discount rate	7.85%	7.74%
Salary growth rate	6.00%	6.00%
Rate of Employee Turnover	1.00%	1.00%
	<b>(Rs. In Lacs)</b>	
<b>Change in the Present value of Projected Benefit Obligation</b>	<b>2017-18</b>	<b>2016-17</b>
Obligation at the beginning of the year	274.17	262.65
Current service cost	80.27	97.26
Interest cost	21.22	21.04
Benefits Paid	(52.56)	(37.05)
Actuarial (gain) on obligation	(58.82)	(69.73)
<b>Obligation at the end of the year</b>	<b>264.28</b>	<b>274.17</b>
	<b>(Rs. In Lacs)</b>	
<b>Change in the fair value of Plan Assets</b>	<b>2017-18</b>	<b>2016-17</b>
Fair value at the beginning of the year	243.96	211.01
Interest Income	18.88	16.90
Contribution	35.23	51.65
Return on Plan Assets, excluding Interest Income	(5.85)	1.44
Benefits paid	(52.56)	(37.05)
<b>Fair value at the end of the year</b>	<b>239.65</b>	<b>243.96</b>
	<b>(Rs. In Lacs)</b>	
<b>Expenses Recognised in Statement of Profit and Loss</b>	<b>2017-18</b>	<b>2016-17</b>
Current service cost	80.27	97.26
Interest cost	21.22	21.04
Interest Income	(18.88)	(16.90)
<b>Expenses recognised in Statement of Profit &amp; Loss</b>	<b>82.61</b>	<b>101.39</b>
	<b>(Rs. In Lacs)</b>	
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>	<b>2017-18</b>	<b>2016-17</b>
Actuarial (Gains)/Losses on obligations for the period	(58.82)	(69.73)
Return on Plan Assets, excluding Interest Income	5.85	(1.44)
<b>Net (Income)/Expenses for the period recognised in OCI</b>	<b>(52.97)</b>	<b>(71.17)</b>
	<b>(Rs. In Lacs)</b>	
<b>Balance Sheet Reconciliation</b>	<b>2017-18</b>	<b>2016-17</b>
Net Obligation at the beginning of the year	30.22	51.64
Expenses recognised in Statement of Profit and Loss	82.61	101.39
Expenses recognised in Other Comprehensive Income (OCI)	(52.97)	(71.17)
Employers Contribution	(35.23)	(51.65)
<b>Net Obligation at the end of the year</b>	<b>24.63</b>	<b>30.22</b>
	<b>(Rs. In Lacs)</b>	
<b>Category of Asset</b>	<b>2017-18</b>	<b>2016-17</b>
<b>Class of assets</b>	<b>2017-18</b>	<b>2016-17</b>
Life Insurance Corporation of India	239.65	243.96
<b>Total</b>	<b>239.65</b>	<b>243.96</b>

Net Liability / (Asset) recognised in the balance sheet		(Rs. In Lacs)
Amount recognised in the balance sheet	2017-18	2016-17
Present value of obligations at the end of the year	264.28	274.17
Less: Fair value of plan assets at the end of the year	239.65	243.96
<b>Net liability recognized in the balance sheet</b>	<b>24.63</b>	<b>30.22</b>

Expected contributions to post employment benefit plans for the year ending 31<sup>st</sup> March, 2019 are Rs. 106.20 Lacs

The weighed average duration of the defined benefit obligation is 12 years (March' 17 - 13 years)

49.2 As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

#### Defined Contribution Plan of Subsidiary company- Urban infrastructure venture capital Limited

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

		(Rs. In Lacs)
Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	42.35	43.72
Employer's Contribution to Employee Deposit Link Insurance (EDLI)	0.18	0.21
Employer's Contribution to Pension Scheme	3.00	3.51

#### (b) Defined Benefit Plan of Subsidiary company- Urban infrastructure venture capital Limited

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

Gratuity (Unfunded)

		(Rs. In Lacs)
Particulars	2017-18	2016-17
a) <b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Discount Rate (per annum)	7.20%	6.75%
Rate of escalation in salary (per annum)	8.00%	6.00%
b) <b>Amount to be recognised in Balance Sheet</b>		(Rs. In Lacs)
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Present value of obligation	127.66	85.14
Amount recognised in Balance Sheet	127.66	85.14
c) <b>Expenses recognized in Profit and Loss during the year</b>		(Rs. In Lacs)
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Current Service Cost	3.67	5.54
Past Service Cost	38.81	-
Interest Cost	4.94	5.44
<b>Total</b>	<b>47.42</b>	<b>10.99</b>
d) <b>Amount recognised in Other Comprehensive Income</b>		(Rs. In Lacs)
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Remeasurement during the period due to:		
Changes in financial assumptions	3.42	2.55
Experience adjustments	0.25	2.14
<b>Total</b>	<b>3.67</b>	<b>4.70</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

e) <b>Movement in Defined Benefit obligation</b>	<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
<b>Reconciliation of opening and closing balances of Defined Benefit obligation:</b>		
Defined Benefit obligation at beginning of the year	85.14	80.76
Current Service Cost	3.67	5.54
Past Service Cost	38.82	-
Interest Cost	4.94	5.44
Actuarial loss on obligation	3.67	4.70
Benefits paid	(8.56)	(11.29)
Defined Benefit obligation at year end	<b>127.68</b>	<b>85.14</b>
<b>Break-up into Current and Non-Current of defined benefit obligation at year end:</b>		
- Current	55.78	23.98
- Non Current	71.90	61.17

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The weighted average duration to the payment of these cash flows is 3.53 years. (as at 31<sup>st</sup> March, 2017 3.87 years)

**(b) Defined Contribution Plan:**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 267.34 Lacs (31<sup>st</sup> March 2017 – 281.36 Lacs).

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:	<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Employer's Contribution to Provident and other Funds	267.34	281.36

<b>(c) Maturity Analysis of Projected Benefit Obligation:</b>	<b>(Rs. In Lacs)</b>	
<b>Projected Benefits Payable in Future Years from the date of Reporting</b>	<b>2017-18</b>	<b>2016-17</b>
1 <sup>st</sup> Following Year	111.50	74.23
2 <sup>nd</sup> Following Year	22.85	28.12
3 <sup>rd</sup> Following Year	18.71	18.12
4 <sup>th</sup> Following Year	31.29	18.60
5 <sup>th</sup> Following Year	20.35	35.78
Sum of Years 6 to 10	148.45	117.37
Sum of years 11 and above	671.85	722.42

<b>(d) Sensitivity Analysis</b>	<b>(Rs. In Lacs)</b>	
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Projected Benefits Obligation on Current Assumptions	391.96	359.31
Delta effect of + 0.5% change in Rate of Discounting	(15.19)	(15.82)
Delta effect of - 0.5% change in Rate of Discounting	16.63	17.36
Delta effect of + 0.5% change in Rate of Salary Increase	15.78	16.52
Delta effect of - 0.5% change in Rate of Salary Increase	(14.51)	(15.15)
Delta effect of + 0.5% change in Rate of Employee Turnover	1.85	1.78
Delta effect of - 0.5% change in Rate of Employee Turnover	(2.08)	(2.02)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlate.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- (e) These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

**Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**Interest risk:** A fall in the discount rate which is linked to G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**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.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of the Income Tax Rules, 1962, this generally reduces ALM risk.

**Concentration Risk:** Plan is having a concentration risk as all the asseets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

## 50 Segment reporting:

### 50.1 Information about primary segment:-

The Group has identified following five reportable segments as primary segment. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

- a) **The Steel Segment:** Comprising production, processing and trading of CR Coils/Sheets, GP/GC Coils/ Sheets and HR Coils / Plates and Tubes.
- b) **The Plastic Processing Segment:** Comprising production of Woven Sacks/Fabric, Jumbo Bags, HDPE Twine, Master Batch, Staple Fibres, Geotextiles.
- c) **The Spinning Segment:** Comprising production of Spun Yarn.
- d) **The Asset Management activity Segment:** Comprising Investment Advisory Services.
- e) **The Real Estate Segment:** Comprising development of Land and Buildings.
- f) The business segment not separately reportable have been grouped under "Others" segment.
- g) Other Investments/Assets and Income from the same are considered under "Un-allocable".

### 50.2 Segment Revenue, results, assets and liabilities:-

Revenue and results have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which is related to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Segment assets include all operating assets used by the operating segment and mainly includes trade receivable, inventories and other receivables. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets and liabilities.

**50.3** The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of the nature of products / services and have been identified as per the quantitative criteria specified in Ind AS.

**50.4 Segmental Information as at and for the year ended 31<sup>st</sup> March, 2018 is as follows:-**

(Rs. In Lacs)

Particulars	Steel	Plastic Processing	Spinning	Asset Management Activity	Real Estate	Others	Un-allocated	Grand Total
<b>Revenue from operation</b>								
Revenue from external sales	2,271.10	52,697.32	3,535.43	868.42	362.39	-	-	59,734.66
Less : Inter Segment Revenue	-	18.35	-	-	-	-	-	18.35
Less: Excise duty & Service Tax recovered	-	1,027.00	-	-	-	-	-	1,027.00
<b>Total Revenue from Operations</b>	<b>2,271.10</b>	<b>51,651.97</b>	<b>3,535.43</b>	<b>868.42</b>	<b>362.39</b>	<b>-</b>	<b>-</b>	<b>58,689.32</b>
<b>Segment Results</b>	<b>1,158.91</b>	<b>7,564.28</b>	<b>627.42</b>	<b>(81.29)</b>	<b>(1,401.70)</b>	<b>0.45</b>	<b>-</b>	<b>7,868.08</b>
Finance cost	0.49	6.98	0.18	0.78	10.80	0.02	5,210.71	5,229.96
Depreciation and amortisation expenses	-	-	-	-	-	-	43.14	43.14
Interest Income / Dividend Income	-	-	-	-	-	-	859.79	859.79
Other unallocable expenditure (net of income)	-	-	-	-	-	-	(702.67)	(702.67)
Share of loss in associates	-	-	-	-	-	-	903.92	903.92
<b>Profit/(Loss) before tax</b>	<b>1,158.43</b>	<b>7,557.30</b>	<b>627.24</b>	<b>(82.08)</b>	<b>(1,412.50)</b>	<b>0.43</b>	<b>(6,314.89)</b>	<b>1,848.18</b>
Income Tax/Deferred Tax	-	-	-	-	-	-	1,960.40	1,960.40
<b>Net profit/(loss) for the year</b>	<b>1,158.43</b>	<b>7,557.30</b>	<b>627.24</b>	<b>(82.08)</b>	<b>(1,412.50)</b>	<b>0.43</b>	<b>(8,275.29)</b>	<b>(112.22)</b>
Segment Assets	2,960.35	30,606.73	2,956.13	19,800.53	47,641.68	70.60	-	104,036.02
Investments	-	-	-	-	-	-	63,511.77	63,511.77
Other Unallocated Assets	-	-	-	-	-	-	16,475.84	16,475.84
<b>Total Assets</b>	<b>2,960.35</b>	<b>30,606.73</b>	<b>2,956.13</b>	<b>19,800.53</b>	<b>47,641.68</b>	<b>70.60</b>	<b>79,987.61</b>	<b>184,023.63</b>
Segment Liabilities	218.00	1,601.16	228.18	389.88	3,866.81	3.96	-	6,307.99
1% Non-Cumulative, Non-Participating Redeemable Preference Shares (refer note 21.2 below)	-	-	-	-	-	-	38,770.22	38,770.22
Other unallocated Liabilities	-	-	-	-	-	-	3,437.00	3,437.00
<b>Total Liabilities</b>	<b>218.00</b>	<b>1,601.16</b>	<b>228.18</b>	<b>389.88</b>	<b>3,866.81</b>	<b>3.96</b>	<b>42,207.22</b>	<b>48,515.21</b>
<b>Other Disclosures</b>								
Capital Expenditure	85.84	596.77	7.92	1.13	67.57	-	1,392.61	2,151.84
Depreciation and amortisation expenses	94.77	1,173.16	225.27	17.01	278.42	-	43.14	1,831.78

50.5 Segmental Information as at and for the year ended 31<sup>st</sup> March, 2017 is as follows:-

(Rs. In Lacs)								
Particulars	Steel	Plastic Processing	Spinning	Asset Management Activity	Real Estate	Others	Un-allocated	Grand Total
<b>Revenue from operation</b>								
Revenue from external sales	9,463.15	57,872.89	5,247.63	1,184.65	1,169.54	-	-	74,937.86
Less : Inter Segment Revenue	-	19.63	-	-	-	-	-	19.63
Less: Excise duty & Service Tax recovered	964.85	4,653.25	-	-	10.47	-	-	5,628.57
<b>Total Revenue from Operations</b>	<b>8,498.30</b>	<b>53,200.01</b>	<b>5,247.63</b>	<b>1,184.65</b>	<b>1,159.07</b>	<b>-</b>	<b>-</b>	<b>69,289.66</b>
<b>Segment Results</b>	<b>821.01</b>	<b>8,739.68</b>	<b>719.21</b>	<b>323.28</b>	<b>142.07</b>	<b>0.95</b>	<b>-</b>	<b>10,746.20</b>
Finance cost	0.85	4.65	0.21	16.87	2.68	-	7,747.30	7,772.56
Depreciation and amortisation expenses	-	-	-	-	-	-	39.26	39.26
Interest Income / Dividend Income	-	-	-	-	-	-	780.02	780.02
Other unallocable expenditure (net of income)	-	-	-	-	-	-	2,368.23	2,368.23
Share of loss in associates	-	-	-	-	-	-	845.22	845.22
<b>Profit/(Loss) before tax</b>	<b>820.16</b>	<b>8,735.03</b>	<b>719.00</b>	<b>306.41</b>	<b>139.39</b>	<b>0.95</b>	<b>(11,780.03)</b>	<b>500.95</b>
Income Tax/Deferred Tax	-	-	-	-	-	-	2,329.71	2,329.71
<b>Net profit/(loss) for the year</b>	<b>820.16</b>	<b>8,735.03</b>	<b>719.00</b>	<b>306.41</b>	<b>139.39</b>	<b>0.95</b>	<b>(14,109.74)</b>	<b>(1,828.76)</b>
Segment Assets	3,106.95	29,710.05	3,666.87	19,643.19	47,969.10	69.36	-	104,165.51
Investments	-	-	-	-	-	-	103,347.65	103,347.65
Other Unallocated Assets	-	-	-	-	-	-	18,100.07	18,100.07
<b>Total Assets</b>	<b>3,106.95</b>	<b>29,710.05</b>	<b>3,666.87</b>	<b>19,643.19</b>	<b>47,969.10</b>	<b>69.36</b>	<b>121,447.71</b>	<b>225,613.22</b>
Segment Liabilities	118.38	1,565.83	303.40	337.58	4,147.37	5.04	-	6,477.60
1% Non-Cumulative, Non-Participating Redeemable Preference Shares (refer note 21.2 below)	-	-	-	-	-	-	92,298.69	92,298.69
Other unallocated Liabilities	-	-	-	-	-	-	3,253.20	3,253.20
<b>Total Liabilities</b>	<b>118.38</b>	<b>1,565.83</b>	<b>303.40</b>	<b>337.58</b>	<b>4,147.37</b>	<b>5.04</b>	<b>95,551.88</b>	<b>102,029.49</b>
<b>Other Disclosures</b>								
<b>Capital Expenditure</b>	<b>-</b>	<b>1,403.49</b>	<b>27.95</b>	<b>30.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,461.79</b>
Depreciation and amortisation expenses	96.99	1,264.59	242.77	18.51	2.88	-	39.26	1,665.00

## 50.6 Revenue from external sales

(Rs. In Lacs)

Particulars	31-Mar-2018	31-Mar-2017
India	47,171.14	66,892.03
USA	6,405.75	7,909.78
Others	6,139.43	116.42
<b>Total</b>	<b>59,716.31</b>	<b>74,918.23</b>

## 50.7 Non-current assets:-

(Rs. In Lacs)

Particulars	31-Mar-2018	31-Mar-2017
India	31,533.30	31,686.66
Dubai	8,425.18	8,636.99
<b>Total</b>	<b>39,958.48</b>	<b>40,323.65</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

50.8 Revenue of **Rs. 33,323.68 Lacs** (Previous Year Rs. 30,188.25 Lacs) are derived from a single major customer group. The revenues are attributable to Plastic Processing segment.

### 51 Investments in subsidiaries, associates and joint ventures:

Sr. No	Subsidiary / associate / joint venture	Name of the Subsidiary / associate / joint venture	Principal place of business and country of incorporation	Proportion of ownership interest	Proportion of ownership interest
				31-Mar-2018	31-Mar-2017
1	Subsidiary	Jai Realty Ventures Ltd.	India	100%	100%
2	Subsidiary	Urban Infrastructure Venture Capital Ltd.	India	100%	100%
3	Subsidiary	Urban Infrastructure Trustees Ltd.	India	100%	100%
4	Subsidiary	Ashoka Realty and Developers Limited	India	100%	100%
5	Subsidiary	Ekdant Realty & Developers Limited	India	100%	100%
6	Subsidiary	Hari Darshan Realty Limited	India	100%	100%
7	Subsidiary	Hill Rock Construction Limited	India	100%	100%
8	Subsidiary	Hind Agri Properties Limited	India	100%	100%
9	Subsidiary	Iconic Realtors Limited	India	100%	100%
10	Subsidiary	Jailaxmi Realty and Developers Limited	India	100%	100%
11	Subsidiary	Krupa Land Limited	India	100%	100%
12	Subsidiary	Krupa Realtors Limited	India	100%	100%
13	Subsidiary	Multifaced Impex Limited	India	100%	100%
14	Subsidiary	Novelty Realty & Developers Limited	India	100%	100%
15	Subsidiary	Rainbow Infraprojects Limited	India	100%	100%
16	Subsidiary	Rudradev Developers Limited	India	100%	100%
17	Subsidiary	Swar Land Developers Limited	India	100%	100%
18	Subsidiary	Swastik Land Developers Limited	India	100%	100%
19	Subsidiary	Vasant Bahar Realty Limited	India	100%	100%
20	Subsidiary	Welldone Real Estate Limited	India	100%	100%
21	Subsidiary	Yug Developers Limited	India	100%	100%
22	Subsidiary	Jai Corp Welfare Foundation	India	100%	100%
23	Subsidiary	UI Wealth Advisors Private Limited	India	100%	100%
24	Subsidiary	Belle Terre Realty Limited	Mauritius	100%	100%
25	Subsidiary	Oasis Holding FZC	Sharjah, UAE	75%	75%
26	Associate	Searock Developers FZC	Sharjah, UAE	50%	50%
27	Associate	Urban Infrastructure Holdings Private Limited	India	32%	32%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

## 52 Interest in associates

The Company has a 32% & 50% interest in Urban Infrastructure Holdings Private Limited (UIHPL) & Searock Developers FZC (SDFZC) respectively. UIHPL is a private entity incorporated in India and that is not listed on any public exchange and SDFZC is incorporated in U. A. E. The Company's interest in UIHPL & SDFZC is accounted for using the equity method in the consolidated financial statements. The summarised financial information of the Company's investment in UIHPL & SDFZC is as follows:

## 52.1 Summarised financial information for associates: (Rs. In Lacs)

Summerised Balance Sheet	Urban Infrastructure Holdings Private Limited		Searock Developers FZC	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Current Assets	753,346.46	691,406.52	25.04	32.77
Current Liabilities	205,118.09	176,427.10	1.61	1.59
<b>Net Current Assets</b>	<b>548,228.36</b>	<b>514,979.42</b>	<b>23.45</b>	<b>31.18</b>
Non-Current Assets	77,666.10	82,423.29	20,298.61	20,210.13
Non-Current Liabilities	326,582.88	339,252.44	-	-
Equity component of compound financial instruments	243,440.06	198,444.71	-	-
Non-Controlling Interests	20,630.66	21,634.58	-	-
Consolidation Adjustments	-	-	(4,401.32)	(4,312.76)
<b>Net Non-current (Liabilities) / Assets</b>	<b>(512,987.50)</b>	<b>(476,908.45)</b>	<b>15,897.29</b>	<b>15,897.37</b>
<b>Net Assets</b>	<b>35,240.86</b>	<b>38,070.97</b>	<b>15,920.74</b>	<b>15,928.55</b>

(Rs. In Lacs)

Reconciliation to carrying amounts	Urban Infrastructure Holdings Private Limited		Searock Developers FZC	
	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Opening net assets	38,070.97	40,713.37	15,928.55	15,936.70
Profit/(loss) for the year	(2,829.16)	(2,628.57)	(7.81)	(8.15)
Other comprehensive income	(17.56)	(13.83)	-	-
Other Adjustments	16.61	-	-	-
<b>Closing net assets</b>	<b>35,240.86</b>	<b>38,070.97</b>	<b>15,920.74</b>	<b>15,928.55</b>
<b>Company's share in %</b>	<b>32%</b>	<b>32%</b>	<b>50%</b>	<b>50%</b>
<b>Carrying amount</b>	<b>11,277.07</b>	<b>12,182.71</b>	<b>7,960.36</b>	<b>7,964.27</b>

(Rs. In Lacs)

Summarised statement of profit or loss	Urban Infrastructure Holdings Private Limited		Searock Developers FZC	
	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Net Profit/(loss) for the year	(2,829.16)	(2,628.57)	(7.81)	(8.15)
Other comprehensive income	(17.56)	(13.83)	-	-
Other Adjustments	16.61	-	-	-
<b>Total Comprehensive income</b>	<b>(2,830.11)</b>	<b>(2,642.41)</b>	<b>(7.81)</b>	<b>(8.15)</b>
Group's Share of profit/ (loss)	(900.01)	(841.14)	(3.91)	(4.07)
Group's Share of OCI	(5.62)	(4.43)	-	-
<b>Share of total comprehensive income recognised</b>	<b>(905.63)</b>	<b>(845.57)</b>	<b>(3.91)</b>	<b>(4.07)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

<b>53</b>	<b>Non-controlling interests</b>			
	Financial information of subsidiaries that have material non-controlling interests is provided below:-			
	Proportion of equity interest held by non-controlling interests:			
	Name	Country of Incorporation	% of equity interest	
			<b>As at 31<sup>st</sup> March, 2018</b>	<b>As at 31<sup>st</sup> March, 2017</b>
	Oasis Holding FZC	Sharjah UAE	25%	25%

**Summarised financial Information:-**

Summarised financial Information for subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed for subsidiary are before inter-company eliminations.

		(Rs. In Lacs)
<b>Summerised Balance Sheet</b>		<b>Oasis Holding FZC</b>
	<b>As at 31<sup>st</sup> March, 2018</b>	<b>As at 31<sup>st</sup> March, 2017</b>
Current Assets	37.12	11.75
Current Liabilities	45.84	192.49
<b>Net Current (liabilities )/Assets</b>	(8.72)	(180.74)
Non-Current Assets	8,437.02	8,638.07
Non-Current Liabilities	-	145.69
<b>Net Non-current Assets</b>	8,437.02	8,492.38
<b>Net Assets</b>	8,428.30	8,311.64
%	2,107.08	2,077.91
Consolidation adjustments and procedures	1,371.69	1,490.66
<b>Accumulated NCI</b>	<b>3,478.77</b>	<b>3,568.57</b>

(Rs. In Lacs)

<b>Summarised Statement of Profit and loss</b>		<b>Oasis Holding FZC</b>
	<b>For the year ended 31<sup>st</sup> March, 2018</b>	<b>For the year ended 31<sup>st</sup> March, 2017</b>
Revenue from Operation	-	-
Profit for the year	310.63	(7.91)
Other Comprehensive income	(2.96)	-
<b>Total Comprehensive income</b>	<b>307.67</b>	<b>(7.91)</b>
<b>Loss allocated to NCI</b>	<b>76.92</b>	<b>(1.98)</b>

Note 54 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.						
Name of The entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income	
	As % of Consolidated net Assets	Amount in Lacs	As % of Consolidated profit or loss	Amount in Lacs	As % of Consolidated profit or loss	Amount in Lacs
<b>Parent</b>						
Jai Corp Limited	88.27%	122,687.00	1285.65%	2,441.39	97.11%	10,237.77
<b>Subsidiaries</b>						
<b>Indian</b>						
Ashoka Realty and Developers Limited	0.10%	141.86	57.59%	109.36	-	-
Ekdant Realty and Developers Limited	1.21%	1,677.47	(0.18%)	(0.34)	-	-
Hari Darshan Realty Limited	0.66%	915.05	(0.51%)	(0.97)	-	-
Hill Rock Construction Limited	0.72%	1,001.92	(0.61%)	(1.16)	-	-
Hind Agri Properties Limited	0.18%	245.08	(0.25%)	(0.47)	-	-
Iconic Realtors Limited	8.58%	11,920.28	(0.95%)	(1.80)	-	-
Jailaxmi Realty and Developers Limited	1.40%	1,944.22	(0.15%)	(0.29)	-	-
Jai Realty Ventures Limited	7.96%	11,057.26	(866.84%)	(1,646.10)	-	-
Krupa Land Limited	1.44%	2,006.02	(2.97%)	(5.64)	-	-
Krupa Realtors Limited	0.60%	828.94	(0.19%)	(0.36)	-	-
Multifaced Impex Limited	0.08%	108.56	(0.06%)	(0.12)	-	-
Novelty Realty and Developers Limited	0.71%	980.95	(0.16%)	(0.30)	-	-
Rainbow Infraprojects Limited	0.89%	1,232.62	(0.16%)	(0.30)	-	-
Rudrave Developers Limited	0.85%	1,177.19	(0.17%)	(0.33)	-	-
Swar Land Developers Limited	2.16%	3,002.11	(8.85%)	(16.81)	-	-
Swastik Land Developers Limited	0.16%	218.51	5.45%	10.35	-	-
Vasant Bahar Realty Limited	0.14%	195.09	(0.48%)	(0.91)	-	-
Welldone Real Estate Limited	0.38%	523.46	(0.49%)	(0.93)	-	-
Yug Developers Limited	0.87%	1,203.77	(1.07%)	(2.04)	-	-
Urban Infrastructure Trustees Limited	0.04%	62.26	1.35%	2.56	-	-
Urban Infrastructure Venture Capital Limited	13.85%	19,250.87	(85.67%)	(162.69)	2.79%	293.87
UI Wealth Advisors Private Limited	0.27%	369.77	6.95%	13.19	0.20%	20.84
Jai Corp Welfare Foundation Trust	0.00%	4.38	(0.12%)	(0.24)	-	-
<b>Foreign</b>						
Oasis Holding FZC	0.20%	273.37	163.58%	310.63	-	-
Belle Terre Realty Limited	10.57%	14,695.39	(8.14%)	(15.45)	(0.03%)	(2.96)
<b>Non Controlling interest</b>	(0.05%)	(68.34)	(40.89%)	(77.66)	-	-
Oasis Holding FZC	2.68%	3,730.46	0.00%	-	-	-

Note 54 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.					
Name of The entity	Net Assets i.e. total assets minus total liabilities	Share in Profit or Loss	Share in Other Comprehensive Income	(Rs. In Lacs)	
<b>Associates Company</b>					
Searock Developers FZC	(0.02%) (28.84)	(2.06%) (3.90)	-	-	-
Urban Infrastructure Holdings Private Limited	(0.05%) (74.70)	(473.95%) (900.02)	(0.05%)	(5.62)	(5.62)
Eliminations	(44.82%) (62,294.82)	(125.63%) (238.56)	(0.01%)	(1.32)	(1.32)
<b>Total</b>	<b>100.00%</b> <b>138,987.19</b>	<b>(100.00)%</b> <b>(189.90)</b>	<b>100.00%</b>	<b>10,542.58</b>	

As per our report of even date	For and on behalf of the Board of Directors
<b>For D T S &amp; Associates</b> Chartered Accountants (Firm Registration No. 142412W)	
<b>Anuj Bhatia</b> Partner Membership No. 122179	<b>Anand Jain</b> Chairman (DIN 00003514)
<b>Place : Mumbai</b> <b>Date : 25<sup>th</sup> May, 2018</b>	<b>Gaurav Jain</b> Managing Director (DIN 00077770)
	<b>A. Datta</b> Company Secretary
	<b>Pramod Jaiswal</b> Chief Financial Officer



## NOTES

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## NOTES

## NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





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