



**JAYSHREE CHEMICALS LTD.**

Annual Report 2018-2019

## Corporate Information

### BOARD OF DIRECTORS

Shri S. K. Bangur  
Chairman

Shri Virendraa Bangur  
Managing Director

Shri Satish Kapur  
Independent Director

Smt. Sindhubala Choudhury  
Independent Director

Shri Krishna Kumar Kothari  
Independent Director

### COMPANY SECRETARY

Shri S. K. Lahoti

### CHIEF FINANCIAL OFFICER

Shri Pawan Kumar Gupta

### BANKERS

Indian Overseas Bank  
Kotak Mahindra Bank

### AUDITORS

Messrs. AMK & Associates  
Chartered Accountants  
Stesalit Tower 303  
3rd Floor, F2-3  
Block- EP & GP, Sector V  
Salt Lake, Kolkata - 700091

### REGISTERED OFFICE

31, Chowringhee Road  
Kolkata - 700016  
Phone : (033) 2265 6271 (8 Lines)  
Fax : (033) 22263257  
E-mail : jcl@jayshreechemicals.com  
Website : www.jayshreechemicals.com  
CIN : L24119WB1962PLC218608

### REGISTRARS & SHARE TRANSFER AGENTS

Niche Technologies Private Ltd.  
3A, Auckland Place  
7th Floor, Room No. 7A & 7B  
Kolkata - 700 017  
Phone : (033) 2280 6616-18  
Fax : (033) 2280 6619  
E-mail : nichetechpl@nichetechpl.com

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## Directors' Report

The Directors have pleasure in presenting herewith their Annual Report together with the audited Accounts of the Company for the year ended 31st March, 2019.

### FINANCIAL RESULTS (summary)

	Rs.	
Particulars	31-3-2019	31-3-2018
Profit/(Loss) for the year	(4,63,00,685)	1,00,57,483
Less/ (Add):		
Current Tax	-	-
Income Tax related to earlier year	-	6,86,770
MAT Credit Entitlement	-	1,70,51,504
	(4,63,00,685)	(76,80,791)
Add: Debit Balance brought forward	(19,78,38,600)	(19,01,57,809)
Less: Remeasurement of defined Benefit plans transferred to Retained earnings	9,82,097	-
<b>Balance carried forward to next year</b>	<b>(24,31,57,188)</b>	<b>(19,78,38,600)</b>

### GENERAL

The Company's Shares are listed on the Bombay Stock Exchange Ltd. and the Listing Fees for the year ended 31st March, 2019 has been paid.

The Company's Shares are available for dematerialisation both on National Securities Depository Ltd. and Central Depository Services (India) Ltd. The Company's ISIN No. is INE 693E01016.

### STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF THE SUBSIDIARY

Pursuant to sub-section (3) of Section 129 of the Companies Act, 2013 the statement containing the salient features of the financial statement of the Company's subsidiary, is given as **Annexure 1**.

Further, brief about the business of the Subsidiary i.e. East Coast Powers Limited ("ECPL") is as under:

The ECPL became a wholly owned subsidiary of the Company with effect from 30th March, 2017.

The ECPL has not commenced its business operations. However, it has earned interest on Term Deposits with Bank. Approval of the Government of Odisha for Hydel Project from 24.7 MW to 20 MW, 6 MW and 6 MW aggregating to 32 MW is awaited. On receipt of the same a formal Memorandum of Understanding will be entered into between the Company and the Government of Odisha. Thereafter, the Detailed Project Reports will be submitted to the Government of Odisha for approval.

During the year under review ECPL incurred a net loss of Rs.5,66,138/-.

As required under the Companies Act, 2013 the Board of Directors of the Company has by a resolution given consent for not attaching the balance sheet of ECPL for the year ended 31st March, 2019. Accordingly, the annual Accounts of ECPL are not annexed to the Accounts of the Company.

However, the same for the above year and the related detailed information including a hard copy thereof shall be made available at any point of time to those shareholders of the Company who seek the same. Annual Account of ECPL shall also be kept for inspection by any shareholder at the Registered Office of the Company.

### Amalgamation of wholly owned subsidiary

The Board of Directors of the Company at its Meeting held on 9th April, 2018 has approved the amalgamation of Fort Gloster Electric Limited, a wholly owned subsidiary of the Company with the Company. Consequently, Fort Gloster Electric Limited has merged with the Company w.e.f. 1st April, 2017 vide Order No. RD/T/28110/S-233/18/9437 dated 25th October, 2018 of the Regional Director (Eastern Region), Ministry of Corporate Affairs, Kolkata.

### CONSOLIDATED FINANCIAL STATEMENTS

As required under Accounting Standard 21, Consolidated Financial Statements of the Company together with its subsidiary, East Coast Powers Ltd. are annexed.

### CAPITAL / FINANCE

As on 31st March, 2019, the issued, subscribed and paid up share capital of your Company stood at Rs.29,32,64,570/-, comprising of 2,93,26,457 Equity shares of Rs.10/- each.

### Details required pursuant to Section 134(3) of the Companies Act, 2013

#### a) Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return in Form MGT-9 is Annexed as **Annexure 2**.

#### b) Details of Board Meetings

During the year 2018-19, 6 (Six) Board Meetings were held, details of which are given below:

## Director' Report

Date of the Meeting	No. of Directors, who attended the Meeting
09/04/2018	4
21/05/2018	3
30/05/2018	2
13/08/2018	4
14/11/2018	3
14/02/2019	5

A detailed note on the Board and its Committees is provided under Corporate Governance Report Section.

The Composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

### COMMITTEES OF BOARD

#### Risk Management Committee

Sl. No.	Name	Chairman/ Members
1	Shri Satish Kapur	Chairman
2	Shri Virendraa Bangur	Member
3	Shri Pawan Kumar Gupta	Member

No meeting was held during the year.

#### Audit Committee

Sl. No.	Name	Chairman/ Members
1	Shri Satish Kapur	Chairman
2	Shri Krishna Kumar Kothari	Member
3	Smt. Sindhubala Choudhury	Member

During the year, the Committee met on 30/05/2018, 13/08/2018, 14/11/2018 and 14/02/2019.

#### Nomination and Remuneration Committee

Sl. No.	Name	Chairman/ Members
1	Shri Satish Kapur	Chairman
2	Shri Shree Kumar Bangur	Member
3	Smt. Sindhubala Choudhury	Member

No meeting was held during the year.

#### Stakeholders Relationship Committee

Sl. No.	Name	Chairman/ Members
1	Shri Satish Kapur	Chairman
2	Shri Shree Kumar Bangur	Member
3	Shri Virendraa Bangur	Member

During the year, the Committee met on 12/04/2018, 22/05/2018, 18/12/2018, 07/01/2019 and 30/03/2019.

#### Corporate Social Responsibility Committee

Sl. No.	Name	Chairman/ Members
1	Shri Shree Kumar Bangur	Chairman
2	Shri Satish Kapur	Member
3	Shri Virendraa Bangur	Member

No Meeting was held during the year.

#### c) Directors' Responsibility Statement

Pursuant to the requirements of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- the Directors had taken proper and sufficient care for 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 fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Directors' Report

### d) Declaration by Independent Directors

In the opinion of the Board and as confirmed by Independent Directors, they fulfil the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

#### Disclosure by Independent Directors :

Shri Satish Kapur, Smt. Sindhubala Choudhury and Shri Krishna Kumar Kothari, Independent Directors of the Company, have made requisite disclosures.

### e) Company's policy on Directors' appointment and remuneration as per Section 178(3)

- Directors' appointment and remuneration policy is based on the provisions contained in the Companies Act, 2013, the Rules made thereunder and the Listing Regulations.
- Remuneration of Directors, Key Managerial Personnel and other employees is based on the recommendation of the Nomination and Remuneration Committee on the basis of experience and exposure in the prescribed fields.

#### APPOINTMENT POLICY

The appointment policy for Independent Directors, Key Managerial Personnel & Senior Executives is as under-

##### (A) Independent Directors:

Independent Directors are appointed based on the criteria mentioned in Section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, Rules made thereunder and the Listing Regulations.

##### (B) Key Managerial Personnel (KMP):

Based on the recommendation of the Nomination and Remuneration Committee, KMP are appointed by the Board of Directors of the Company based on the qualification, experience and exposure in the prescribed fields. Removal of the KMP is done by the Board of Directors of the Company. Appointment / Removal is in accordance with the provisions of the Companies Act, 2013, Rules made thereunder and the Listing Regulations.

##### (C) Senior Executives:

Senior Executives are appointed by the Managing Director of the Company based on their qualification, experience & exposure. Removal of

the Senior Executives is done by the Managing Director. Appointment and removal is noted by the Board of Directors of the Company as required under clause 8(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

### f) Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made:-

i)	by the Auditors in their Report:	No qualification or reservation has been observed by the Auditors in their Report.
i)	by the Company Secretary in Practice in his Secretarial Audit Report:	No qualification or reservation has been observed by the Secretarial Auditor in his Report.

### g) Particulars of loans, guarantees or investments under Section 186.

Particulars of such loans and investments are duly disclosed in the Accounts. No guarantee was given by the Company.

### h) Particulars of contracts or arrangements with related parties referred to in Sub-section (1) of Section 188.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 is annexed herewith [in Form AOC-2] as Annexure-3.

### i) The state of the Company's affairs.

The Company has no significant business activity at present.

### j) Amount proposed to be carried to reserves.

The Company proposes to carry forward the loss of Rs. 4,63,00,685/-.

### k) Recommendation of Dividend

The Board has not recommended any dividend for the financial year ended 31st March, 2019.

### l) Material changes and commitments, affecting the financial position of the Company:

There has been no material changes and commitments 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 this Report.

### m) Details of conservation of energy, technology absorption, foreign exchange earnings and outgo:

## Directors' Report

During the year, the Company had no manufacturing activity and as such details of conservation of energy and technology absorption are not given.

During the year, there was no foreign exchange earnings or outgo.

### n) Development and implementation of risk management policy

As per the requirements of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically.

The Risk Management Policy of the Company identifies, evaluates and mitigates the operational, strategic and external environment risks. For the same a Committee which has overall responsibility for monitoring and approving the risk policies and associated practices of the Company has been formed and it reviews the risks associated with the Company periodically.

The Policy determines the role of the Risk Management Committee of the Company which has been constituted to assist the Board of Directors of the Company in fulfilling its Corporate Governance oversight responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks. The Risk Management Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company.

### o) Policy of the Company on Corporate Social Responsibility.

Pursuant to Section 135(1) of the Companies Act, 2013 Corporate Social Responsibility Committee (CSR Committee) has been constituted and CSR policy has been adopted. As and when your Company fulfills the criteria specified in Section 135(1) of the Companies Act, 2013, it will approve the CSR Budget. As no CSR activity has been carried no Report on CSR Activities/ Initiatives is enclosed along with this Report.

### p) Formal annual evaluation by the Board of its own performance and that of its committees and individual directors

Complied with the provisions of the Companies Act, 2013 and the Listing Regulations.

Ratio of Directors Remuneration to Median Employees' Remuneration & other as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Ratio of remuneration of Shri Virendra Bangur (Managing Director) to the median remuneration of the employees: 6.69:1

None of the other Directors received any remuneration other than the sitting fees for attending meetings of the Board or any Committee of the Board.

### (ii) The percentage increase (decrease) in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Percentage increase (decrease) in remuneration of Shri Virendraa Bangur (Managing Director) : Nil

Percentage increase in remuneration of Shri Pawan Kumar Gupta (Chief Financial Officer): 10.53%

Percentage increase in remuneration of Shri S.K.Lahoti, Company Secretary: 12.92%

### (iii) The percentage increase in the median remuneration of employees in the financial year:

During F.Y. 2018-2019, the percentage increase/ (decrease) in the median remuneration of employees was (8.85%).

### (iv) The number of permanent employees on the rolls of Company:

20 permanent employees were on the rolls of the Company at the close of the financial year.

### (v) The explanation on the relationship between average increase in remuneration and company performance:

In view of the Company's performance, only minimum increases were given to its employees.

### (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Total remuneration paid to the Key Managerial Personnel of the Company during the year: Rs.56,50,272/-

In view of the present working, only minimum increase was given to Shri Pawan Kumar Gupta and Shri S.K.Lahoti. Shri Virendraa Bangur was not entitled for any increase.

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

Market Capitalisation as on 31/03/2019: Rs. 7.23 \* 29326457 = Rs. 21,20,30,284

Market Capitalisation as on 31/03/2018: Rs. 11.99 \* 29326457 = Rs. 35,16,24,219

Price Earning ratio as on 31/03/2019 : 7.23/ (1.58) = - 4.58

Price Earning ratio as on 31/03/2018 : 11.99 / (0.26)  
= - 46.12

% increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer = Rs. (15-11.99)/15 \* 100 = 48.20% (decrease)

- (viii) Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During F.Y. 2018-2019, the average percentage increase/ (decrease) in the salaries of employees other than the Managerial personnel as compared to previous year was 8%.

- (ix) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;**

In view of the present working, only minimum increase was given to Shri Pawan Kumar Gupta and Shri S.K.Lahoti. Shri Virendraa Bangur was not entitled for any increase.

- (x) **The key parameters for any variable component of remuneration availed by the directors:**

The remuneration availed by the directors during the year did not consist of any variable component.

- (xi) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

No employee received remuneration in excess of the remuneration paid to the Managing Director during the year.

- (xii) **Affirmation that the remuneration is as per the remuneration policy of the Company.**

The Company follows its remuneration policy in fixing the remuneration of its employees or directors.

#### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights, sweat equity shares or ESOP.
3. The Managing Director of the Company do not receive any remuneration or commission from the Company's subsidiary.
4. No significant or material orders were passed by the

Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### INTERNAL FINANCIAL CONTROLS

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. All transactions are authorised, recorded and reported correctly. Internal Audits and checks are carried out regularly.

#### VIGIL MECHANISM

Pursuant to the requirements of the Section 177 (9) of the Companies Act 2013, the Company has established Vigil (Whistle Blower) Mechanism which aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

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

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

#### STATUTORY AUDITORS

In the Annual General Meeting held on 26th September, 2017, M/s. AMK & Associates, Chartered Accountants having Firm Registration No. 327817E, were appointed as Statutory Auditors for the Company's financial years 2017-2018 to 2021-2022.

#### SECRETARIAL AUDIT

In terms of Section 204 of the Act and the Rules made there under, Shri Arun Kumar Jaiswal, Practicing Company Secretary was appointed as Secretarial Auditor of the Company. The Report of the Secretarial Auditor is enclosed as Annexure 4 to this Report. The Report is self-explanatory and do not call for any further comments.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Virendraa Bangur, holding DIN 00237043, Managing Director of the Company, retires by rotation at the ensuing

Annual General Meeting of the Company and being eligible, offers himself for reappointment.

The present tenure of Shri Virendraa Bangur will expire on 11th November, 2019. Subject to the approval of the members of the Company, Shri Virendraa Bangur has been re-appointed as the Managing Director of the Company for a further period of 5 (Five) years with effect from 12th November, 2019.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

All unclaimed dividends and all shares relating thereto have already been transferred to the Investor Education and Protection Fund established by the Central Government.

**FIXED DEPOSITS**

Your Company has not accepted any deposit from public in terms of Section 73 of the Companies Act, 2013.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and future prospects of the Company is annexed and forms part of this Report.

**HUMAN RESOURCES**

Your Company treats its human resources as one of its most important asset.

**PARTICULARS OF EMPLOYEES**

The Company had no employee drawing remuneration specified under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review. Accordingly, the particulars required under the above Rule have not been given.

**CORPORATE GOVERNANCE**

As per the Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for employees at all levels, who contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Date: 30th May, 2019

On behalf of the Board

**Satish Kapur**  
*Director*  
(DIN: 00051163)

**Krishna Kumar Kothari**  
*Director*  
(DIN: 00233174)



**Annexure 1 to the Directors' Report****Statement containing salient features of the financial statement of subsidiary****Part "A": Subsidiary**

(Rs.)

	Name of Subsidiary	East Coast Powers Limited	
		As at 31.03.2019	As at 31.03.2018
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.
3	Share Capital	6,500,000	6,500,000
4	Reserves & Surplus	(2,544,361)	(1,978,223)
5	Total Assets	9,280,472	(9,257,343)
6	Total Liabilities	5,324,833	4,735,566
7	Investments	-	-
8	Turnover	-	-
9	Profit before Taxation	(566,138)	(504,557)
10	Provision for Taxation	-	-
11	Profit after Taxation	(566,138)	(504,557)
12	Proposed Dividend	-	-
13	% of shareholding	100%	100%

On behalf of the Board

Place : Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)

**Krishna Kumar Kothari**  
Director  
(DIN: 00233174)

## Annexure 2 to the Directors' Report

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L24119WB1962PLC218608
ii	Registration Date	17th April, 1962
iii	Name of the Company	Jayshree Chemicals Limited
iv	Category/Sub-category of the Company	Public Company Limited by Shares
v.	Address of the Registered office & contact details	31, Chowringhee Road, Kolkata-700016 Phone :033-22656271 (8 Lines) Fax : 033-22263257 E-mail : jcl@jayshreechemicals.com
vi.	Whether listed company	Yes
vii.	Name , Address & contact details of the Registrar & Transfer Agent.	Niche Technologies Private Limited 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata-17 Telephone: 22806616/22806617 Fax No. 22806619 Emailld: nichetechpl@nichetechpl.com

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company :

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Wind Power Generation	35106	100%

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

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	East Coast Powers Limited 31, Chowringhee Road, Kolkata-700016	U340105WB2000PLC217963	Subsidiary	100.00%	2(87)

## Annexure - 2 to the Director's Report

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual / HUF	2263774	0	2263774	7.719	2263774	0	2263774	7.719	0.000
b) Centran Government									
c) State Government									
d) Bodies Corporate	11304409	0	11304409	38.547	11304409	0	11304409	38.547	0.000
e) Banks / Financial Institutions									
f) Any Other									
<b>Sub-total (A)(1)</b>	<b>13568183</b>	<b>0</b>	<b>13568183</b>	<b>46.266</b>	<b>13568183</b>	<b>0</b>	<b>13568183</b>	<b>46.266</b>	<b>0.000</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A) (2)</b>	<b>13568183</b>	<b>0</b>	<b>13568183</b>	<b>46.266</b>	<b>13568183</b>	<b>0</b>	<b>13568183</b>	<b>46.266</b>	<b>0.000</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	200	200	0.001	0	200	200	0.001	0.000
b) Banks / Financial Institutions	782255	4215	786470	2.682	782255	4215	786470	2.682	0.000
c) Central Government									
d) State Government	203036	0	203036	0.692	203036	0	203036	0.692	0.000
e) Venture Capital Funds									
f) Insurance Companies	0	800	800	0.003	0	800	800	0.003	0.000
g) Foreign Institutional Investors (FII)									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
<b>Sub-total (B)(1)</b>	<b>985291</b>	<b>5215</b>	<b>990506</b>	<b>3.378</b>	<b>985291</b>	<b>5215</b>	<b>990506</b>	<b>3.378</b>	<b>0.000</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	748555	1100	749655	2.556	639016	1100	640116	2.183	-0.373
ii) Overseas									

## Annexure - 2 to the Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>b. Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	5097657	59621	5157278	17.586	4801491	55251	4856742	16.561	-1.025
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7997319	0	7997319	27.270	8595297	0	8595297	29.309	2.039
<b>C) Other (specify)</b>									
1. NRI	448380	100	448480	1.529	427980	100	428080	1.460	-0.069
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	376876	0	376876	1.285	209373	0	209373	0.714	-0.571
5. Trusts									
6. Foreign Bodies - D.R.									
7. IEPF Authority	38160	0	38160	0.130	38160	0	38160	0.130	0.000
Sub-total (B)(2)	14706947	60821	14767768	50.356	14711317	56451	14767768	50.356	0.000
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>15692238</b>	<b>66036</b>	<b>15758274</b>	<b>53.734</b>	<b>15696608</b>	<b>61666</b>	<b>15758274</b>	<b>53.734</b>	<b>0.000</b>
<b>c) Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A+B+C)</b>	<b>29260421</b>	<b>66036</b>	<b>29326457</b>	<b>100.000</b>	<b>29264791</b>	<b>61666</b>	<b>29326457</b>	<b>100.000</b>	<b>0.000</b>

## B) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		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	AARYAN BANGUR	48775	0.166	0.000	48775	0.166	0.000	0.000
2	AKHIVI TEA PLANTATIONS AND AGRO INDUSTRIES LIMITED	57237	0.195	0.000	57237	0.195	0.000	0.000
3	ANKIT BANGUR	48775	0.166	0.000	48775	0.166	0.000	0.000
4	BHARTI BANGUR	48775	0.166	0.000	48775	0.166	0.000	0.000
5	GOLD MOHORE INVESTMENT COMPANY LIMITED	321785	1.097	0.000	321785	1.097	0.000	0.000
6	KILKOTAGIRI AND THIRUMBADI PLANTATIONS LTD.	1837000	6.264	0.000	1837000	6.264	0.000	0.000
7	MOTOLA COMPANY LTD.	282291	0.963	0.000	282291	0.963	0.000	0.000
8	ORBIT UDYOG PVT LTD	837210	2.855	0.000	837210	2.855	0.000	0.000
9	RANGNATH SHREE KUMAR	82500	0.281	0.000	82500	0.281	0.000	0.000
10	SAURABH BANGUR	155424	0.530	0.000	155424	0.530	0.000	0.000
11	SHASHI BANGUR	418250	1.426	0.000	418250	1.426	0.000	0.000
12	SHREE KUMAR BANGUR	437500	1.492	0.000	437500	1.492	0.000	0.000

## Annexure - 2 to the Directors' Report

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		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	
13	SHREE KUMAR VIRENDRA KUMAR	482500	1.645	0.000	482500	1.645	0.000	0.000
14	SHREE SATYANARAYAN INVESTMENTS COMPANY LTD.	2211248	7.540	0.000	2211248	7.540	0.000	0.000
15	SHRIVATSA BANGUR	48775	0.166	0.000	48775	0.166	0.000	0.000
16	THE DIAMOND COMPANY LIMITED	816893	2.786	0.000	816893	2.786	0.000	0.000
17	WEST COAST PAPER MILLS LTD	542399	1.850	0.000	542399	1.850	0.000	0.000
18	UNION COMPANY LIMITED	1256388	4.284	0.000	1256388	4.284	0.000	0.000
19	VEER ENTERPRISES LIMITED	3141958	10.714	0.000	3141958	10.714	0.000	0.000
20	VIRENDRAA BANGUR	492500	1.679	0.000	492500	1.679	0.000	0.000
	<b>TOTAL</b>	<b>13568183</b>	<b>46.266</b>	<b>0.000</b>	<b>13568183</b>	<b>46.266</b>	<b>0.000</b>	<b>0.000</b>

### C) Change in Promoter's Shareholding

Sl. No.	Shareholder's Name	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
<b>1</b>	<b>AARYAN BANGUR</b>				
	a) At the Beginning of the Year	48775	0.166		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			48775	0.166
<b>2</b>	<b>AKHIVI TEA PLANTATIONS AND AGRO INDUSTRIES LTD.</b>				
	a) At the Beginning of the Year	57237	0.195		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			57237	0.195
<b>3</b>	<b>ANKIT BANGUR</b>				
	a) At the Beginning of the Year	48775	0.166		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			48775	0.166
<b>4</b>	<b>BHARTI BANGUR</b>				
	a) At the Beginning of the Year	48775	0.166		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			48775	0.166

## Annexure - 2 to the Directors' Report

Sl. No.	Shareholder's Name	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
<b>5</b>	<b>GOLD MOHORE INVESTMENT COMPANY LIMITED</b>				
	a) At the Beginning of the Year	321785	1.097		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			321785	1.097
<b>6</b>	<b>KILKOTAGIRI AND THIRUMBADI PLANTATIONS LTD.</b>				
	a) At the Beginning of the Year	1837000	6.264		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1837000	6.264
<b>7</b>	<b>MOTHOLA COMPANY LTD.</b>				
	a) At the Beginning of the Year	282291	0.963		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			282291	0.963
<b>8</b>	<b>ORBIT UDYOG PVT LTD</b>				
	a) At the Beginning of the Year	837210	2.855		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			837210	2.855
<b>9</b>	<b>RANGNATH SHREE KUMAR</b>				
	a) At the Beginning of the Year	82500	0.281		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			82500	0.281
<b>10</b>	<b>SAURABH BANGUR</b>				
	a) At the Beginning of the Year	155424	0.530		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			155424	0.530
<b>11</b>	<b>SHASHI BANGUR</b>				
	a) At the Beginning of the Year	418250	1.426		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			418250	1.426
<b>12</b>	<b>SHREE KUMAR BANGUR</b>				
	a) At the Beginning of the Year	437500	1.492		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			437500	1.492
<b>13</b>	<b>SHREE KUMAR VIRENDRA KUMAR</b>				
	a) At the Beginning of the Year	482500	1.645		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			482500	1.645
<b>14</b>	<b>SHREE SATYANARAYAN INVESTMENTS COMPANY LTD.</b>				
	a) At the Beginning of the Year	2211248	7.540		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2211248	7.540

## Annexure - 2 to the Directors' Report

Sl. No.	Shareholder's Name	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
<b>15</b>	<b>SHRIVATSA BANGUR</b>				
	a) At the Beginning of the Year	48775	0.166		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			48775	0.166
<b>16</b>	<b>THE DIAMOND COMPANY LIMITED</b>				
	a) At the Beginning of the Year	816893	2.786		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			816893	2.786
<b>17</b>	<b>WEST COAST PAPER MILLS LTD</b>				
	a) At the Beginning of the Year	542399	1.850		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			542399	1.850
<b>18</b>	<b>UNION COMPANY LIMITED</b>				
	a) At the Beginning of the Year	1256388	4.284		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1256388	4.284
<b>19</b>	<b>VEER ENTERPRISES LIMITED</b>				
	a) At the Beginning of the Year	3141958	10.714		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			3141958	10.714
<b>20</b>	<b>VIRENDRAA BANGUR</b>				
	a) At the Beginning of the Year	492500	1.679		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			492500	1.679
	<b>TOTAL</b>	<b>13568183</b>	<b>46.266</b>	<b>13568183</b>	<b>46.266</b>

## Annexure - 2 to the Directors' Report

### D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	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
<b>1</b>	<b>AMIRKUMAR ASHOK SAMANT</b>				
	a) At the Beginning of the Year	275467	0.939		
	b) Changes during the year				
	Date Reason				
	10/08/2018 Transfer	-11350	0.039	264117	0.901
	29/09/2018 Transfer	812	0.003	264929	0.903
	08/02/2019 Transfer	6000	0.020	270929	0.924
	22/03/2019 Transfer	3500	0.012	274429	0.936
	c) At the End of the Year			274429	0.936
<b>2</b>	<b>JAGDISH AMRITLAL SHAH</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	20/04/2018 Transfer	40055	0.137	40055	0.137
	27/04/2018 Transfer	5341	0.018	45396	0.155
	04/05/2018 Transfer	11010	0.038	56406	0.192
	11/05/2018 Transfer	60390	0.206	116796	0.398
	18/05/2018 Transfer	98130	0.335	214926	0.733
	25/05/2018 Transfer	23534	0.080	238460	0.813
	01/06/2018 Transfer	12359	0.042	250819	0.855
	08/06/2018 Transfer	50923	0.174	301742	1.029
	15/06/2018 Transfer	211	0.001	301953	1.030
	30/06/2018 Transfer	3307	0.011	305260	1.041
	06/07/2018 Transfer	16310	0.056	321570	1.097
	13/07/2018 Transfer	2065	0.007	323635	1.104
	20/07/2018 Transfer	332	0.001	323967	1.105
	27/07/2018 Transfer	30229	0.103	354196	1.208
	03/08/2018 Transfer	8325	0.028	362521	1.236
	31/08/2018 Transfer	29500	0.101	392021	1.337
	14/09/2018 Transfer	5000	0.017	397021	1.354
	21/09/2018 Transfer	2520	0.009	399541	1.362
	29/09/2018 Transfer	15106	0.052	414647	1.414
	05/10/2018 Transfer	3750	0.013	418397	1.427
	12/10/2018 Transfer	5554	0.019	423951	1.446
	26/10/2018 Transfer	554	0.002	424505	1.448
	c) At the End of the Year		424505	1.448	
<b>3</b>	<b>K M PAREKH</b>				
	a) At the Beginning of the Year	359748	1.227		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year		359748	1.227	



## Annexure - 2 to the Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	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
<b>4</b>	<b>LIFE INSURANCE CORPORATION OF INDIA</b>				
	a) At the Beginning of the Year	782255	2.667		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			782255	2.667
<b>5</b>	<b>MADAN BHAGCHAND MELWANI</b>				
	a) At the Beginning of the Year	280000	0.955		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			280000	0.955
<b>6</b>	<b>PADMA JITENDRA PAREKH</b>				
	a) At the Beginning of the Year	406889	1.387		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			406889	1.387
<b>7</b>	<b>PRAVIN M HEGDE</b>				
	a) At the Beginning of the Year	206650	0.705		
	b) Changes during the year				
	Date Reason				
	02/11/2018 Transfer	9431	0.032	216081	0.737
	c) At the End of the Year			216081	0.737
<b>8</b>	<b>SANGITA KUMARPAL PAREKH</b>				
	a) At the Beginning of the Year	329714	1.124		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			329714	1.124
<b>9</b>	<b>SANJEEV VINODCHANDRA PAREKH</b>				
	a) At the Beginning of the Year	951950	3.246		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			951950	3.246
<b>10</b>	<b>SHAUNAK JAGDISH SHAH</b>				
	a) At the Beginning of the Year	887771	3.027		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			887771	3.027
<b>11</b>	<b>VINODCHANDRA MANSUKHLAL PAREKH</b>				
	a) At the Beginning of the Year	858013	2.926		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			858013	2.926
	<b>TOTAL</b>	<b>5338457</b>	<b>18.204</b>	<b>5771355</b>	<b>19.680</b>

## Annexure - 2 to the Directors' Report

### Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	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
<b>1</b>	<b>SHREE KUMAR BANGUR</b>				
	a) At the Beginning of the Year	437500	1.492		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			437500	1.492
<b>2</b>	<b>VIRENDRAA BANGUR</b>				
	a) At the Beginning of the Year	492500	1.679		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			492500	1.679
<b>3</b>	<b>SATISH KAPUR</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
<b>4</b>	<b>SINDHUBALA CHOUDHURY</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.00
<b>5</b>	<b>KRISHNA KUMAR KOTHARI</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000
	<b>TOTAL</b>	<b>930000</b>	<b>3.171</b>	<b>930000</b>	<b>3.171</b>

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	95,00,000	15,01,921	1,10,01,921
ii) Interest due but not paid	0	24,50,508	0	24,50,508
iii) Interest accrued but not due		0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>1,19,50,508</b>	<b>15,01,921</b>	<b>1,34,52,429</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	10,00,000	10,00,000
Reduction	0	80,00,000	25,00,000	10,500,000
Net Change	0	<b>-80,00,000</b>	<b>-15,00,000</b>	<b>-95,00,000</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	15,00,000	1,921	1,501,921
ii) Interest due but not paid	0	2,69,407	0	2,69,407
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>17,69,407</b>	<b>1,921</b>	<b>17,71,328</b>

## Annexure - 2 to the Directors' Report

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Shri Virendraa Bangur (MD)		
1	Gross salary	₹		₹
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax. 1961.	1500000		1500000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	780000		780000
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0		0
2	Stock option	0		0
3	Sweat Equity	0		0
4	Commission as % of profit	0		0
5	Others, please specify (Superannuation Fund)	225000		225000
	<b>Total (A)</b>	<b>2505000</b>		<b>2505000</b>

#### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Shri Satish Kapur	Smt.Sindhubala Choudhury	Shri Krishna Kumar Kothari	
1	<b>Independent Directors</b>				
		₹	₹	₹	₹
	(a) Fee for attending board / committee meetings	50000	30000	40000	
	(b) Commission	0	0	0	
	(c) Others, please specify	0	0	0	
	<b>Total (1)</b>	<b>50000</b>	<b>30000</b>	<b>40000</b>	<b>120000</b>
2	<b>Other Non Executive Directors</b>	<b>Shri S K Bangur</b>			
	(a) Fee for attending board / committee meetings	20000			
	(b) Commission	0			
	(c) Others, please specify.	0			
	<b>Total (2)</b>	<b>20000</b>			<b>20000</b>
	<b>Total (B)=(1+2)</b>				<b>140000</b>
	<b>Total Managerial Remuneration</b>				<b>2645000</b>

## Annexure - 2 to the Director's Report

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	Gross salary	₹	₹	₹
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	917364	1031484	1948848
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	438948	532608	971556
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
5	Others, please specify (Provident Fund)	110088	123780	233868
	<b>Total</b>	<b>1466400</b>	<b>1687872</b>	<b>3154272</b>

### 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)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

On behalf of the Board

Date: 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)

**Krishna Kumar Kothari**  
Director  
(DIN: 00233174)

## Annexure - 3 to the 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)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Jayshree Chemicals Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2018-19.

#### 2. Details of material contracts or arrangements or transactions at arm's length basis :

(a) Name(s) of the related parties and nature of relationship:

Name of the related party	Relationship
East Coast Powers Limited	Subsidiary
Bangur Exim Private Limited	Control of KMP
Amrit Villa Investments Limited	Control of KMP
West Coast Paper Mills Limited	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Private Limited	Control of KMP
Shree Satyanarayan Investments Company Limited	Control of KMP
The Diamond Company Limited	Control of KMP
Veer Enterprises Limited	Control of KMP
Name of The KMP	Relationship
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary
Name of the Relatives of KMP	
Shashi Bangur	Relative of KMP
Bharati Bangur - Executive (Corporate Affairs)	Relative of KMP
Note :KMP means Key Managerial Personnel	

b) Nature of contracts/ arrangements/ transactions	c) Duration of the contracts/ arrangements/ transactions	d) Salient terms of the contracts or arrangements or transactions including the value, if any (Amt. in Rs.)	e) Date(s) of approval by the Board, if any
	During the F.Y. 2018-19		
Remuneration paid to Virendraa Bangur	-Do-	25,05,000	On different dates of Board meetings held during the F.Y. 18-19

## Annexure - 3 to the Directors' Report

b) Nature of contracts/ arrangements/ transactions	c) Duration of the contracts/ arrangements/ transactions	d) Salient terms of the contracts or arrangements or transactions including the value, if any (Amt. in Rs.)	e) Date(s) of approval by the Board, if any
Remuneration paid to P K Gupta	-Do-	16,78,872	-Do-
Remuneration paid to S K Lahoti	-Do-	14,66,400	-Do-
Remuneration paid to Bharti Bangur	-Do-	7,62,642	-Do-
<b>Loan given to Subsidiary Company :</b>			
East Coast Powers Ltd.	-Do-	66,579	-Do-
<b>Interest received from Subsidiary Company :</b>			
East Coast Powers Ltd.	-Do-	6,64,570	-Do-
Rent Received from West Coast Paper Mills Ltd.	-Do-	1,78,416	-Do-
Rent paid - Veer Enterprises Ltd.	-Do-	13,97,552	-Do-
Loan given to Bangur Exim Private Ltd.	-Do-	3,40,00,000	-Do-
Repayment of loan received from Bangur Exim Pvt. Ltd.	-Do-	3,40,00,000	-Do-
Interest received from Bangur Exim Pvt. Ltd.	-Do-	21,39,995	-Do-
<b>Outstanding Balances :</b>			
East Coast Powers Ltd.		51,71,614	
Bangur Exim Pvt. Ltd.		21,94,014	
West Coast Paper Mills Ltd.		84,960	

c) Amount paid as advances, if any: Nil

On behalf of the Board

Place : Kolkata  
Date : 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)

**Krishna Kumar Kothari**  
Director  
(DIN: 00233174)

## Annexure - 4 to the Directors' Report

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,

The Members

**Jayshree Chemicals Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Jayshree Chemicals Limited (CIN-L24119WB1962PLC218608) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s Jayshree Chemicals Limited books, papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on the 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, Minute Books, Forms and Returns filed and other records maintained by M/s Jayshree Chemicals Limited for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not Applicable to the Company during the Audit period;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 : Not Applicable to the Company during the Audit period;
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not Applicable to the Company during the Audit period;
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993: The Company has appointed M/s Niche Technologies Private Limited who provides share registration and related services, and
  - (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

## Annexure - 4 to the Directors' Report

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The Company has been holding Company of one Company. The Company has been a Non-Government Company.
3. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment. Their being an Independent Compliance Code of Business Conduct & Ethics for Directors and Management Personnel.
4. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
5. The Company already satisfied all the charges on the assets of the Company. (Despite the Company has paid the whole amounts of Rs. 3,88,500/- to the Charge Holder and the Company is having "No Objection Certificate" from the Charge Holder, still a charge of Rs. 3,88,500/- is showing on the MCA site inspite of best efforts, the concerned Odisha Govt. Official did not give his PAN No. and was not willing to affix his digital signature on the requisite form for satisfaction of charge).
6. All registrations under the various state and local laws as applicable to the Company are valid as on the date of report.
7. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.
8. The Company (listed on Bombay Stock Exchange Limited) has complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
9. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems.
10. Satisfactory Compliance is being done by the Company with respect to redressal of Customer Grievances.

In respect of other laws specifically applicable to the Company, we have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent.

### We further report that

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

Adequate 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.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has passed following special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (1) Scheme of Amalgamation of Fort Gloster Electric Limited, Wholly owned Subsidiary with Jayshree Chemical Limited and their respective shareholders & creditors under Section 233 and other applicable provisions of the companies Act, 2013

For JAISWAL A & CO.

**Arun Kumar Jaiswal**

*Practicing Company Secretary*

Proprietor

Mem. No.29827; C.P. No- 12281

Place: Kolkata

Date : 30.05.2019

**NOTE-**This report is to be read out with our letter of even date which is annexed as Annexure I and forms an integral part of this report



## Annexure - 4 to the Directors' Report

### Annexure-I

TO THE SECRETARIAL AUDIT REPORT OF  
**JAYSHREE CHEMICALS LIMITED**  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

To,  
The Members  
**Jayshree Chemicals Limited**

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

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

For **JAIHWAL A & CO.**

**Arun Kumar Jaiswal**

*Practicing Company Secretary*

Proprietor

Mem. No.29827; C.P. No- 12281

Place: Kolkata

Date : 30.05.2019

## Management Discussion and Analysis Report

### a. INDUSTRY STRUCTURE AND DEVELOPMENTS

Presently the Company has one Wind Mill of 1.25 MW capacity at Bogampatti Village near Coimbatore in Tamilnadu.

Fort Gloster Electric Limited, wholly owned subsidiary of the Company has merged with the Company w.e.f. 1st April, 2017 vide Order No. RD/T/28110/S-233/18/9437 dated 25th October, 2018 of the Regional Director (Eastern Region), Ministry of Corporate Affairs, Kolkata.

The Company is presently exploring the possibility of starting some new and profitable business activity.

### b. OPPORTUNITIES AND THREATS

As the Company has no significant business activity at present, this is not applicable.

### c. PRODUCTWISE PERFORMANCE

In the Wind Power segment, the Company earned a Cash Profit of Rs.61.36 Lacs.

### d. OUTLOOK

As the Company has no significant business activity at present, this is not applicable.

### e. RISKS & CONCERNS

As the Company has no significant business activity at present, this is not applicable.

### f. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls. All transactions are authorised, recorded and reported correctly. Internal audits and checks are carried out regularly by Internal Auditors, an independent firm of Chartered Accountants. An Audit Committee headed by an independent and non-executive Director is in place to review the systems continuously.

### g. FINANCIAL & OPERATING PERFORMANCE

This has already been discussed in the Directors' Report.

### h. HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONTS

The Company had cordial relations with its employees and all problems were solved across the table in a very congenial atmosphere. There were 20 employees as on 31st March, 2019 against 11 employees as on 31st March, 2018.

On behalf of the Board

Date: 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)

**Krishna Kumar Kothari**  
Director  
(DIN: 00233174)

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2019

The Company's Report on Corporate Governance for the year ended 31st March, 2019 is given hereunder:-

### 1. Brief statement on the Company's philosophy on Code of Governance

The Company's philosophy is to strive for optimum performance at all levels. The basic Corporate Governance practices which the Company follows for achieving the same are as under:-

- ▲ Fair and transparent business practices;
- ▲ Effective management control by the Board;
- ▲ Monitoring of Executive performance;
- ▲ Compliance of Laws;
- ▲ Independent manner of operation of the Board;
- ▲ Accountability for performance;
- ▲ Monitoring of Business Risk.

### 2. Board of Directors

The Board of Directors of the Company as on 31st March, 2019, comprised of Five Directors, consisting of one non executive Chairman, one Managing Director and three Independent Directors.

During the year 2018-19 six Board Meetings of the Company were held on 9th April, 2018, 21st May, 2018, 30th May, 2018, 13th August, 2018, 14th November, 2018 and 14th February, 2019. The composition of Directors and attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships and Committee Memberships are given hereunder :-

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other director ships as Director/ Chairman (*)	No. of Committee Memberships as Member/ Chairman (**)
1	Shri S.K.Bangur	Chairman & Non Executive Director Promoter Group	4	Yes	7	3
2	Smt. Sindhubala Choudhury	Independent Non Executive Director	3	No	-	2
3	Shri Virendraa Bangur	Managing Director Promoter Group	4	Yes	6	1
4	Shri Satish Kapur	Independent Non Executive Director	6	Yes	5	6
5	Shri Krishna Kumar Kothari	Independent Non Executive Director	4	Yes	2	1

Shri S.K.Bangur and Shri Virendraa Bangur are related to each other being the father and son respectively. Save and except them, no Director is related to any other Director of the Company.

(\*) Excluding Directorships held in Private Limited Companies and Associations.

(\*\*) Includes Membership of Audit Committee and Stakeholders Relationship Committee only.

## REPORT ON CORPORATE GOVERNANCE

Separate Meeting of the Independent Directors was held on 14th February, 2019. The details of the attendance at the said Meeting is given hereunder:-

Name of Director	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Satish Kapur	1	1
Smt.Sindhubala Choudhury	1	1
Shri Krishna Kumar Kothari	1	1

### 3. Audit Committee

As on 31st March, 2019 the Audit Committee of the Board of Directors of the Company comprised of Shri Satish Kapur as Chairman and Shri Krishna Kumar Kothari and Smt. Sindhubala Choudhury as its members. The Terms of Reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the provisions of the Regulation 18 of the Listing Regulations.

During the year, four Meetings of the Audit Committee of the Board of Directors of the Company were held on 30th May, 2018, 13th August, 2018, 14th November, 2018 and 14th February, 2019. The details of the attendance at the said Meetings are given hereunder:-

Name of Director	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Satish Kapur	4	4
Smt. Sindhubala Choudhury	4	3
Shri Krishna Kumar Kothari	4	4

### 4. Nomination and Remuneration Committee

As on 31st March, 2019 the Nomination and Remuneration Committee of the Board of Directors of the Company comprised of Shri Satish Kapur as its Chairman, Shri Shree Kumar Bangur and Smt. Sindhubala Choudhury as its members. The Committee has power to regulate its Meetings and proceedings. The Remuneration Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees form part of the Directors Report.

No Meeting of the Nomination and Remuneration Committee was held during the year ended 31st March, 2019.

The details of remuneration of the Managing, Executive and Non-Executive Directors during the year ended 31st March, 2019 are as under:-

#### i) Managing Director

Name :	Shri Virendraa Bangur
Description :	Managing Director
Salary :	Rs.15,00,000/-
<b>Benefits</b>	
Allowances & Perquisites :	Rs.7,80,000/-
Bonus :	--
Pension :	--
<b>Fixed Component</b>	
Contributions to Provident & Superannuation Funds :	Rs. 2,25,000/-
Performance linked Incentive :	--
Service Contract :	12th November, 2016 to 11th November, 2019
Notice Period :	3 Months

## REPORT ON CORPORATE GOVERNANCE

Severance Fee :	Nil
Stock Options (Rs.) :	--
<b>Total :</b>	<b>Rs. 25,05,000/-</b>

### ii) Non-Executive Directors

Non-Executive Directors are not entitled for any remuneration other than the sitting fees for attending Meetings of the Board of Directors of the Company or a Committee thereof.

The details of sitting fees paid are as under:-

Name of Director	Sitting Fees (₹)
Shri S.K.Bangur	20,000/-
Smt.Sindhubala Choudhury	30,000/-
Shri Satish Kapur	50,000/-
Shri Krishna Kumar Kothari	40,000/-
<b>Total:</b>	<b>1,40,000/-</b>

### 5. Stakeholders Relationship Committee

As on 31st March, 2019 the Stakeholders Relationship Committee of the Company comprised of Shri Satish Kapur as its Chairman, Shri Shree Kumar Bangur and Shri Virendraa Bangur, Managing Director as its members. During the year, five Meetings of the Stakeholders Relationship Committee were held on 12th April, 2018, 22nd May, 2018, 18th December, 2018, 7th January, 2019 and 30th March, 2019. The details of the attendance at the said Meetings are given hereunder:-

Name of Director	No. of Meetings held during the tenure of Membership	No. of Meetings attended
Shri Satish Kapur	5	5
Shri Shree Kumar Bangur	5	2
Shri Virendraa Bangur	5	5

Shri S.K. Lahoti, Company Secretary is the Compliance Officer of the Company. There was no complaint from any Shareholder during the year under review and no complaint was pending at the end of the financial year.

### Risk Management Committee

As on 31st March, 2019 the Risk Management Committee of the Company comprised of Shri Satish Kapur as its Chairman, Shri Virendraa Bangur, Managing Director and Shri Pawan Kumar Gupta as its members.

No Meeting was held during the year.

### Corporate Social Responsibility Committee

Sl. No.	Name	Chairman/ Members
1	Shri Shree Kumar Bangur	Chairman
2	Shri Satish Kapur	Member
3	Shri Virendraa Bangur	Member

## REPORT ON CORPORATE GOVERNANCE

No Meeting was held during the year.

### 6. (i) Annual General Meetings

The last three Annual General Meetings of the Company were held as under:-

Financial Year ended	Date	Time	Venue
31-03-2018	25-09-2018	11.30 A.M.	Rotary Sadan 94,/2, Chowringhee Road Kolkata-700020
31-03-2017	26-09-2017	11.30 A.M.	Rotary Sadan 94,/2, Chowringhee Road Kolkata-700020
31-03-2016	09-09-2016	2.30 P.M.	Registered Office at: P.O.Jayshree-761025 District Ganjam, (Odisha)

- (ii) One Special Resolution was passed at the Annual General Meeting held on 26th September, 2017 and two Special Resolutions were passed at the Annual General Meeting held on 9th September, 2016.

#### Extra-ordinary General Meetings

One Extra-ordinary General Meeting of the Company was held during the Financial Year 2018-19 on 23rd August, 2018.

### 7. Disclosures

#### i. Related Party Transactions

The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management, Key Managerial Personnel, their subsidiaries or relatives, etc. that may have any potential conflict with the interest of the Company.

#### ii. Compliances by the Company

The Company has complied with the requirements of the Bombay Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities relating to the above.

#### iii. Whistle Blower policy

Pursuant to Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations, Whistle Blower Policy (Vigil Mechanism) has been formulated with a view to provide a mechanism for employees and Directors of the Company to approach the Managing Director or the Chairman of the Audit Committee of the Board to make a Protected Disclosure of malpractices and events which have taken place or suspected to take place in relation to matters concerning the Company only.

Further during the financial year 2018-19 no personnel has been denied access to the Managing Director or the Chairman of the Audit Committee of the Board to make a Protected Disclosure.

### 8. Means of Communication

The Quarterly /half yearly/ yearly financial results during the year under review were published in English in the 'Business Standard' and in Bengali in the 'Sukhabar, both circulated in Kolkata where the Registered Office of the Company was situated. The results are displayed on the Company's website [www.jayshreechemicals.com](http://www.jayshreechemicals.com) but are not sent individually to the Shareholders. No separate presentations were made to institutional investors or the analysts.

## REPORT ON CORPORATE GOVERNANCE

### 9. General Shareholder Information

i)	<b>Annual General Meeting</b>			
	<b>Date</b>	27th September, 2019		
	<b>Time</b>	3 P.M.		
	<b>Venue</b>	Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700020		
ii)	<b>(a) Financial year</b>	2018-19		
	<b>(b) Financial Calendar</b>	The Financial Calendar for the year 2019-20 (Provisional) is under :-		
	<b>a. Results for the first quarter ending 30th June, 2019</b>	By middle of August, 2019		
	<b>b. Results for the second quarter ending 30th September, 2019</b>	By middle of November, 2019		
	<b>c. Results for the third quarter ending 31st December, 2019</b>	By middle of February, 2020		
	<b>d. Results (Audited) for the Financial year ending 31st March, 2020</b>	By end of May, 2020.		
	<b>e. Annual General Meeting for the year ending 31st March, 2020</b>	By end of September, 2020.		
iii)	<b>Dates of Book Closure</b>	The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September, 2019 to 27th September, 2019 both days inclusive, for the purpose of the Annual General Meeting of the Company to be held on 27th September, 2019.		
iv)	<b>Dividend Payment Date</b>	No Dividend is proposed.		
v)	<b>Listing on Stock Exchange</b>	Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400001  Annual Listing Fees to the Bombay Stock Exchange Ltd. for the year ended 31st March, 2019 has been paid.		
vi)	<b>Stock Code</b>	<b>Name of Stock Exchange</b>		
		<b>Physical</b>		
		<b>Demat ISIN No.</b>		
		Bombay Stock Exchange Ltd.	506520	INE693E01016

## REPORT ON CORPORATE GOVERNANCE

vii)	Market Price Date	The High and Low prices in each month in the Bombay Stock Exchange Ltd. (BSE) at which the Company's Shares are listed are given hereunder:-																																									
		<table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="2">Price Per Share</th> </tr> <tr> <th>High (₹)</th> <th>Low (₹)</th> </tr> </thead> <tbody> <tr> <td>April, 2018</td> <td>18.00</td> <td>11.51</td> </tr> <tr> <td>May, 2018</td> <td>16.90</td> <td>13.30</td> </tr> <tr> <td>June, 2018</td> <td>15.50</td> <td>12.10</td> </tr> <tr> <td>July, 2018</td> <td>13.84</td> <td>11.70</td> </tr> <tr> <td>August, 2018</td> <td>13.25</td> <td>11.37</td> </tr> <tr> <td>September, 2018</td> <td>12.80</td> <td>10.36</td> </tr> <tr> <td>October, 2018</td> <td>11.50</td> <td>9.29</td> </tr> <tr> <td>November, 2018</td> <td>11.90</td> <td>9.30</td> </tr> <tr> <td>December, 2018</td> <td>11.52</td> <td>9.22</td> </tr> <tr> <td>January, 2019</td> <td>10.50</td> <td>7.05</td> </tr> <tr> <td>February, 2019</td> <td>8.50</td> <td>6.75</td> </tr> <tr> <td>March, 2019</td> <td>8.55</td> <td>6.36</td> </tr> </tbody> </table>	Month	Price Per Share		High (₹)	Low (₹)	April, 2018	18.00	11.51	May, 2018	16.90	13.30	June, 2018	15.50	12.10	July, 2018	13.84	11.70	August, 2018	13.25	11.37	September, 2018	12.80	10.36	October, 2018	11.50	9.29	November, 2018	11.90	9.30	December, 2018	11.52	9.22	January, 2019	10.50	7.05	February, 2019	8.50	6.75	March, 2019	8.55	6.36
Month	Price Per Share																																										
	High (₹)	Low (₹)																																									
April, 2018	18.00	11.51																																									
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February, 2019	8.50	6.75																																									
March, 2019	8.55	6.36																																									
viii)	Share price performance in comparison to broad-based Indices	The Company's Share prices at the Bombay Stock Exchange Ltd. (BSE) are given hereunder :-																																									
		<table border="1"> <tr> <td>On 1st April, 2018</td> <td>: Rs.11.51P. per Share</td> </tr> <tr> <td>On 31st March, 2019</td> <td>: Rs.7.23P. per Share</td> </tr> <tr> <td>Change</td> <td>: (-) 37-19</td> </tr> </table>	On 1st April, 2018	: Rs.11.51P. per Share	On 31st March, 2019	: Rs.7.23P. per Share	Change	: (-) 37-19																																			
On 1st April, 2018	: Rs.11.51P. per Share																																										
On 31st March, 2019	: Rs.7.23P. per Share																																										
Change	: (-) 37-19																																										
	Indices (BSE Sensex)	<table border="1"> <tr> <td>On 1st April, 2018 : (Opening)</td> <td>35213.30</td> </tr> <tr> <td>On 31st March, 2019 : (Closing)</td> <td>38672.91</td> </tr> <tr> <td>Change :</td> <td>9.82%</td> </tr> </table>	On 1st April, 2018 : (Opening)	35213.30	On 31st March, 2019 : (Closing)	38672.91	Change :	9.82%																																			
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On 31st March, 2019 : (Closing)	38672.91																																										
Change :	9.82%																																										
ix)	Registrars and Share Transfer Agents	<p>Niche Technologies Private Ltd. are acting as the Registrars of the Company for both physical and dematerialized form of Shares. The address of the above Registrars is given hereunder :</p> <p>Niche Technologies Private Ltd. 3A, Auckland Place, 7th Floor, Room No. 7A &amp; 7B Kolkata-700017 Telephones : (033) 2280 6616/ 6617/ 6618 Fax No. 033-2280 6619 Email : nichetechpl@nichetechpl.com</p>																																									
x)	Share Transfer System	<p>Niche Technologies Private Limited, the Registrars and Share Transfer Agents of the Company, processes transfer, sub-division, consolidation, splitting, etc, of Shares in physical form in close co-ordination with the Company and the same are approved by the Stakeholders Relationship Committee of the Company. Share Transfers, etc. are registered and returned within a period of 15 days and the Dematerialisation Requests are confirmed within 15 days from the dates of lodgment thereof.</p>																																									



## REPORT ON CORPORATE GOVERNANCE

### xi) Distribution of Shareholding:

(a) Shareholding Pattern as on 31st March, 2019 is as under :-

Category	No. of Shares held	Percentage of Shareholding
Promoters	1,35,68,183	46.266
Mutual Funds / UTI	200	0.001
Banks, Financial Institutions and Insurance Companies	9,90,306	3.377
Private Corporate Bodies	6,40,116	2.183
Indian Public	1,36,61,412	46.584
NRIs / OCBs	4,28,080	1.529
ADRs/ GDRs	--	--
IEPF Suspence Account	38160	0.130
<b>Total:</b>	<b>2,93,26,457</b>	<b>100.00</b>

(b) Distribution of Shareholding as on 31st March, 2019 is as under :-

No. of Equity Shares held	Shareholders		Shares	
	Nos.	%	Nos.	%
1 to 500	3183	58.48	651127	2.22
501 to 1000	882	16.20	768870	2.62
1001 to 5000	1034	19.00	2500521	8.53
5001 to 10000	159	2.92	1170848	3.99
10001 to 50000	134	2.46	2832825	9.66
50001 to 100000	17	0.31	1120857	3.82
100001 and above	34	0.63	20281409	69.16
<b>Total :</b>	<b>5443</b>	<b>100.00</b>	<b>29326457</b>	<b>100.00</b>

(C) Details of Shares held by the Directors are as under :-

Names	No. of Shares held	Percentage
Shri Shree Kumar Bangur	437500	1.492
Shri Virendraa Bangur	492500	1.679

<b>xii)</b>	<b>Dematerialisation of Shares and Liquidity</b>	As on 31st March, 2019, 99.79% of the Company's total Shares representing 2,92,64,791 Shares were held in dematerialised form and the balance 0.21% representing 61,666 Shares were in physical form.
<b>xiii)</b>	Outstanding GDR/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity :	The Company has not issued any GDR/ADRs. etc
<b>xiv)</b>	Plant Location:	The Company does not have any Plant.
<b>xv)</b>	Addresses for correspondence:	<ol style="list-style-type: none"> <li>Registered Office: 31, Chowringhee Road, Kolkata-700016</li> <li>Niche Technologies Private Limited 3A, Auckland Place, 7th Floor, Room No. 7A &amp; 7B Kolkata-700017</li> </ol>

**10. Non-Mandatory Requirements**

- i) **The Board:** The Board of Directors of the Company has not yet decided on maintenance of Chairman's office.
- ii) **Shareholder Rights:** As the quarterly and half yearly financial performance are published in the news papers and are also posted on the Company's website, the Board of Directors of the Company has not decided on sending these and summary of significant events to each household of shareholders.
- iii) **Audit qualifications:** The Company's financial statements for the Financial Year 2018-19 does not contain any audit qualification.
- iv) **Separate Posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director & CEO.
- v) **Reporting of Internal Auditor:** The Internal Auditors report to the Audit Committee

On behalf of the Board

Date: 30th May, 2019

**Satish Kapur**  
*Director*  
 (DIN: 00051163)

**Krishna Kumar Kothari**  
*Director*  
 (DIN: 00233174)

**Independent Auditor's Certificate on Corporate Governance****To the member of the Jayshree Chemical Limited**

1. We, AMK & Associates, Chartered Accountants, the Statutory Auditors of Jayshree Chemical Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the Listing Regulations).

**MANAGEMENT'S RESPONSIBILITY**

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

**AUDITOR'S RESPONSIBILITY**

3. Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificate for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the 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.

**OPINION**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31 March 2019.
8. We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **AMK & Associates**  
 Chartered Accountants  
 Firm Registration No. 327817E

**Bhupendra Kumar Bhutia**  
 Partner

Membership No.059363

Kolkata  
 Date: 30th May, 2019

## Statutory Report

**Report on Corporate Governance****TO WHOMSOEVER IT MAY CONCERN**

I, Satish Kapur, Director of the Company, do hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of Regulation 26(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)

**Director & CFO Certificate**

The Board of Directors  
**Jayshree Chemicals Limited**

We have reviewed the financial statements and the cash flow statement of Jayshree Chemicals Ltd. for the year ended on 31st March, 2019 and that to the best of our knowledge and belief, we state that :

- (a) i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- ii) These statements together present a true and fair view of the Company'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 Company during the Financial Year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 taken or proposed to be taken to rectify these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
- i) significant changes, if any, in internal control over financial reporting during the Financial Year;
- ii) significant changes, if any, in accounting policies made during the Financial Year and that the same have been disclosed in the notes to the financial statements; and
- iii) instances of significant fraud of which we have become aware or the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
(DIN: 00051163)  
**Pawan Kumar Gupta**  
Chief Financial Officer

## **Independent** Auditor's Report

To

The Members of

**Jayshree Chemicals Limited**

### **Report on the Audit of the Standalone Ind AS financial statements**

#### **Opinion**

We have audited the Standalone Ind AS financial statements of Jayshree Chemicals Limited ("the Company") which comprise the balance sheet as at 31st March 2019, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no Key audit matters to communicate in our report.

#### **Management's Responsibility for the Standalone Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements**

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

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

- ▲ Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▲ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▲ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▲ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▲ Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A" a statement on the

## Independent Auditor's Report

matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **AMK & Associates**  
Chartered Accountants  
Firm Registration No. 327817E

**Bhupendra Kumar Bhutia**  
Partner  
Membership No.059363

Place : Kolkata  
Date: 30th May, 2019

## Annexure - A to the Independent Auditor's report

### Annexure to the Independent Auditors' Report to the Board of Directors of Jayshree Chemicals Limited referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Report of even date

- (i) In respect of its fixed assets (property, plant and equipment):
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals.  
According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of freehold buildings, are held in the name of the Company as at the balance sheet date.  
  
The Company does not have any immovable properties of freehold land and leasehold land and buildings that have been taken on lease and disclosed as fixed assets in the Ind AS financial statements.
- (ii) The physical verification of Inventory (excluding stocks with third parties) have been conducted by the management at reasonable intervals and no material discrepancies were noticed on such physical verification. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) The Company has granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and
- (a) The terms and conditions of the grant of such loans are not prejudicial to the Company's Interest;
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
  - (c) No amount is overdue for a period of ninety days.
- (iv) The Company has complied with the section 185 and 186 of the Companies Act, 2013 in respect of loans, investments or guarantees.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.  
  
As informed to us, no order has been passed by the Company Law Board and National Company Law Tribunal or Reserve Bank of India or any other tribunal against the company for any violation of deposit rules as referred above.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

**Annexure - A** to the Independent Auditor's report

- c) Details of dues of Income Tax, Excise Duty and Value Added Tax which have not been deposited as on 31 March 2019 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount Relates	Amount net of deposit (Rs.)
Odisha VAT Tax Act	VAT	DCCT, Berhampur	2011-12 to 2012-13	2,61,12,810

- (viii) The Company has no loans or borrowing to a financial institution, bank, government or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) No fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has paid managerial remuneration during the current financial year as per section 197 read with Schedule V of the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, there are no personal expenses which have been charged to the revenue account and the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **AMK & Associates**  
Chartered Accountants  
Firm Registration No. 327817E

**Bhupendra Kumar Bhutia**  
Partner  
Membership No.059363

Place : Kolkata  
Date: 30th May, 2019



## **Annexure - B** to the Independent Auditor's report

### **Annexure to the Independent Auditors' Report to the Members of Jayshree Chemicals Limited referred to in paragraph 2 (g) of Report on Other Legal and Regulatory Requirements in our Report of even date**

Report on the Internal Financial Controls 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 Jayshree Chemicals Limited as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

## **Annexure - B** to the Independent Auditor's report

### **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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **AMK & Associates**  
Chartered Accountants  
Firm Registration No. 327817E

**Bhupendra Kumar Bhutia**  
Partner  
Membership No.059363

Place : Kolkata  
Date: 30th May, 2019

## Balance Sheet as at 31st March, 2019

(Amount in Rs.)

Particulars	Note No.	As on 31.03.2019	As on 31.03.2018
<b>I ASSETS :</b>			
<b>1 Non-current Assets</b>			
Property, Plant & Equipment	2	39,576,064	42,765,366
Capital work-in-progress		-	84,750
Other Intangible Assets	2	40,779	148,767
Financial Assets			
Investments	3	6,450,000	6,450,000
Trade Receivables			
Loans	4	1,096,619	1,092,119
Others	5	200,000	200,000
Deferred Tax Assets (Net)	6	143,335	143,335
Other Non current Assets	7	1,956,405	1,985,982
		<b>49,463,202</b>	<b>52,870,319</b>
<b>2 Current Assets</b>			
(a) Inventories	8	6,604,710	19,139,072
<b>Financial Assets</b>			
Investments	9	17,691,691	26,427,210
Trade receivables	10	31,699,308	37,458,217
Cash & cash equivalents	11	29,142,313	8,545,251
Other Bank balances	12	64,432,097	68,596,052
Loans	13	50,851,684	93,625,208
Other Financial Assets	14	17,543	5,704,768
Current Tax Assets (Net)		16,181,087	14,894,321
Other Current Assets	15	6,387,855	7,333,981
		<b>223,008,288</b>	<b>281,724,080</b>
<b>TOTAL ASSETS</b>		<b>272,471,490</b>	<b>334,594,399</b>
<b>II EQUITY AND LIABILITIES:</b>			
<b>1 Equity</b>			
Equity Share capital	16	293,264,570	293,264,570
Other Equity	17	(115,889,025)	(69,588,340)
		<b>177,375,545</b>	<b>223,676,230</b>
<b>2 Non-current Liabilities :</b>			
(a) Financial Liabilities			
Borrowings	18	1,921	1,501,921
Provisions	19	1,029,987	1,230,443
		<b>1,031,908</b>	<b>2,732,364</b>
<b>3 Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	20	1,500,000	9,500,000
Trade Payables	21		
(A) total outstanding dues of micro enterprises and small enterprises		3,008,926	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		13,103,245	22,092,582
Other financial liabilities	22	7,651,348	26,980,683
Other current liabilities	23	47,457,262	49,091,852
Provisions	24	21,343,256	520,688
		<b>94,064,037</b>	<b>108,185,805</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>272,471,490</b>	<b>334,594,399</b>

1

In terms of our report on even date

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

**Statement of Profit & Loss** for the Period Ended 31st March, 2019

(Amount in Rs.)

Particulars	Note No.	For the period ended 31.03.2019	For the period ended 31.03.2018
<b>I Revenue From operations</b>	25	68,632,206	47,616,183
<b>II Other Income</b>	26	17,935,066	17,720,815
<b>III Total Income (I +II)</b>		<b>86,567,272</b>	<b>65,336,998</b>
<b>IV EXPENSES</b>			
Purchases of Stock-in-Trade		55,694,987	29,112,017
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	12,534,363	9,103,211
Employee benefit expense	28	19,469,214	27,182,582
Finance costs	29	1,671,488	1,498,786
Depreciation and amortization expense	30	3,043,383	3,244,489
Other expenses	31	38,854,522	41,662,091
<b>Total expenses (IV)</b>		<b>131,267,957</b>	<b>111,803,176</b>
<b>V Profit(loss) before exceptional items and tax(III-IV)</b>		<b>(44,700,685)</b>	<b>(46,466,178)</b>
<b>VI Exceptional items</b>	35	1,600,000	(56,523,661)
<b>VII Profit/ (loss) before tax (V-VI)</b>		<b>(46,300,685)</b>	<b>10,057,483</b>
<b>VIII Tax Expenses</b>			
a) Current Tax		-	-
b) Income tax related to earlier years		-	686,770
c) MAT Credit Entitlement		-	-
d) Deferred Tax		-	17,051,504
		-	17,738,274
<b>VII Profit/ (Loss) for the period from ontinuing operations (V-VI)</b>		<b>(46,300,685)</b>	<b>(7,680,791)</b>
<b>IX Profit/(loss) for the period (VII-VIII)</b>		<b>(46,300,685)</b>	<b>(7,680,791)</b>
<b>X Other Comprehensive Income</b>	<b>32</b>		
(a) Items that will not be reclassified to profit or loss		-	348,027
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
		-	348,027
<b>XI Total Comprehensive Income for the period (IX+X)</b>		<b>(46,300,685)</b>	<b>(7,332,764)</b>
<b>XII Earnings per equity share</b>	43		
1) Basic		(1.58)	(0.26)
2) Diluted		(1.58)	(0.26)

**Accounting Policies**

1

In terms of our report on even date

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

**Cash Flow Statement** for the ended 31st March 2019

(Amount in Rs.)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	(46,300,685)	10,057,483
Adjustments for:		
Allowance /Bad Debts Written Off	7,882,954	3,152,146
Depreciation	3,043,383	3,244,489
Net Profit/(Loss) on sale of fixed/discarded assets	(18,832)	(11,663)
Sundry Balances Written Off	-	996,599
Interest Expenses	1,671,488	1,498,786
Dividend Income	-	(20)
Net (Gain) / Loss on sale of Current Investment	(788,570)	(2,174,491)
Interest Income	(16,472,281)	(15,444,822)
<b>Operating Profit Before Working Capital Changes</b>	<b>(50,982,543)</b>	<b>1,318,507</b>
Adjustments for:		
Trade Payables	(7,822,224)	(73,465,764)
Trade and other Receivables	47,307,907	(24,255,027)
Inventories	12,534,362	9,103,211
<b>Cash Generated from Operations</b>	<b>1,037,502</b>	<b>(87,299,073)</b>
Direct Taxes Paid	(1,286,766)	(3,522,657)
<b>Net Cash generated from Operating Activities</b>	<b>(249,264)</b>	<b>(90,821,730)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	357,489	623,570
Sale/ (Purchase) of Current Investment (Net)	9,524,089	(24,000,000)
Loan to Other Body Corporates	-	(13,383,686)
Term Deposit other than cash equivalents	4,163,955	81,630,946
Interest Received	16,472,281	26,828,858
Dividend Income	-	20
<b>Net Cash used in Investing Activities</b>	<b>30,517,814</b>	<b>71,699,708</b>

**Cash Flow Statement** for the ended 31st March 2019

(Amount in Rs.)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
<b>( C ) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	(8,000,000)	-
Interest Paid	(1,671,488)	(1,746,190)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(9,671,488)</b>	<b>(1,746,190)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>20,597,062</b>	<b>(20,868,212)</b>
Opening Cash and Cash Equivalents	8,545,251	27,621,489
Opening Cash and Cash Equivalents on accounts of scheme of amalgamation/merger	-	1,791,974
Closing Cash and Cash Equivalents	<b>29,142,313</b>	<b>8,545,251</b>

This is the Cash Flow Statement referred to in our report of even date.

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

**A. EQUITY SHARE CAPITAL**
**(Rs.)**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares	293,264,570	-	293,264,570

**B OTHER EQUITY**

Particulars	Reserve and Surplus					Remeas-urements of the defined benefit plans	Total
	Capital Redemption Reserve	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at the end of the reporting period (31.03.2017)	3,000,000	-	121,013,227	3,254,936	(190,157,809)	886,244	(62,003,402)
Total Comprehensive Income for the year	-	-	-	-	(7,680,791)	95,853	(7,584,938)
Changes due to IND AS implementation	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Add: Retained Earnings of a business combination	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period (31.03.2018)</b>	<b>3,000,000</b>	<b>-</b>	<b>121,013,227</b>	<b>3,254,936</b>	<b>(197,838,600)</b>	<b>982,097</b>	<b>(69,588,340)</b>
Total Comprehensive Income for the year	-	-	-	-	(46,300,685)	-	(46,300,685)
Add/(Less): Remeasurement of defined benefit plans transferred to retained earnings	-	-	-	-	982,097	(982,097)	-
Income for the year	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-
Balance at the end of the reporting period (31.03.2019)	3,000,000	-	121,013,227	3,254,936	(243,157,188)	-	(115,889,025)

## Significant Accounting Policies and Notes on Accounts as at and for the year ended on 31st March, 2019

### Note - 1

#### 1. Corporate Information

Jayshree Chemicals Limited (JCL) is a public limited company ("transferee") domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange ('BSE'), in India. The registered office of JCL, is 31 Chowringhee Road Kolkata-700016. The Company is principally engaged in generation of wind-power in India. These financial statements are prepared in Indian rupees.

The financial statements were approved and adopted by board of directors of the Company in their meeting held on 30th May 2019.

#### 2. Basis of preparation

##### Compliance with Ind AS

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under Section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act"), the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May, 2019.

#### 3. Significant accounting Policies and Key Estimates and Judgements

##### 3.1 Basis of Measurement

These financial statements are prepared on historical cost basis except for certain financial Assets and liabilities (including derivatives instruments) measured at fair value.

##### 3.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statement and reported amounts of revenue and expenses during the period. Application of accounting policies that requires critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimate could change from period to period. Actual results could differ from those judgments. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### 3.3 Significant accounting Judgments, estimates, assumptions

In the process of applying the Company's accounting policies, management has made the following key estimates, assumptions and judgments, which have significant effect on the amounts recognised in the financial statement:

###### (a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

###### (b) Contingencies

Management judgment is required for estimating the possible outflow of resources, 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.



**(c) Defined Benefit Plans**

The cost of the employment benefits such as gratuity and leave 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 and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 37.

**(d) Insurance Claims**

Insurance and other claims raised by the Company are accounted for when received owing to uncertainties involved.

**3.4 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

(A) An asset treated as current when it is:

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) 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.

(B) A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) 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.

**3.5 Reclassification of financial assets and liabilities**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments; a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to the external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period. Following the changes in business model, the company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### 3.6 Significant Accounting Policies

#### a. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

##### i. Sale of Goods

Sales are recognized when the substantial risks and rewards of ownership in the goods, including custody, are transferred to the buyer as per the terms of the contract and are measured at the fair value of the consideration received and receivable and net of trade discounts, allowable sales return and sales tax/value added tax/goods and service tax.

##### ii. Interest Income

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

##### iii. Dividend

Dividend income is recognised when the right to receive dividend is established

#### b. Government grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book values.

#### c. Taxation

Income tax expense represents the sum of current and deferred tax (including MAT).

Current income tax assets and liabilities are measured at the amount to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Income tax expense is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is also recognized directly in equity or in other comprehensive income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

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

**d. Property, Plant and Equipment**

The Company considers the previous GAAP carrying value for all its Property, Plant and Equipment as deemed cost at the transition date, viz. 1st April 2016

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment of loss, if any.

Cost of any item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition.

Depreciation is provided on the straight line method by depreciating carrying amount of Property, Plant and Equipment over remaining useful life of the assets.

Depreciation methods, useful life and residual values are reviewed at each financial year end.

The useful life and residual value as per such review is normally in accordance with schedule II of the Companies Act 2013.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

**e. Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective individual estimated useful life on a straight line method.

Gains or losses arising from de-recognition 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 or loss when the asset is derecognised.

**f. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that a Property, plant and equipment may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the Property, plant and equipment. If such recoverable amount of the Property, plant and equipment or the recoverable amount of the cash generating unit to which the Property, plant and equipment belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the Asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**g. Borrowing Costs**

Interest and other costs connected with the borrowing for the acquisition / construction of qualifying fixed assets are capitalized up to the date that when such asset are ready for their intended use and other borrowing cost are charged to statement of profit & loss. Borrowing cost includes exchange difference to the extent regarded as an adjustment to the borrowing cost.

**h. Lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement

at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Leases under which the Company assumes substantially all risks and rewards of ownership are classified as finance lease. When acquired such assets are capitalised at fair value or present value of minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating lease are recognized as an expenses on a straight line basis in the Statement of Profit and Loss account over the lease term.

**i. Foreign Currencies Translations**

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in 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 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 statement profit or loss are also recognised in OCI or statement profit and loss, respectively).

**j. Provision and Contingencies**

A provision is recognised if as a result of past event the company has a present legal or constructive obligation that is reasonably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected cash flow at a pre-tax rate that reflects current market assessments of the time value of the money and the risk specific to the liabilities.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. if material, are disclosed by way of notes to the accounts.

Contingent assets are not recognised in the financial statements, as they are dependent on the outcome of legal or other processes.

**k. Employee Benefits :** Expenses and liabilities in respect of employee benefit are recorded in accordance with Indian Accounting Standard (IND AS 19 employees benefit)

**(i) Short Term Employees Benefit**

Short Term Employee Benefits (i.e. benefits falling due within one year after the end of the period in which employees render the related service) are recognized as expenses in the period in which employee services are rendered as per the Company's scheme based on expected obligations on undiscounted basis.

**(ii) Post-Employment Benefit Plans**

Under Defined Contribution Plan, the contribution is payable in keeping with the related schemes are recognized as expenses for the year.

Under Defined Benefit Plan, the present value of the obligations is determined based on actuarial valuations using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by actuary at each Balance Sheet date. Actuarial gain /loss, if any, arising from experience adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive income in the period in which they arise.

**(iii) Other Long-Term Employee Benefits**

Leave encashment/compensated absence is determined by valuations using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by actuary at each Balance Sheet date. Actuarial gain /loss, if any, arising from experience adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive income in the period in which they arise.

**I. Cash and Cash Equivalents**

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

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

**m. Dividend**

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

**n. Earnings Per Share**

Basic Earnings per equity share are calculated by dividing the net profit or loss before OCI for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all diluted potential equity shares.

**o. Financial Instruments****(a) Financial Assets****Initial Recognition and Measurement**

All financial Assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

**Subsequent measurement****Amortised cost is calculated by taking into account any discount or premium on**

- (i) Financial Assets carried at amortised Cost-** A Financial Assets is subsequently measured at amortised cost, using effective interest rate (EIR) method, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest terms on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- (ii) Financial Assets at fair value through other comprehensive income-** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investment which are classified as equity instruments to present the

subsequent changes in fair value in other Comprehensive income based on its business model. Further in case where the company has made an irrecoverable election based on its business model for its investments, which are classified as equity instrument the subsequent changes in fair value are recognised in other comprehensive income.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- (iii) **Financial assets at fair value through profit or loss**-A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(b) Financial Liabilities**

**Initial recognition and Measurement**

Financial Liabilities are recognised at fair value on initial recognition and in case of loan and borrowing or payables net of directly attributable transaction costs.

**Subsequent Measurement**

Financial Liabilities are subsequently carried at amortized cost using effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(c) De-recognition of financial instrument**

The company de-recognises the financial assets when contractual right to cash flow from financial assets expire or it transfer the financial assets and transfer qualities for de-recognition under IND AS 109. A financial liability or a part of a financial liability is de-recognised from the company's Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

**(d) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**p. Fair value financial instruments**

The company measure financial instrument 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.

In determining the fair value of its financial instruments, the company use various method and assumption that are based on market conditions and risks existing at each reporting date. The methods used to determine the fair value includes discounted cash flow analysis, available quoted market price and dealer quotes and valuation report etc. The method of assessing fair value results in general approximation of value and such value may never actually be realised.

Fair Values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**q. New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:**

Ind AS116 Leases On March 30, 2019, Ministry of Corporate Affairs has Notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- ▲ Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- ▲ Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- ▲ Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or
- ▲ An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS17 immediately before the date of initial application. Certain practical expedients are available under both the methods. On completion of evaluation of the effect of adoption of Ind AS116, the Company is proposing to use the Modified Retrospective Approach for transitioning to Ind AS116, and take the cumulative adjustment to retained earnings, on the date of initial application (April1, 2019). Accordingly, comparatives for the year ended March31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance

with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone consolidated financial statements.

**Amendment to Ind AS 12 - Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone consolidated financial statements.

**Amendment to Ind AS 19 - Plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- ▲ to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- ▲ to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.



## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

### Note No. 2

#### PROPERTY PLANT & EQUIPMENTS AS AT 31ST MARCH, 2019

PARTICULARS	ORIGINAL COST AS ON 01/04/2018	ADDITION DURING the year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL COST AS ON 31/03/2019	TOTAL DEPRN. PROVIDED UPTO 01/04/2018	DEPRN. FOR THE year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL DEPRN. UP TO 31/03/2019	W.D.V. AS ON 31/03/2019	W.D.V. AS ON 31/03/2018
Land (Free hold)	1611000	0	0	1611000	0	0	0	0	1611000	1611000
Buildings	1361310	59860	0	1421170	267519	44865	0	312384	1108786	1093791
Plant & Machinery	63583212	0	0	63583212	25305693	2417892	0	27723585	35859627	38277519
Furniture & Fittings	496982	19498	0	516480	339639	27414	1253	368306	148174	157343
Office Equipments	2135972	0	0	2135972	1759341	168186	0	1927527	225334	373170
Electrical Installation	2251302	74447	0	2325749	1975971	40708	0	2016679	309070	275331
Motor Car & Vehicles	4236306	0	0	4236306	3259094	236326	426813	3922233	314073	977212
	<b>75676084</b>	<b>153805</b>	<b>0</b>	<b>75829889</b>	<b>32907257</b>	<b>2935391</b>	<b>428066</b>	<b>36270714</b>	<b>39576064</b>	<b>42765366</b>
PREVIOUS YEAR	75776827	57351	25700	75808478	29944170	3121305	22363	33043112	42765366	

#### Other Intangible Assets AS AT 31ST MARCH, 2019

PARTICULARS	ORIGINAL COST AS ON 01/04/2018	ADDITION DURING the year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL COST AS ON 31/03/2019	TOTAL DEPRN. PROVIDED UPTO 01/04/2018	DEPRN. FOR THE year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL DEPRN. UP TO 31/03/2019	W.D.V. AS ON 31/03/2019	W.D.V. AS ON 31/03/2018
Computer Software	367027	0	0	367027	218260	107988	0	326248	40779	148767
	<b>367027</b>	<b>0</b>	<b>0</b>	<b>367027</b>	<b>218260</b>	<b>107988</b>	<b>0</b>	<b>326248</b>	<b>40779</b>	<b>148767</b>
PREVIOUS YEAR	390515	0	0	390515	118564	123184	0	241748	148767	

Particulars	As on 31.03.2019	As on 31.03.2018
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	1,611,000	1,611,000
Buildings	1,048,930	1,093,791
Plant and Equipment	-	-
Plant & Machinery	36,121,506	38,277,518
Electrical Equipment	314,444	275,331
Furniture and Fixtures	53,816	157,343
Vehicles	314,072	977,212
Office equipment	112,296	373,171
	<b>39,576,064</b>	<b>42,765,366</b>
<b>Other Intangible Assets</b>		
Computer Software	40,779	148,767
	<b>40,779</b>	<b>148,767</b>

## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>3 Financial Assets - Investments</b>		
<b>Investments in Equity Instruments;</b>		
<b>In Subsidiary</b>		
6,45,000 East Coast Power Limited (FV of Rs. 10/- each)	6,450,000	6,450,000
	<b>6,450,000</b>	<b>6,450,000</b>
<b>4 Loans</b>		
Security Deposits	1,096,619	1,092,119
	<b>1,096,619</b>	<b>1,092,119</b>
<b>5 Others</b>		
Term Deposit of more than twelve months maturity	200,000	200,000
	<b>200,000</b>	<b>200,000</b>
<b>6 Deferred Tax Assets (net)</b>		
The major components of the Deferred Tax Liabilities / (Assets) based on the tax effects of timing differences are as follows:		
<b>Deferred Tax Assets</b>		
On Unused Tax Losses and unused tax credits	-	-
MAT Credit Entitlement	-	-
Total Deferred Tax Assets	-	-
<b>Deferred Tax Liabilities</b>		
Depreciation	143,335	143,335
	<b>143,335</b>	<b>143,335</b>
<b>7 Other Non-Current Asset</b>		
Capital Advances		
Advances other than capital advances		
(a) Security Deposit	399,000	417,828
<b>(b) Other advances</b>		
(i) Others-Unamortised Salami for Lease hold Land	826,457	838,792
(ii) balance with income tax dept	730,948	729,362
	<b>1,956,405</b>	<b>1,985,982</b>
<b>8 Inventories</b>		
Stock in Trade	6,604,710	19,139,072
	<b>6,604,710</b>	<b>19,139,072</b>

## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>9 Investments</b>		
<b>Investments in Mutual Funds</b>		
<b>ICICI Prudential Flexible Income Growth (FV Rs. 10/-)</b> (FY 31.03.19- 2812.101 units(FY 31.03.18 - 15642.92 units)	<b>1,025,571</b>	<b>5,214,053</b>
<b>Kotak Low Duration Fund-Regular Plan Growth (FV Rs.10/-)</b> (FY 31.03.19 - 2286.4203 units(FY 31,03.18 202.4911units)	16,666,120	429,914
<b>Kotak Treasury Advantage Fund-Regular Plan Growth (FV Rs.10/-)</b> (FY 31.03.18 - Nil units(FY 31,03.17 - 4001.86 units)	-	111,226
<b>Kotak Floater Short Term Fund -Regular Plan Growth (FV Rs.10/-)</b> (FY 31.03.19- Nil units(FY 31.03.18 7267.1658 units)	-	20,672,017
	<b>17,691,691</b>	<b>26,427,210</b>
<b>10 Trade Receivables</b>		
Secured , considered good	-	-
Unsecured , considered good	37,104,876	35,469,876
Unsecured- Credit Impaired	2,736,686	1,988,341
	39,841,562	37,458,217
Allowance for bad and doubtful debts	(8,142,254)	-
	<b>31,699,308</b>	<b>37,458,217</b>
<b>11 Cash and cash equivalents</b>		
Balances with banks		
In current accounts	29,099,306	7,104,667
Cheques/ Pay order in hand	-	162,021
Term Deposit of less than three month maturity	-	1,250,000
Cash on hand	43,007	28,563
	<b>29,142,313</b>	<b>8,545,251</b>
<b>12 Other Bank balances</b>		
Unpaid Dividend Account	-	-
Special Term Deposit /Balance with banks held as Margin Money	5,069,176	17,305,629
Escrow Account with Bank	59,362,921	51,290,423
	<b>64,432,097</b>	<b>68,596,052</b>
<b>13 Loans</b>		
(a) Security Deposits to others	-	-
(b) Loans to related parties		
Subsidiaries	5,171,614	4,640,465
<b>Other loans -</b>		
Loan to Body Corporates	45,000,000	88,460,798
Loan to Employees	373,822	523,945
	<b>50,851,684</b>	<b>93,625,208</b>

## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>14 Others -Interest Accrued but not due on Deposit 17,543</b>	17,543	5,704,768
	<b>5,704,768</b>	
<b>15 Other Current Assets</b>		
Other advances	-	-
Advance to Parties	2,136,111	1,228,746
Other Advances	74,613	2,911,598
Others		
Prepaid Expenses	1,476,495	1,220,257
Balances with Government Dept	2,700,636	1,973,380
	<b>6,387,855</b>	<b>7,333,981</b>
<b>16 Equity Share Capital</b>		
<b>Authorised</b>		
Equity Share of Rs. 10/- par value 4,00,00,000 (4,00,00,000) Equity Shares	400,000,000	400,000,000
<b>Issued, Subscribed and Paid-up Capital</b>		
Equity Share of Rs. 10/- par value 2,93,26,457 (2,93,26,457) Equity Shares of Rs. 10/- each fully paid-up	293,264,570	293,264,570
	<b>293,264,570</b>	<b>293,264,570</b>

## NOTES:

- The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
- 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.
- Details of Share holders holding more than 5% of total shares as on 31st March, 2019

Name of Shareholder	% to Total Shares	No of Shares
Shree Satyanaran Investments Co Ltd	7.54	2211248
Kilkotagiri And Thirumbadi Plantations Ltd	6.264	1837000
Veer Enterprises Limited	10.714	3141958

- The reconciliation of the number of shares outstanding as at 31st March, 2019 is as below:

Particulars	As on 31.03.2019
Number of shares at the beginning	29326457
Number of shares at the closing	29326457

**Notes to Financial Statements as at 31st March, 2019**

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>17 Other Equity</b>		
<b>Other Reserves</b>		
<b>Capital redemption reserve</b>		
Balance as per last Account	3,000,000	3,000,000
<b>Securities Premium</b>		
Balance as per last Account	121,013,227	121,013,227
<b>General reserve</b>		
Balance as per last Account	3,254,936	3,254,936
<b>Reserves representing unrealised gains/losses</b>		
Remeasurements of the net defined benefit Plans		
Balance as per last Account	982,097	886,244
Less: Transfer to Retained Earnings	(982,097)	-
Addition during the year	-	129,531
Less: Deferred Tax	-	(33,678)
	-	<b>982,097</b>
<b>Retained Earnings</b>		
Surplus at the beginning of the year	(197,838,600)	(190,157,809)
Add : Profit for the year	(46,300,685)	(7,680,791)
Add : Transfer from reserve representing unrealised gains/losses	982,097	-
	(243,157,188)	(197,838,600)
<b>Total</b>	<b>(115,889,025)</b>	<b>(69,588,340)</b>
<b>18 Borrowings</b>		
Security Deposits from Distributors	1,921	1,501,921
	<b>1,921</b>	<b>1,501,921</b>
<b>Note 19 Provisions</b>		
Provision for employee benefits (Leave)	1,029,987	947,650
Provision for employee benefits (Gratuity)	-	282,793
	<b>1,029,987</b>	<b>1,230,443</b>
<b>20 Borrowings</b>		
<b>Loans repayable on demand</b>		
From Other Parties	1,500,000	9,500,000
	<b>1,500,000</b>	<b>9,500,000</b>
<b>21 Trade payables</b>		
Dues to Micro and Small Enterprises	3,008,926	-
Others	13,103,245	22,092,582
	<b>16,112,171</b>	<b>22,092,582</b>

## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>22 Other financial liabilities</b>		
Interest accrued		
Interest accrued but not due on borrowings	269,407	2,450,508
Unclaimed/Unpaid dividends	-	-
Share Capital Money(on reduction)	280,000	280,000
Others		
Liabilities for Expenses	4,324,903	24,152,413
Amount Due to Employees	2,007,916	48,987
Others Misc. Payable	769,122	48,775
Misc. Security Deposit	-	-
	<b>7,651,348</b>	<b>26,980,683</b>
<b>23 Other current liabilities</b>		
<b>Other advances</b>		
Advances from Customers	47,211,682	48,154,942
<b>Others</b>		
TDS and other taxes payable	245,580	936,910
	<b>47,457,262</b>	<b>49,091,852</b>
<b>24 Provisions</b>		
Provision for employee benefits (for leave)	206,594	520,688
Provision for Expenses	21,13,66,62	-
	<b>21,34,32,56</b>	<b>52,06,88</b>
<b>25 Revenue From operations</b>		
Sale of products	68,632,206	47,616,183
	<b>68,632,206</b>	<b>47,616,183</b>
<b>26 Other Income</b>		
<b>(a) Interest Income</b>		
From Bank	4,349,837	5,704,062
From Subsidiary	516,189	457,502
From Others	11,606,255	9,283,258
<b>(b) Dividend Income</b>		
Income from Current Investments	-	20
Income from Non-Current Investments	-	-
<b>(c) Other non-operating income</b>		
Net gain on Sale of Current Investments	788,570	1,416,092
Miscellaneous Receipts and Income	1,180	9,283
Profit on sale of Fixed Assets (Net)	18,832	11,663
Provision & Excess Liabilities Written Back	654,203	80,536
Gain on fair valuation of Bonds/Mutual funds	-	758,399
	<b>17,935,066</b>	<b>17,720,815</b>

**Notes to Financial Statements as at 31st March, 2019**

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>27 Changes In Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress</b>		
<b>Opening Stock</b>		
Stock-in-Trade	19,139,072	28,242,283
	<b>19,139,072</b>	<b>28,242,283</b>
<b>Less : Closing Stock</b>		
Stock-in-Trade	6,604,709	19,139,072
	<b>6,604,709</b>	<b>19,139,072</b>
Increase / Decrease in Stock	<b>12,534,363</b>	<b>9,103,211</b>
<b>28 Employee benefit expenses</b>		-
Salaries ,Wages and Bonus	16,222,449	2,34,46,000
Contribution to provident and other funds	921,807	13,91,273
Staff Welfare Expenses	2,324,958	23,45,309
	<b>19,469,214</b>	<b>2,71,82,582</b>
<b>29 Finance Costs</b>		
<b>Interest to</b>		
i) Related Party	-	297,534
ii) Taxes	170,598	51,191
iii) Others	1,500,890	1,150,061
Other Borrowing Costs	-	-
	<b>1,671,488</b>	<b>1,498,786</b>
<b>30 Depreciation and Amortization Expense</b>		
For the Year	3,043,383	3,244,489
	<b>3,043,383</b>	<b>3,244,489</b>

## Notes to Financial Statements as at 31st March, 2019

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>31 Other Expenses</b>		
Consumption of stores and spares part	-	-
Power and Fuel	12,016	19,475
Rent and Lease Premium	2,339,803	3,482,182
Repairs to machinery	1,433,616	1,470,193
Repairs to others	1,654,647	2,514,103
Insurance	165,738	195,733
Rates and Taxes excluding taxes on Income	17,025	71,606
Travelling and Vehicle Expenses	6,712,475	8,668,970
Legal and Professional Expenses	4,462,717	2,561,450
Drawings and Designs	30,500	27,500
Freight 3,681,285	5,581,223	
Research & Development	3,272	1,743
Brand Expenses	-	135,060
Selling Agents Commission	1,209,799	1,066,167
Selling Expenses	4,264,526	6,704,133
Directors Sitting Fees	145,000	90,000
<b>Payments to the Auditor</b>		
As Auditor	77,500	128,500
For Tax Audit	30,000	30,000
For Quarterly Review	66,000	66,000
For Fees for Other Services (incl for issuing various certificates)	144,000	89,628
For Reimbursement of out of pocket expenses	-	-
Donation	-	-
CSR Expenses	-	-
Miscellaneous Expenses	4,178,875	4,608,694
Sundry Debit Balance Adjusted	267,121	997,585
Bad Debt 2,437,679	455,167	
Allowance for bad and doubtful debts	5,445,275	2,696,979
	<b>38,854,522</b>	<b>41,662,091</b>
<b>32 Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss	-	-
Remeasurements of the defined benefit plans	-	470,307
Income tax relating to these item	-	(122,280)
-	-	<b>348,027</b>



**Notes to Financial Statements as at 31st March, 2019**

(Amount in Rs.)

## 33. Contingent Liabilities and Commitments (to the extent not provided for)-

**Contingent Liabilities:**

## 1. Claims against the Company not acknowledged as debts (Net of Deposit) -

Particulars	31st March, 2019	31st March, 2018
<b>Sales Tax Demand under Appeals</b>	<b>2,61,12,810</b>	<b>2,61,12,810</b>
Others	-	-

## 2. Guarantees

Particulars	31st March, 2019	31st March, 2018
Guarantees	2,00,000	2,00,000

## 3. Commitment

		31st March, 2019	31st March, 2018
a.	Estimated Capital Commitments (Net of advances)	NIL	NIL
b.	Other Commitments	NIL	NIL

34. As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The average net profit of the Company made during the three immediately financial years, as calculated under the provisions of Section 198 of the Companies Act, 2013, is negative therefore no amount has been earmarked for the purpose of Corporate Social Responsibilities.
35. The exceptional item consists of release of fund (net of expenses) from Escrow Account relating to sale of caustic soda manufacturing plant to Aditya Birla Chemicals Ltd during the financial year 2014-2015.
36. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006 as per the information available with the Company:

Sl. No.	Particulars	31st March, 2019	31st March, 2018	31st March, 2017
(a)	(i) Principal amount remaining unpaid at the end of the accounting year	3008926	Nil	Nil
	(ii) Interest due thereon	Nil	Nil	Nil
(b)	Interest paid by the buyer in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed date	Nil	Nil	Nil
(c)	Interest due and payable for the period of delay in making the payments (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	Nil	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of the financial year	Nil	Nil	Nil
(e)	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid	Nil	Nil	Nil

## Notes to Financial Statements as at 31st March, 2019

### 37. Employee Defined Benefits:

#### (a) (a) Defined Contribution Plans

The Company has recognized expenses towards the defined contribution plans as under:

(Rs.)

		31st March, 2019	31st March, 2018
a.	Contribution to Superannuation Fund	2,25,000	2,25,000
b.	Contribution to Provident Fund (Government)	8,10,802	6,20,691
c.	Others	24,973	15,553

(b) Defined Benefit Plans as per actuarial valuation on 31st March, 2019 and recognised in the financial statements in respect of Employee Benefit Schemes :

		Gratuity (Funded)	
I	Reconciliation of Defined Benefit Obligations (DBO) during the year ended 31st March, 2019		
	1 Present value of DBO at the beginning of period	26,15,099	22,29,997
	2 Current service cost	3,57,817	4,10,421
	3 Interest cost	2,01,363	1,72,825
	4 Past Service Cost	-	-
	5 Actuarial (Gains)/Losses	(4,01,342)	(1,98,144)
	6 Benefits paid	-	-
	7 Present value of DBO at the end of period	27,72,937	26,15,099
II	Reconciliation of Fair Value of plan assets during the year ended 31st March, 2019		
	1 Plan assets at the beginning of period	33,91,613	32,11,347
	2 Expected return on plan assets	2,61,154	2,48,879
	3 Actuarial Gains/(Losses)	4,19,380	(66,813)
	4 Company contribution	-	-
	5 Benefits paid	-	-
	6 Plan assets at the end of period	40,72,147	33,91,613
III	Reconciliation of fair value of assets and obligation as at 31st March, 2019		
	Present value of Defined Benefit Obligation	27,72,937	26,15,099
	Fair value on plan assets	40,72,147	33,91,613
	Status[Surplus/(Deficit)]	-	-
	Net asset/(liability) recognised in the Balance Sheet	12,99,210	7,76,514
IV	Expenses recognised during the year		
	1 Current service cost	3,57,817	4,10,421
	2 Net Interest cost	2,01,363	1,72,825
	3 Expected Return on Plan Assets	(2,61,154)	(2,48,879)
	4 Past Service Cost	-	-
	5 Total expenses recognised in the Statement of Profit & Loss	2,98,026	3,34,367

## Notes to Financial Statements as at 31st March, 2019

(Rs.)

		31st March, 2019	31st March, 2018
V	Other Comprehensive Income		
	Re measurements of the net defined benefit liability/(assets)		
	Actuarial (gain)/loss for the year on PBO	(4,01,342)	(1,98,144)
	Actuarial (gain)/loss for the year on Asset	(4,19,380)	68,613
VI	Major category of plan assets as a % of the total plan assets as at 31st March 2019		
	Investment in Government bonds and securities and Special Deposit	-	-
	Investment in Mutual Funds	39.85%	39.85%
	Investment in Group Gratuity Plan	40.30%	40.30%
	Bank Balance	19.85%	19.85%
	<b>Total</b>	<b>100%</b>	<b>100%</b>
VII	Actuarial assumptions		
	1 Discount rate (%)	7.70%	7.75%
	2 Expected Rate of Return on Assets	7.70%	7.75%
	3 Rate of escalation in salary (per annum) (%)	6.00%	6.00%
	4 Mortality table (IALM)	2006-08	2006-08

### VIII Sensitivity Analysis

Particulars	Change in Assumptions	Gratuity 31st March, 2019
Discount Rate	1.00 % increase	26,07,369
	1.00 % decrease	29,57,978
Change in salary increase	1.00 % increase	29,62,942
	1.00 % decrease	26,01,153

Particulars	Gratuity	
	31st March, 2019	31st March, 2018
Plan Liabilities	(4,25,176)	(1,56,038)
Plan Assets	(4,19,380)	68,613

## Notes to Financial Statements as at 31st March, 2019

(Rs.)

	Year	Gratuity
a)	April 2019 - March 2020	6,10,197
b)	April 2020 - March 2021	6,03,240
c)	April 2021 - March 2022	1,76,336
d)	April 2022 - March 2023	7,17,306
e)	April 2023 - March 2024	88,864
f)	April 2024	32,26,949

## 38. Segment information as per IND AS-108

The Company is engaged in two primary business segments viz. Wind Power and Electric. Segments have been identified and reported taking into account the nature of the products, the differing risks and returns, the organizational structure and internal business reporting system.

## a) Information about Primary Business Segments:

## SEGMENT INFORMATION FOR THE YEAR ENDED 31 MARCH, 2019

Segment Revenue, Segment Result, Segment Assets & Segment Liabilities		
Particulars	Rs.	
	31.03.2019 Audited	31.03.2018 Audited
<b>Segment Revenue (Gross)</b>		
Wind Mill Division	79,75,212	89,99,524
Electric Division	6,06,56,994	3,86,16,659
<b>Net Sales/Income from Operations</b>	<b>6,86,32,206</b>	<b>4,76,16,183</b>
<b>Segment Results</b>		
<b>Profit / (Loss) before tax and interest from each segment</b>		
Wind Power Division	37,09,571	46,76,676
Electric Division	(4,21,76,312)	-4,75,39,703
<b>Net Profit / (Loss) for the year ( before finance costs, tax and exceptional items) from each segment</b>	<b>(3,84,66,741)</b>	<b>-4,28,63,027</b>
Less-Finance Costs	(16,71,488)	-14,98,786
Less-Exceptional Item (net)	(16,00,000)	5,65,23,661
Add: Other Un-allocable expenditure net off un-allocable income	(1,11,05,432)	-21,04,365
<b>Total Profit / (loss) before Tax</b>	<b>(4,63,00,685)</b>	<b>1,00,57,483</b>
<b>SEGMENT ASSETS</b>		
Wind Power Division	5,17,53,145	5,02,73,698
Electric Division	2,77,78,045	5,33,91,646
Unallocated Asset	19,29,40,300	23,09,29,055
<b>TOTAL ASSETS</b>	<b>27,24,71,490</b>	<b>33,45,94,399</b>
<b>SEGMENT LIABILITIES</b>		
Wind Power Division	76,564	24,450
Electric Division	2,00,12,603	3,64,93,647
Unallocated Liabilities	7,50,06,778	7,44,00,072
<b>TOTAL LIABILITIES</b>	<b>9,50,95,945</b>	<b>11,09,18,169</b>

## Notes to Financial Statements as at 31st March, 2019

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been treated separately.

### Information about Secondary Geographical Segments:

The Company has common fixed assets located in India for producing/selling goods for domestic markets. Therefore, the value of fixed assets and additions thereto cannot be allocated to the geographical segments. Hence, the total carrying amount of segment assets and cost incurred during the period to acquire segment assets has not been given in respect of secondary segments.

39. Related Party information as per Ind AS 24.

#### I. List of Related Party

(a) Key Management Personnel (KMP)

Name of the Key Management Personnel	Relationship
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary

(b) Relative of Key Managerial Personnel

Name of the Relative of KMP	Relationship
Shashi Bangur	Relative of KMP
Bharati Bangur-Executive (Corporate Affair)	Relative of KMP

(c) Entities in which Control of the Company and/or Key Management Personnel exist

Name of the Entity	Nature of Control
East Coast Powers Limited	Subsidiary
Bangur Exim Private Limited	Control of KMP
Amrit Villa Investments Limited	Control of KMP
West Coast Paper Mills Limited	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Private Limited	Control of KMP
Shree Satyanarayan Investments Company Limited	Control of KMP
The Diamond Company Limited	Control of KMP
Veer Enterprises Limited	Control of KMP

## Notes to Financial Statements as at 31st March, 2019

## II. Transactions with related parties

(Rs.)

Nature of Transactions	2018-2019	2017-2018
<b>B) RELATED PARTY TRANSACTIONS ARE AS FOLLOWS:</b>		
<b>Remuneration Paid to KMP</b>		
Virendraa Bangur	25,05,000	25,05,000
P.N. Ojha	-	1,50,000
P K Gupta	16,78,872	16,37,650
S K Lahoti	14,66,400	13,66,871
<b>Remuneration Paid to Relative of KMP</b>		
Bharati Bangur	7,62,642	7,31,634
<b>Loan given to Subsidiary Company</b>		
East Coast Powers Ltd	66,579	2,26,306
<b>Repayment of Loan From Subsidiary Company</b>	-	-
<b>Interest received from Subsidiary Company</b>		
East Coast Powers Ltd	4,64,570	4,57,502
Rent Received from West Coast Paper Mills Ltd	1,78,416	1,77,282
Rent paid - Veer Enterprises Ltd.	13,97,552	12,87,000
Donation paid - Shree Ram Trust, Kolkata	-	-
Loan given to Bangur Exim Pvt Ltd	340,00,000	140,00,000
Repayment of loan received from Bangur Exim Pvt Ltd	340,00,000	140,00,000
Interest received from Bangur Exim Pvt Ltd	21,39,995	7,24,644
Interest paid to The Indra Company Ltd	-	4,32,534
Loan Repayment to The Indra Company Ltd	-	25,00,000

## Notes to Financial Statements as at 31st March, 2019

### Outstanding Balances:

(Rs.)

Particulars	31st March, 2019	31st March, 2018
East Coast Powers Limited	51,71,614	46,40,465
Bangur Exim Pvt. Ltd	21,94,014	19,29,558
West Coast Paper Mills Ltd	84,960	-

### 40. Financial Instrument

Financial Instrument by category

Particulars	31st March, 2019		31st March, 2018	
	Carrying Amount	Carrying Amount	Carrying Amount	Fair Value
<b>Financial assets/ liabilities at fair value through profit or loss</b>				
<b>Derivatives-</b>				
<b>Investment-</b>				
Mutual Fund	1,76,91,691	1,76,91,691	2,64,27,210	2,52,719
<b>Financial assets designated at fair value through other Comprehensive Income</b>				
<b>Investment</b>				
Equity Shares				
<b>Financial Assets designated at Amortised Cost</b>				
Cash and Cash Equivalent	2,91,42,313	2,91,42,313	85,45,251	85,45,251
Fixed Deposits with Bank	6,44,32,097	6,44,32,097	6,85,96,423	6,85,96,423
Investment	-	-	-	-
Trade and Other Receivables	3,16,99,308	3,16,99,308	3,74,58,217	3,74,58,217
Loan	5,19,48,303	5,19,48,303	9,47,17,327	9,47,17,327
Other Financial assets	2,17,543	2,17,543	59,04,768	59,04,768
<b>Financial Liabilities designated at fair value through profit or loss</b>				
<b>Derivatives:-</b>				
Interest Rate Swap				
<b>Financial Liabilities designated at amortised cost</b>				
Borrowings	15,01,921	15,01,921	1,10,,01,921	1,10,,01,921
Trade and Other payables	1,61,12,171	1,61,12,171	2,20,92,582	2,20,92,582
Other Financial Liabilities	76,51,348	76,51,348	2,69,80,683	2,69,80,683

## Notes to Financial Statements as at 31st March, 2019

### Fair Value Hierarchy

Level-1 Quoted Price (unadjusted) is active markets for identical assets or liabilities

Level-2 Inputs other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e.) derived from prices.

Level-3 Inputs other than quoted prices included within Level-1 that are based on non-observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019:

(Rs.)

Particulars	As of 31st March, 2019	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in equity instruments	64,50,000	-	-	64,50,000
Investment in preference Shares	-	-	-	-
Investment in Mutual Fund	1,76,91,691	1,76,91,691	-	-
Derivative financial instruments	-	-	-	-
<b>Liabilities</b>				
Derivative financial instruments	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018:

(Rs.)

Particulars	As of March 31st 2018	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in equity instruments	64,50,000	-	-	64,50,000
Investments in preference Share	-	-	-	-
Investment in Mutual Fund	2,64,27,210	2,64,27,210	-	-
Derivative financial instruments	-	-	-	-
<b>Liabilities</b>				
Derivative financial instruments	-	-	-	-

#### 41. Financial risk management objective and policies

The Company's financial liabilities include Loan and borrowing, security deposits, retention money and Trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include investments, trade & other receivables, deposits and cash & cash equivalents.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

The Company's activities expose it to Credit Risk, Liquidity Risk, Market Risk and Equity Price Rise. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate financial risk governance framework for the Company. The Risk management committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies



## Notes to Financial Statements as at 31st March, 2019

and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below :

**A. Credit Risk-** A risk that counterparty may not meet its obligations under a financial instrument or customer contract, leading to a financial loss is defined as Credit Risk. The Company is exposed to credit risk from its operating and financial activities.

Customer credit risk is managed by the respective marketing department subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company reviews the creditworthiness of these customers on an on-going basis. The Company estimates the expected credit loss on the basis of past data, experience and policy laid down in this respect. The maximum exposure to the credit risk at the reporting date is the carrying value of the trade receivables disclosed in Note 10 (Ten) as the Company does not hold any collateral as security. The Company has a practice to provide for doubtful debts as per its approved policy.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on historical data of credit losses.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

(Rs.)

Particulars	Neither due nor impaired (including unbilled)	Past Due			Total
		Up to 6 months	6 to 12 months	Above 12 months	
<b>Trade receivables</b>					
<b>As at 31st March, 2019</b>					
Secured	-	-	-	-	
Unsecured	-	1,23,26,941	1,16,94,182	76,78,185	<b>3,16,99,308</b>
<b>Total</b>					<b>3,16,99,308</b>
<b>As at 31st March, 2018</b>					
Secured	-	-	-	-	
Unsecured	-	1,51,83,312	79,86,139	1,42,88,966	<b>3,74,58,217</b>
<b>Total</b>					<b>3,74,58,217</b>

**B. Liquidity Risk-** A risk that the Company may not be able to settle or meet its obligations at a reasonable price is defined as liquidity risks. The Company's treasury department is responsible for managing liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, Term loans among others.

**C. Market Risk-** A risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices is defined as Marketing Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(i) **Foreign Currency Risk-** A risk that the fair value or future value of the cash flows of a forex exposure will fluctuate because of changes in foreign exchange rates is defined as Foreign Currency Risk. The Company's

## Notes to Financial Statements as at 31st March, 2019

exposure to the risk of changes in foreign exchange rates relates primarily to the Company's import and foreign currency loan/ derivatives operating activities. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. The management monitors the foreign exchange fluctuations on a continuous basis.

Derivative instruments and un-hedged foreign currency exposure.

The Company does not enter into any derivative instruments for trading or speculative purposes.

- (ii) **Interest rate risk**-The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company is not exposed to such risk as on 31st March, 2019.

### Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Financial Liabilities	0-1 year	2-5 years	5-10 years	Above 10 years
<b>As at 31st March, 2019</b>				
Borrowings	15,01,921	-	-	-
Trade Payables	1,61,12,171	-	-	-
Other financial liabilities	76,51,348	-	-	-
<b>Total</b>	<b>5,85,73,265</b>	<b>15,01,921</b>	-	-
<b>As at 31st March, 2018</b>				
Borrowings	95,00,000	15,01,921	-	-
Trade Payables	2,20,92,582	-	-	-
Other financial liabilities	2,69,80,683	-	-	-
<b>Total</b>	<b>5,85,73,265</b>	<b>15,01,921</b>	-	-

### 42. Capital management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in taking into consideration the economic conditions and strategic objectives of the Company.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported periods.

## Notes to Financial Statements as at 31st March, 2019

### 43. Earnings Per Share (EPS):

(Rs.)

Particulars	31st March, 2019	31st March, 2018
Net profit attributable to equity shareholders(Rs.)	(4,63,00,685))	(76,80,791)
Weighted average of equity shares (Nos.)	2,93,26,457	2,93,26,457
Nominal value of equity shares (In Rs.)	10	10
Basic/Diluted EPS (in rupees)	(1.58)	(0.26)

44. Regional Director(ER) vide order no. RD/T/28110/S-233/18/9437 dated 25.10.2018 has confirmed the scheme of compromise, arrangement or merger of the Fort Gloster Electric Limited with the Company under section 233 of the Companies Act, 2013. The Company has combined the financial statements of Fort Gloster Electric Limited with the Jayshree Chemicals Limited with effect from 01.04.2017 as per the pooling of Interests method as per the Ind AS 103 Business Combination.

45. Previous year figures are regrouped and rearranged wherever necessary.

As per our Report of even date

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

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## CONSOLIDATED ACCOUNTS

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## **Independent** Auditors' Report

To

The Members of

**Jayshree Chemicals Limited**

### **Report on the Audit of the consolidated Ind AS financial statements**

#### **Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Jayshree Chemicals Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view of in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2019, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no Key audit matters to communicate in our report.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities.

The selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial

reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements**

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

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

- ▲ Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▲ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▲ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▲ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▲ Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▲ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Independent Auditor's Report

### Other Matters

- (a) We did not audit the financial statements / financial information of 1 (one) subsidiary, whose financial statements/ financial information reflect total assets of Rs. 92,80,472 (Previous Year Rs. 92,57,343) as at 31st March, 2019, total revenues of Rs. 21,855/- (Previous Year Rs. 20,778) and net cash flows amounting to Rs.68,726 (Previous Year Rs.(-) 76,062) for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2019 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the consolidated Ind AS financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

FOR **AMK & ASSOCIATES**  
Chartered Accountants  
Firm Reg.. No. 327817E

**Bhupendra Kumar Bhutia**  
Partner  
Membership No. 059363

Place : Kolkata  
Dated: 30th May, 2019

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS OF JAYSHREE CHEMICALS LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, We have audited the internal financial controls over financial reporting of Jayshree Chemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding company, its subsidiary company, which are companies incorporated in India, are 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 issued by the Institute of Chartered Accountants of India (ICAI)". 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.

**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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS consolidated 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 consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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, the Holding Company, its subsidiary company, which are companies incorporated in India, 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 March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

#### **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 insofar as it relates to 1 (One) subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

**FOR AMK & ASSOCIATES**  
*Chartered Accountants*  
Firm Reg.. No. 327817E

**Bhupendra Kumar Bhutia**  
Partner  
Membership No. 059363

Place : Kolkata  
Dated: 30th May, 2019

**Consolidated Balance Sheet** as at 31st March, 2019

(Amount in Rs.)

Particulars	Note No.	Final Total As on 31.03.2019	Final Total As on 31.03.2018
<b>I ASSETS :</b>			
<b>1 Non-current Assets</b>			
Property, Plant & Equipment	2	39,576,064	42,765,366
Capital work-in-progress		8,437,828	8,462,578
Other Intangible Assets	3	40,779	148,767
Financial Assets			
Loans	4	1,096,619	1,092,119
Others	5	200,000	200,000
Deferred Tax Assets (Net)	6	143,335	143,335
Other Non current Assets	7	1,961,405	1,985,982
		<b>51,456,030</b>	<b>54,798,147</b>
<b>2 Current Assets</b>			
(a) Inventories	8	6,604,710	19,139,072
Financial Assets			
Investments	9	17,691,691	26,427,210
Trade receivables	10	31,699,308	37,458,217
Cash & cash equivalents	11	29,447,801	8,919,465
Other Bank balances	12	64,770,615	68,914,898
Loans	13	45,685,070	88,984,743
Others Financial Assets	14	17,543	5,704,768
Current Tax Assets (Net)		16,196,327	14,907,378
Other Current Assets	15	6,387,855	7,333,981
		<b>218,500,920</b>	<b>277,789,732</b>
<b>TOTAL ASSETS</b>		<b>269,956,950</b>	<b>332,587,879</b>
<b>II EQUITY AND LIABILITIES:</b>			
<b>1 Equity</b>			
Equity Share capital	16	293,264,570	293,264,570
Other Equity	17	(118,556,784)	(71,689,961)
		<b>174,707,786</b>	<b>221,574,609</b>
<b>2 Non-current Liabilities :</b>			
(a) Financial Liabilities			
Borrowings	18	1,921	1,501,921
Provisions	19	1,029,987	1,230,443
		<b>1,031,908</b>	<b>2,732,364</b>
<b>3 Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	1,500,000	9,500,000
Trade Payables	21		
(A) total outstanding dues of micro enterprises and small enterprises		3,008,926	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		13,103,245	22,092,582
Other financial liabilities	22	7,746,948	27,024,033
Other current liabilities	23	47,514,881	49,143,603
Provisions	24	21,343,256	520,688
		<b>94,217,256</b>	<b>108,280,906</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>269,956,950</b>	<b>332,587,879</b>
<b>Accounting Polices</b>	1		

In terms of our Report on even date

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**K K Kothari**  
Director  
( Din: 00233174)

**Pawan Kumar Gupta**  
CFO

**S K Lahoti**  
Company Secretary

## Consolidated Statement of Profit & Loss for the Period Ended 31st March, 2019 (Amount in Rs.)

Particulars	Note No.	Final Total As on 31.03.2019	Final Total As on 31.03.2018
<b>I Revenue From operations</b>	25	68,632,206	47,616,183
<b>II Other Income</b>	26	17,440,732	17,284,091
<b>III Total Income (I +II)</b>		<b>86,072,938</b>	<b>64,900,274</b>
<b>IV EXPENSES</b>			
Purchases of Stock-in-Trade		55,694,987	29,112,017
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	12,534,363	9,103,211
Employee benefit expense	28	19,469,214	27,182,582
Finance costs	29	1,673,041	1,498,831
Depreciation and amortization expense	30	3,043,383	3,244,489
Other expenses	31	38,924,773	41,729,879
<b>Total expenses (IV)</b>		<b>131,339,761</b>	<b>111,871,009</b>
<b>V Profit(loss) before exceptional items and tax(III-IV)</b>		(45,266,823)	(46,970,735)
<b>VI Exceptional items</b>	35	1,600,000	(56,523,661)
<b>VII Profit/ (loss) before tax (V-VI)</b>		(46,866,823)	9,552,926
<b>VIII Tax Expenses</b>			
a) Current Tax		-	-
b) Income tax related to earlier years		-	686,770
c) MAT Credit Entitlement		-	-
d) Deferred Tax		-	17,051,504
		-	17,738,274
<b>IX Profit/(loss) for the period (VII-VIII)</b>		(46,866,823)	(8,185,348)
<b>X Other Comprehensive Income</b>	32		
(a) Items that will not be reclassified to profit or loss		-	348,027
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>XI Total Comprehensive Income for the period (IX+X)</b>		(46,866,823)	(7,837,321)
<b>XII Earnings per equity share</b>	34		
1) Basic		(1.60)	(0.28)
2) Diluted		(1.60)	(0.28)
<b>Accounting Polices</b>	1		

In terms of our Report on even date

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
(Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
(Din: 00233174)

**S K Lahoti**  
Company Secretary

**Consolidated Cash Flow Statement** for the year ended 31st March 2019

(Amount in Rs.)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extra-ordinary Items	<b>(46,866,823)</b>	9,552,926
Adjustments for:		
Allowance /Bad Debts Written Off	<b>7,882,954</b>	3,152,146
Depreciation	<b>3,043,383</b>	3,244,489
Net Profit/(Loss) on sale of fixed/discarded assets	<b>(18,832)</b>	(11,663)
Sundry Balances Written Off	-	996,599
Interest Expenses	<b>2,189,230</b>	1,956,333
Dividend Income	-	(20)
Net (Gain) / Loss on sale of Current Investment	<b>(788,570)</b>	(2,174,491)
Interest Income	<b>(16,494,136)</b>	(15,465,600)
<b>Operating Profit Before Working Capital Changes</b>	<b>(51,052,794)</b>	1,250,719
Adjustments for:		
Trade Payables	<b>(7,764,106)</b>	(73,442,271)
Trade and other Receivables	<b>47,297,907</b>	(24,255,027)
Inventories	<b>12,534,362</b>	9,103,211
<b>Cash Generated from Operations :</b>	<b>1,015,369</b>	(87,343,368)
Direct Taxes Paid	<b>(1,288,949)</b>	(3,524,736)
<b>Net Cash generated from Operating Activities</b>	<b>(273,580)</b>	(90,868,104)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	<b>297,489</b>	563,420
Sale of Property, Plant and Equipments (Net)	-	-
Sale/ (Purchase) of Current Investment (Net)	<b>9,524,089</b>	(24,000,000)
Purchase of Investments in Subsidiary	-	-
Loan to Other Body Corporates	-	(13,383,686)
Term Deposit other than cash equivalents	<b>4,144,283</b>	81,612,247
Interest Received	<b>16,494,136</b>	26,849,636
Dividend Income	-	20
<b>Net Cash used in Investing Activities</b>	<b>30,459,997</b>	<b>71,641,637</b>

**Consolidated Cash Flow Statement** for the year ended 31st March 2019

(Amount in Rs.)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
<b>( C ) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	<b>(8,000,000)</b>	-
Repayment of Long Term Borrowings	<b>531,149</b>	638,054
Interest Paid	<b>(2,189,230)</b>	(2,203,737)
<b>Net Cash generated/(used) in Financing Activities</b>	<b>(9,658,081)</b>	(1,565,683)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>20,528,336</b>	(20,792,150)
Opening Cash and Cash Equivalents	<b>8,919,465</b>	27,919,641
Opening Cash and Cash Equivalents on account of scheme of amalgamation/merger	-	1,791,974
Closing Cash and Cash Equivalents	<b>29,447,801</b>	8,919,465

This is the Cash Flow Statement referred to in our Report of even date.

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

**A. EQUITY SHARE CAPITAL**

(Amt. in Rs.)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Shares	293,264,570	-	293,264,570

**B OTHER EQUITY**

Particulars	Reserve and Surplus					Remeas-urements of the defined benefit plans	Total
	Capital Redem-ption Reserve	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance at the end of the reporting period (31.03.2017)	3,000,000	267,234	121,013,227	3,254,936	(192,022,107)	886,244	(63,600,466)
Total Comprehensive Income for the year	-	-	-	-	(8,185,348)	95,853	(8,089,495)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-
Balance at the end of the reporting period (31.03.2018)	3,000,000	267,234	121,013,227	3,254,936	(200,207,455)	982,097	(71,689,961)
Total Comprehensive Income for the year	-	-	-	-	(46,866,823)	-	(46,866,823)
Add/(Less): Defined Benefits plans through OCI has been transferred to retained earnings	-	-	-	-	(982,097)	982,097	-
Income for the year	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-
Balance at the end of the reporting period (31.03.2019)	3,000,000	267,234	121,013,227	3,254,936	(248,056,375)	1,964,194	(118,556,784)

## Significant Accounting Policies and Notes on Consolidated Financial Statement

### Note - 1

#### 1. Corporate Information

Jayshree Chemicals Limited ("the Holding Company") is a public 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 JCL, is 31 Chowringhee Road Kolkata-700016. The Holding Company and its subsidiary are engaged in generation of wind-power and selling of goods in India. These financial statements are prepared in Indian rupees.

The financial statements were approved and adopted by board of directors of the Company in their meeting held on 30th May 2019.

#### 2. Basis of preparation

##### Compliance with Ind AS

These consolidated financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under Section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act"), the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The consolidated financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May, 2019.

##### Basis of Consolidation

The Holding Company consolidates entities which it owns or controls. The consolidated financial statements comprise the consolidated financial statements of the Company, its subsidiary in Note no. 38.

Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiary is consolidated from the date control commences until the date control cease.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiary that are not, directly or indirectly, owned or controlled by the Company, are excluded.

The subsidiary company considered in the financial statements is as follows:

Name	Country of Incorporation	% of voting power
East Coast Powers Limited	India	100

#### 3. Significant accounting Policies and Key Estimates and Judgements

##### 3.1 Basis of Measurement

These financial statements are prepared on historical cost basis except for certain financial assets and liabilities (including derivatives instruments) measured at fair value.

##### 3.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statement and reported amounts of revenue and expenses during the period. Application of accounting policies that requires critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those judgments. Appropriate changes in estimates are made as

management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 3.3 Significant accounting judgments, estimates, assumptions

In the process of applying the Company's accounting policies, management has made the following key estimates, assumptions and judgments, which have significant effect on the amounts recognised in the financial statement:

#### (a) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

#### (b) Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### (c) Defined Benefit Plans

The cost of the employment benefits such as gratuity and leave 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 and mortality rates. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 32.

#### (d) Insurance Claims

Insurance and other claims raised by the Company are accounted for when received owing to uncertainties involved.

### 3.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

(A) An asset treated as current when it is:

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- (ii) Held primarily for the purpose of trading.
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) 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.

(B) A liability is current when:

- (i) It is expected to be settled in normal operating cycle.
- (ii) It is held primarily for the purpose of trading.



- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) 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.

### 3.5 Reclassification of financial assets and liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments; a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to the external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period. Following the changes in business model, the company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### 3.6 Significant Accounting Policies

#### a. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

##### i. Sale of Goods

Sales are recognized when the substantial risks and rewards of ownership in the goods, including custody, are transferred to the buyer as per the terms of the contract and are measured at the fair value of the consideration received and receivable and net of trade discounts, allowable sales return and sales tax/ value added tax/goods and service tax.

##### ii. Interest Income

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

##### iii. Dividend

Dividend income is recognised when the right to receive dividend is established.

#### b. Government grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants related to specific fixed assets are deducted from the gross value of the concerned assets in arriving at their book values.

#### c. Taxation

Income tax expense represents the sum of current and deferred tax (including MAT).

Current income tax assets and liabilities are measured at the amount to be recovered from or paid to taxation

authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Income tax expense is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is also recognized directly in equity or in other comprehensive income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

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

**d. Property, Plant and Equipment**

The Company considers the previous GAAP carrying value for all its Property, Plant and Equipment as deemed cost at the transition date, viz. 1st April 2016

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment of loss, if any.

Cost of any item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition.

Depreciation is provided on the straight line method by depreciating carrying amount of Property, Plant and Equipment over remaining useful life of the assets.

Depreciation methods, useful life and residual values are reviewed at each financial year end.

The useful life and residual value as per such review is normally in accordance with schedule II of the Companies Act 2013.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

**e. Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective individual estimated useful life on a straight line method.

Gains or losses arising from de-recognition 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 or loss when the asset is derecognised.

**f. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that a Property, plant and equipment may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the Property, plant and equipment. If such recoverable amount of the Property, plant and equipment or the recoverable amount of the cash generating unit to which the Property, plant and equipment belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the Asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**g. Borrowing Costs**

Interest and other costs connected with the borrowing for the acquisition / construction of qualifying fixed assets are capitalized up to the date that when such asset are ready for their intended use and other borrowing cost are charged to statement of profit & loss. Borrowing cost includes exchange difference to the extent regarded as an adjustment to the borrowing cost.

**h. Lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Leases under which the Company assumes substantially all risks and rewards of ownership are classified as finance lease. When acquired such assets are capitalised at fair value or present value of minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating lease are recognized as an expenses on a straight line basis in the Statement of Profit and Loss account over the lease term.

**i. Foreign Currencies Translations**

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in 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 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 statement profit or loss are also recognised in OCI or statement profit and loss, respectively).

**j. Provision and Contingencies**

A provision is recognised if as a result of past event the company has a present legal or constructive obligation that is reasonably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected cash flow at a pre-tax rate that reflects current market assessments of the time value of the money and the risk specific to the liabilities.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence

in the financial statements. If material, are disclosed by way of notes to the accounts.

Contingent assets are not recognised in the financial statements, as they are dependent on the outcome of legal or other processes.

- k. Employee Benefits :** Expenses and liabilities in respect of employee benefit are recorded in accordance with Indian Accounting Standard (IND AS 19 employees benefit).

**(i) Short Term Employees Benefits**

Short Term Employee Benefits (i.e. benefits falling due within one year after the end of the period in which employees render the related service) are recognized as expenses in the period in which employee services are rendered as per the Company's scheme based on expected obligations on undiscounted basis.

**(ii) Post-Employment Benefit Plans**

Under Defined Contribution Plan, the contribution is payable in keeping with the related schemes are recognized as expenses for the year.

Under Defined Benefit Plan, the present value of the obligations is determined based on actuarial valuations using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by actuary at each Balance Sheet date. Actuarial gain /loss, if any, arising from experience adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise.

**(iii) Other Long-Term Employee Benefits**

Leave encashment/compensated absence is determined by valuations using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by actuary at each Balance Sheet date. Actuarial gain /loss, if any, arising from experience adjustments and change in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise.

**l. Cash and Cash Equivalents**

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

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

**m. Dividend**

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

**n. Earnings Per Share**

Basic Earnings per equity shares are calculated by dividing the net profit or loss before OCI for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all diluted potential equity shares.

**o. Financial Instruments**

**(a) Financial Assets**

**Initial Recognition and Measurement**

All financial Assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

### Subsequent measurement

- (i) **Financial Assets carried at amortised Cost-** A Financial Assets is subsequently measured at amortised cost, using effective interest rate (EIR) method, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest term on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- (ii) **Financial Assets at fair value through other comprehensive income-** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other Comprehensive income based on its business model. Further in case where the company has made an irrecoverable election based on its business model for its investments, which are classified as equity instruments the subsequent changes in fair value are recognised in other comprehensive income.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- (iii) **Financial assets at fair value through profit or loss-**A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss

### (b) Financial Liabilities

#### Initial recognition and Measurement

Financial Liabilities are recognised at fair value on initial recognition and in case of loan and borrowing or payables net of directly attributable transaction costs.

#### Subsequent Measurement

Financial Liabilities are subsequently carried at amortized cost using effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### (c) De-recognition of financial instruments

The company de-recognises the financial assets when contractual right to cash flow from financial assets expire or it transfer the financial assets and transfer qualities for de-recognition under IND AS 109. A financial liability or a part of a financial liability is de-recognised from the company's Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

**(d) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**p. Fair value financial instruments**

The company measure 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.

In determining the fair value of its financial instruments, the company use various methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine the fair value includes discounted cash flow analysis, available quoted market price and dealer quotes and valuation report etc. The method of assessing fair value results in general approximation of value and such value may never actually be realised.

Fair Values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**q. New Standards / Amendments to Existing Standards issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:**

**Ind AS116 Leases** On March 30, 2019, Ministry of Corporate Affairs has Notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- ▲ Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- ▲ Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- ▲ Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or
- ▲ An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments

related to that lease recognized under Ind AS17 immediately before the date of initial application. Certain practical expedients are available under both the methods. On completion of evaluation of the effect of adoption of Ind AS116, the Company is proposing to use the Modified Retrospective Approach for transitioning to Ind AS116, and take the cumulative adjustment to retained earnings, on the date of initial application (April1, 2019). Accordingly, comparatives for the year ended March31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

**The standard permits two possible methods of transition** - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone consolidated financial statements.

**Amendment to Ind AS 12 - Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone consolidated financial statements.

**Amendment to Ind AS 19 - plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity :

- ▲ to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- ▲ to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

## Notes to Consolidated Financial Statements

(Amount in Rs.)

## Note No. 2

## PROPERTY, PLANT &amp; EQUIPMENTS AS AT 31ST MARCH, 2019

PARTICULARS	ORIGINAL COST AS ON 01/04/2018	ADDITION DURING the year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL COST AS ON 31/03/2019	TOTAL DEPRN. PROVIDED UPTO 01/04/2018	DEPRN. FOR THE year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL DEPRN. UP TO 31/03/2019	W.D.V. AS ON 31/03/2019	W.D.V. AS ON 31/03/2018
Land (Free hold)	1611000	0	0	1611000	0	0	0	0	1611000	1611000
Buildings	1361310	59860	0	1421170	267519	44865	0	312384	1108786	1093791
Plant & Machinery	63583212	0	0	63583212	25305693	2417892	0	27723585	35859627	38277519
Furniture & Fittings	496982	19498	0	516480	339639	27414	1253	368306	148174	157343
Office Equipments	2135972	0	0	2135972	1759341	168186	0	1927527	225334	373170
Electrical Installation	2251302	74447	0	2325749	1975971	40708	0	2016679	309070	275331
Motor Car & Vehicles	4236306	0	0	4236306	3259094	236326	426813	3922233	314073	977212
	<b>75676084</b>	<b>153805</b>	<b>0</b>	<b>75829889</b>	<b>32907257</b>	<b>2935391</b>	<b>428066</b>	<b>36270714</b>	<b>39576064</b>	<b>42765366</b>
PREVIOUS YEAR	75776827	57351	25700	75808478	29944170	3121305	22363	33043112	42765366	

## Other Intangible Assets AS AT 31ST MARCH, 2019

PARTICULARS	ORIGINAL COST AS ON 01/04/2018	ADDITION DURING the year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL COST AS ON 31/03/2019	TOTAL DEPRN. PROVIDED UPTO 01/04/2018	DEPRN. FOR THE year 2018-19	SOLD OR ADJUSTMENT DURING 2018-19	TOTAL DEPRN. UP TO 31/03/2019	W.D.V. AS ON 31/03/2019	W.D.V. AS ON 31/03/2018
Computer Software	367027	0	0	367027	218260	107988	0	326248	40779	148767
	<b>367027</b>	<b>0</b>	<b>0</b>	<b>367027</b>	<b>218260</b>	<b>107988</b>	<b>0</b>	<b>326248</b>	<b>40779</b>	<b>148767</b>
PREVIOUS YEAR	390515	0	0	390515	118564	123184	0	241748	148767	

Particulars	As on 31.03.2019	As on 31.03.2018
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	1,611,000	1,611,000
Buildings	1,048,930	1,093,791
Plant and Equipment	-	-
Plant & Machinery	36,121,506	38,277,518
Electrical Equipment	314,444	275,331
Furniture and Fixtures	53,816	157,343
Vehicles	314,072	977,212
Office equipment	112,296	373,171
	<b>39,576,064</b>	<b>42,765,366</b>
<b>3 Other Intangible Assets</b>		
Computer Software	40,779	148,767
	<b>40,779</b>	<b>148,767</b>



## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>4 Loans</b>		
Security Deposits	1,096,619	1,092,119
	<b>1,096,619</b>	<b>1,092,119</b>
<b>5 Others</b>		
Term Deposit of more than twelve months maturity	200,000	200,000
	<b>200,000</b>	<b>200,000</b>
<b>6 Deferred Tax Assets (net)</b>		
The major components of the Deferred Tax Liabilities / (Assets) based on the tax effects of timing differences are as follows:		
Deferred Tax Assets on GAAP differences during the year	-	-
<b>Total Deferred Tax Assets</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	143,335	143,335
	<b>143,335</b>	<b>143,335</b>
<b>7 Other Non-Current Assets</b>		
(a) Security Deposit	404,000	417,828
(b) Other advances		
(i) Others-Unamortised Salami for Lease hold Land	826,457	838,792
(ii) balance with income tax dept	730,948	729,362
	<b>1,961,405</b>	<b>1,985,982</b>
<b>8 Inventories</b>		
Stock in Trade	6,604,710	19,139,072
	<b>6,604,710</b>	<b>19,139,072</b>
<b>9 Investments</b>		
<b>Investments in Mutual Funds</b>		
ICICI Prudential Flexible Income Growth (FV Rs. 10/-) (FY 31.03.19- 2812.101 units(FY 31.03.18 - 15642.92 units)	1,025,571	5,214,053
Kotak Low Duration Fund-Regular Plan Growth (FV Rs.10/-) (FY 31.03.19 - 2286.4203 units(FY 31,03.18 202.4911 units)	16,666,120	429,914
Kotak Treasury Advantage Fund-Regular Plan Growth (FV Rs.10/-) (FY 31.03.18 - Nil units(FY 31,03.17 - 4001.86 units)	-	111,226
Kotak Floater Short Term Fund -Regular Plan Growth (FV Rs.10/-) (FY 31.03.19- Nil units(FY 31.03.18 7267.1658 units)	-	20,672,017
	<b>17,691,691</b>	<b>26,427,210</b>

## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>10 Trade Receivables</b>		
Secured-Considered Good	-	-
Unsecured-Considered Good	31,699,308	37,458,217
Unsecured-Credit Impaired	8,142,254	-
	39,841,562	37,458,217
Allowance for bad and doubtful debts	(8,142,254)	-
	<b>31,699,308</b>	<b>37,458,217</b>
<b>11 Cash and cash equivalents</b>		
Balances with banks		
In current accounts	29,397,556	7,476,800
Cheques/ Pay order in hand	-	162,021
Term Deposit of less than three months maturity	-	1,250,000
Cash on hand	50,245	30,644
	<b>29,447,801</b>	<b>8,919,465</b>
<b>12 Other Bank balances</b>		
Unpaid Dividend Account	-	-
Special Term Deposit /Balance with banks held as Margin Money	5,407,694	17,624,475
Escrow Account with Bank	59,362,921	51,290,423
	<b>64,770,615</b>	<b>68,914,898</b>
<b>13 Loans</b>		
Security Deposits to others	5,000	-
<b>Other loans</b>		
Loan to Body Corporates	45,000,000	88,460,798
Loan to Employees	373,822	523,945
	<b>45,685,070</b>	<b>88,984,743</b>
<b>14 Others -Interest Accrued but not due on Deposit</b>	17,543	5,704,768
	<b>17,543</b>	<b>5,704,768</b>
<b>15 Other Current Assets</b>		
<b>Other advances</b>		
Advance to Parties	2,136,111	1,228,746
Other Advances	74,613	2,911,598
<b>Others</b>		
Prepaid Expenses	1,476,495	1,220,257
Balances with Government Dept	2,700,636	1,973,380
	<b>6,387,855</b>	<b>7,333,981</b>

## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>16 Equity Share Capital</b>		
<b>Authorised</b>		
Equity Shares of Rs. 10/- par value		
4,00,00,000 (4,00,00,000) Equity Shares	400,000,000	400,000,000
<b>Issued, Subscribed and Paid-up Capital</b>		
Equity Shares of Rs. 10/- par value		
2,93,26,457 (2,93,26,457) Equity Shares of Rs. 10/- each fully paid-up	293,264,570	293,264,570
	<b>293,264,570</b>	<b>293,264,570</b>

### NOTES:

- The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
- 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.
- Details of Share holders holding more than 5% of total shares as on 31st March, 2019

Name of Shareholder	No of Shares	% to Total Shares
Shree Satyanaran Investments Co Ltd	2211248	7.54
Kilkotagiri And Thirumbadi Plantations Ltd	1837000	6.264
Veer Enterprises Limited	3141958	10.714

- The reconciliation of the number of shares outstanding as at 31st March, 2019 is as below :

Particulars	As on 31.03.2019	As on 31.03.2018
Number of shares at the beginning	29326457	29326457
Number of shares at the closing	<b>29326457</b>	<b>29326457</b>
<b>17 Other Equity</b>		
<b>Other Reserves</b>		
<b>Capital redemption reserve</b>		
Balance as per last Account	3,000,000	3,000,000
<b>Capital Reserve</b>		
Balance as per last Account	267,234	267,234
<b>Securities Premium</b>		
Balance as per last Account	121,013,227	121,013,227
<b>General reserve</b>		
Balance as per last Account	3,254,936	3,254,936

## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>Remeasurements of the net defined benefit Plans</b>		
Balance as per last Account	982,097	886,244
Less: Transfer to Retained Earnings	(982,097)	129,531
Less: Deferred Tax	-	(33,678)
	-	982,097
<b>Retained Earnings</b>		
Surplus at the beginning of the year	(200,207,455)	(192,022,107)
Add : Profit for the year	(46,866,823)	(8,185,348)
Add : Transfer from reserve representing unrealised gains/losses	982,097	-
	(246,092,181)	(200,207,455)
<b>Total</b>	<b>(118,556,784)</b>	<b>(71,689,961)</b>
<b>18 Borrowings</b>		
Security Deposits from Distributors	1,921	1,501,921
	<b>1,921</b>	<b>1,501,921</b>
<b>19 Provisions</b>		
Provision for employee benefits (Leave)	1,029,987	947,650
Provision for employee benefits (Gratuity)	-	282,793
	<b>1,029,987</b>	<b>1,230,443</b>
<b>20 Borrowings</b>		
Loans repayable on demand		
From Other Parties	1,500,000	9,500,000
	<b>1,500,000</b>	<b>9,500,000</b>
<b>21 Trade payables</b>		
Dues to Micro and Small Enterprises	3,008,926	-
Others	13,103,245	22,092,582
	<b>16,112,171</b>	<b>22,092,582</b>
<b>22 Other financial liabilities</b>		
<b>Current maturities of long-term debt</b>		
Interest accrued but not due on borrowings	269,407	2,450,508
Share Capital Money(on reduction)	280,000	280,000
<b>Others</b>		
Liabilities for Expenses	4,420,503	24,195,763
Amount Due to Employees	2,007,916	48,987
Others Misc. Payable	769,122	48,775
Misc. Security Deposit	-	-
	<b>7,746,948</b>	<b>27,024,033</b>

**Notes to Consolidated Financial Statements**

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>23 Other current liabilities</b>		
<b>Other advances</b>		
Advances from Customers	47,211,682	48,154,942
<b>Others</b>		
TDS and other taxes payable	303,199	988,661
PF, ESI amount Payable	-	-
	<b>47,514,881</b>	<b>49,143,603</b>
<b>24 Provisions</b>		
Provision for employee benefits (for leave)	206,594	520,688
Others		
Provision for Expenses	21,136,662	-
	<b>21,343,256</b>	<b>520,688</b>
<b>25 Revenue From operations</b>		
Sale of products	68,632,206	47,616,183
	<b>68,632,206</b>	<b>47,616,183</b>
<b>26 Other Income</b>		
<b>(a) Interest Income</b>		
From Bank	4,371,692	5,724,840
From Subsidiary	-	-
From Others	11,606,255	9,283,258
<b>Dividend Income</b>		
Income from Current Investments	-	20
<b>Other non-operating income</b>		
Net gain on Sale of Current Investments	788,570	1,416,092
Miscellaneous Receipts and Income	1,180	9,283
Profit on sale of Fixed Assets (Net)	18,832	11,663
Provision & Excess Liabilities Written Back	654,203	80,536
Gain on fair valuation of Bonds/Mutual Funds	-	758,399
	<b>17,440,732</b>	<b>17,284,091</b>
<b>27 Changes In Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress</b>		
<b>Opening Stock</b>		
Stock-in-Trade	19,139,072	28,242,283
	<b>19,139,072</b>	<b>28,242,283</b>
<b>Less : Closing Stock</b>		
Stock-in-Trade	6,604,709	19,139,072
	<b>6,604,709</b>	<b>19,139,072</b>
<b>Increase / Decrease in Stock</b>	<b>12,534,363</b>	<b>9,103,211</b>

## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>28 Employee benefit expenses</b>		
Salaries ,Wages and Bonus	16,222,449	2,34,46,000
Contribution to provident and other funds	921,807	13,91,273
Staff Welfare Expenses	2,324,958	23,45,309
	<b>19,469,214</b>	<b>2,71,82,582</b>
<b>29 Finance Costs</b>		
<b>Interest to</b>		
i) Related Party	-	297,534
ii) Taxes	170,598	51,191
iii) Others	1,502,443	1,150,106
	<b>1,673,041</b>	<b>1,498,831</b>
<b>30 Depreciation and Amortization Expense</b>		
For the Year	3,043,383	3,244,489
	<b>3,043,383</b>	<b>3,244,489</b>
<b>31 Other Expenses</b>		
Power and Fuel	12,016	19,475
Rent and Lease Premium	2,339,803	3,482,182
Repairs to machinery	1,433,616	1,470,193
Repairs to others	1,654,647	2,514,103
Insurance	165,738	195,733
Rates and Taxes excluding taxes on Income	30,975	71,606
Travelling and Vehicle Expenses	6,712,475	8,668,970
Legal and Professional Expenses	4,476,967	2,613,050
Drawings and Designs	30,500	27,500
Freight	3,681,285	5,581,223
Research & Development	3,272	1,743
Brand Expenses	-	135,060
Selling Agents Commission	1,209,799	1,066,167
Selling Expenses	4,264,526	6,704,133
Directors Sitting Fees	145,000	90,000
<b>Payments to the Auditor</b>		
As Auditor	89,050	136,000
For Tax Audit	30,000	30,000
For Quarterly Review	66,000	66,000
For Fees for Other Services (incl for issuing various certificates)	144,000	89,628
For Reimbursement of out of poket expenses	3,000	3,000
Donation	-	-
CSR Expenses -	-	-
Miscellaneous Expenses	4,206,376	4,614,382
Sundry Debit Balance Adjusted	267,121	997,585
Bad Debt	2,437,679	455,167
Allowance for bad and doubtful debts	5,445,275	2,696,979
	<b>38,924,773</b>	<b>41,729,879</b>

## Notes to Consolidated Financial Statements

(Amount in Rs.)

Particulars	As on 31.03.2019	As on 31.03.2018
<b>32 Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	-	470,307
Income tax relating to these items	-	(122,280)
	-	<b>348,027</b>

### 33. Contingent Liabilities and Commitments (to the extent not provided for)-

#### i. Contingent Liabilities:

1. Claims against the Company not acknowledged as debts (Net of Deposit) - (Rs.)

Particulars	31st March, 2019	31st March, 2018
<b>Sales Tax Demand under Appeals</b>	<b>2,61,12,810</b>	<b>2,61,12,810</b>
Others	-	-

2. Guarantees

Particulars	31st March, 2019	31st March, 2018
Guarantees	2,00,000	2,00,000

3. Commitments

	31st March, 2019	31st March, 2018
a. Estimated Capital Commitments (Net of advances)	NIL	NIL
b. Other Commitments	NIL	NIL

### 34. Earnings Per Share (EPS)

Particulars	31st March, 2019	31st March, 2018
Net profit attributable to equity shareholders(Rs.)	(4,68,66,823)	(81,85,348)
Weighted average of equity shares (Nos.)	2,93,26,457	2,93,26,457
Nominal value of equity shares (In Rs.)	10	10
Basic/Diluted EPS (in rupees)	(1.60)	(0.28)

35. The exceptional item consists of release of fund (net of expenses) from Escrow Account relating to sale of caustic soda manufacturing plant to Aditya Birla Chemicals Ltd during the financial year 2014-2015.

### 36. Segment information as per IND AS-108

The Company is engaged in two primary business segments viz. Wind Power and Electric. Segments have been identified and reported taking into account the nature of the products, the differing risks and returns, the organizational structure and internal business reporting system.

Information about Primary Business Segments:

**SEGMENT INFORMATION FOR THE YEAR ENDED 31 MARCH, 2019**

Rs.

<b>Segment Revenue, Segment Result, Segment Assets &amp; Segment Liabilities</b>		
<b>Particulars</b>	<b>31.03.2019 Audited</b>	<b>31.03.2018 Audited</b>
<b>Segment Revenue (Gross)</b>		
Wind Mill Division	79,75,212	89,99,524
Electric Division	6,06,56,994	3,86,16,659
<b>Net Sales/Income from Operations</b>	<b>6,86,32,206</b>	<b>4,76,16,183</b>
<b>Segment Results</b>		
<b>Profit / (Loss) before tax and interest from each segment</b>		
Wind Power Division	37,09,571	46,76,676
Electric Division	(4,21,76,312)	(4,75,39,703)
<b>Net Profit / (Loss) for the year ( before finance costs, tax and exceptional items) from each segment</b>	<b>(3,84,66,741)</b>	<b>(4,28,63,027)</b>
Less-Finance Costs	(16,73,041)	(14,98,831)
Less-Exceptional Item (net)	16,00,000	5,65,23,661
Add: Other Un-allocable expenditure net off un-allocable income	(83,27,041)	26,08,877
<b>Total Profit / (loss) before Tax</b>	<b>(4,68,66,823)</b>	<b>95,52,926</b>
<b>SEGMENT ASSETS</b>		
Wind Power Division	5,17,53,145	5,02,73,698
Electric Division	2,77,78,045	5,33,91,646
Unallocated Assets	19,04,25,760	22,89,22,535
<b>TOTAL ASSETS</b>	<b>26,99,56,950</b>	<b>33,25,87,879</b>
<b>SEGMENT LIABILITIES</b>		
Wind Power Division	76,564	24,450
Electric Division	2,00,12,603	3,64,93,647
Unallocated Liabilities	7,51,59,997	7,44,95,173
<b>TOTAL LIABILITIES</b>	<b>9,52,49,164</b>	<b>11,09,18,169</b>

**NOTE :**

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been treated separately.

**Information about Secondary Geographical Segments:**

The Company has common fixed assets located in India for producing/selling goods for domestic markets. Therefore, the value of fixed assets and additions thereto cannot be allocated to the geographical segments. Hence, the total carrying amount of segment assets and cost incurred during the period to acquire segment assets has not been given in respect of secondary segments.



## 37. Related Party information as per Ind AS 24.

**I. List of Related Party**

## (a) Key Management Personnel (KMP)

<b>Name of the Key Management Personnel</b>	<b>Relationship</b>
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P K Gupta	Chief Financial Officer
S K Lahoti	Company Secretary

## (b) Relative, of Key Managerial Personnel

<b>Name of the Relative of KMP</b>	<b>Relationship</b>
Shashi Bangur	Relative of KMP
Bharati Bangur-Executive (Corporate Affair)	Relative of KMP

## (c) Entities in which Control of the Company and/or Key Management Personnel exist :

<b>Name of the Entity</b>	<b>Nature of Control</b>
Bangur Exim Private Limited	Control of KMP
Amrit Villa Investments Limited	Control of KMP
West Coast Paper Mills Limited	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Private Limited	Control of KMP
Shree Satyanarayan Investments Company Limited	Control of KMP
The Diamond Company Limited	Control of KMP
Veer Enterprises Limited	Control of KMP

## II. Transactions with related parties

(Rs.)

	2018-2019	2017-2018
<b>(B) RELATED PARTY TRANSACTIONS ARE AS FOLLOWS:</b>		
<b>Nature of transactions</b>		
<b>Remuneration Paid to KMP</b>		
Virendraa Bangur	25,05,000	25,05,000
P.N. Ojha	-	1,50,000
P K Gupta	16,78,872	16,37,650
S K Lahoti	14,66,400	13,66,871
<b>Remuneration Paid to Relative of KMP</b>		
Bharati Bangur	7,62,642	7,31,634
Rent Received from West Coast Paper Mills Ltd	1,78,416	1,77,282
Rent paid - Veer Enterprises Ltd.	13,97,552	12,87,000
Donation paid - Shree Ram Trust, Kolkata	-	-
Loan given to Bangur Exim Pvt Ltd	340,00,000	140,00,000
Repayment of loan received from Bangur Exim Pvt Ltd	340,00,000	140,00,000
Interest received from Bangur Exim Pvt Ltd	21,39,995	7,24,644
Interest paid to The Indra Company Ltd	-	4,32,534
Loan Repayment to The Indra Company Ltd	-	25,00,000

## Outstanding Balances

Particulars	31st March, 2019	31st March, 2018
Bangur Exim Pvt. Ltd	21,94,014	19,29,558
West Coast Paper Mills Ltd	84,960	-

### 38. Principles of Consolidation

- a) The consolidated financial statements include results of the subsidiary of Jayshree Chemicals Limited, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Name of the Company	Country of Incorporation	% Shareholding
East Coast Powers Limited	India	100%

- b) These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31 March 2016 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

- c) Accounting policies applicable in consolidated financial statements :
- The Company combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.
  - Non-controlling interests in the results and equity of subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.
  - Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary where the Company 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.

Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statement to which these consolidated financial statements are attached. Accounting policies specifically related to consolidated financial statements are mentioned in note 1. Differences in accounting policies followed by the other entities consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not significant.

### 39. Financial risk management objective and policies

The Company's financial liabilities include Loan and borrowing, security deposits, retention money and Trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include investments, trade & other receivables, deposits and cash & cash equivalents.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

The Company's activities expose it to Credit Risk, Liquidity Risk, Market Risk and Equity Price Rise. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are

summarised below :

- A. Credit Risk-** A risk that counter party may not meet its obligations under a financial instrument or customer contract, leading to a financial loss is defined as Credit Risk. The Company is exposed to credit risk from its operating and financial activities.

Customer credit risk is managed by the respective marketing department subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company reviews the creditworthiness of these customers on an on-going basis. The Company estimates the expected credit loss on the basis of past data, experience and policy laid down in this respect. The maximum exposure to the credit risk at the reporting date is the carrying value of the trade receivables disclosed in Note 10 (Ten) as the Company does not hold any collateral as security. The Company has a practice to provide for doubtful debts as per its approved policy.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on historical data of credit losses.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

- B. Liquidity Risk-** A risk that the Company may not be able to settle or meet its obligations at a reasonable price is defined as liquidity risks. The Company's treasury department is responsible for managing liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, Term loans among others.

- C. Market Risk-** A risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices is defined as Marketing Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

- (i) Foreign Currency Risk-** A risk that the fair value or future value of the cash flows of a forex exposure will fluctuate because of changes in foreign exchange rates is defined as Foreign Currency Risk. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's import and foreign currency loan/ derivatives operating activities. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. The management monitors the foreign exchange fluctuations on a continuous basis.

Derivative instruments and un-hedged foreign currency exposure:

The Company does not enter into any derivative instruments for trading or speculative purposes.

- (ii) Interest rate risk-** The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company is not exposed to such risk as on 31st March, 2019.

#### 40. Capital management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in taking into consideration the economic conditions and strategic objectives of the Company.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure

that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported period.

41. Regional Director(ER) vide order no. RD/T/28110/S-233/18/9437 dated 25.10.2018 has confirmed the scheme of compromise, arrangement or merger of Fort Gloster Electric Limited with the Company under section 233 of the Companies Act, 2013. The Company has combined the financial statements of Fort Gloster Electric Limited with Jayshree Chemicals Limited with effect from 01.04.2017 as per the "pooling of interests method" as per the Ind AS 103 "Business Combination".
42. Previous year figures are regrouped and rearranged wherever necessary.

As per our Report of even date.

For **AMK & Associates**  
Chartered Accountants  
FRN: 327817E

**Bhupendra Kumar Bhutia**  
Partner  
M. No. 059363  
Place: Kolkata  
Date: 30th May, 2019

**Satish Kapur**  
Director  
( Din: 00051163)

**Pawan Kumar Gupta**  
CFO

**K K Kothari**  
Director  
( Din: 00233174)

**S K Lahoti**  
Company Secretary

BOOK-POST



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