exporters ltd.

September 29, 2018

To, The Secretary, **Bombay Stock Exchange Ltd.** Listing Compliances Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	To, The Secretary, **The Calcutta Stock Exchange Ltd.** 7, Lyons Range, Kolkata 700 001

Re: Annual Report of the Company for the year ended on 31st March, 2018

Dear Sirs,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we enclose herewith a copy of the Annual Report of the Company approved at 45th Annual General Meeting of the Company held on 26th September, 2018

This is for your kind information and record.

Thanking you,

Yours faithfully,
For J J EXPORTERS LIMITED

Shruti Murarka

SHRUTI MURARKA
COMPANY SECRETARY
Encl. As stated above.

J. J. EXPORTERS LTD. Kolkata

– REGISTERED OFFICE –
64 Bright Street, Kolkata – 700019, W.B. India,
Tel: 91-33-2283 2329
Email: jjemail@vsnl.com, Website:www.jjexporters.com
CIN : L17112WB1972PLC028631

exporters ltd.

FORM – A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange(s)

1.	Name of the Company	**J. J. Exporters Limited**
2.	Annual financial statements for the year ended	31st March, 2018
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Annually
5.	To be signed by – • **Chairman** • **Auditors of the Company** • **Audit Committee Chairman** • **Company Secretary**	For J. J. Exporters Ltd. S. N. Jhunjhunwala Chairman (DIN : 00063452) LIHALA & CO. Chartered Accountants PRIYAM DALMIYA Partner Membership No. 303794 For J. J. Exporters Ltd. Shruti Murarka Company Secretary Membership No. ACS 42423

Place : Kolkata

Date : May 30, 2018

– REGISTERED OFFICE –
64 Bright Street, Kolkata – 700019, W.B. India,
Tel: 91-33-2265 4776, 91-33-2283 2329, 2287 3924
Email: jjemail@vsnl.com, Website:www.jjexporters.com
CIN : L17112WB1972PLC028631

Annual Report
2017-2018

JJ Exporters Limited

BOARD OF DIRECTORS

Mr. S. N. Jhunjhunwala
Chairman

Mr. Rajiv Jhunjhunwala
Vice-Chairman

Mr. H. S. Senapati
Independent Director

Mr. Rahul Singhi
Independent Director

Ms. Dipali Sharma
Independent Director

BANKERS
Indian Overseas Bank
IDBI Bank Ltd.

AUDITORS

1. **Statutory**
   Lihala & Co.
   Chartered Acccountants
   11, Crooked Lane,
   Kolkata - 700 069

2. **Internal**
   A. Singhi & Co.
   Chartered Accountants
   Martinburn House,
   4th Floor, Room No. 37
   1, R. N. Mukherjee Road
   Kolkata-700 001

REGISTERED OFFICE
64, Bright Street,
Kolkata - 700 019, West Bengal
Phone : (033) 2283 2329

REGISTRAR & SHARE TRANSFER AGENT
M/s. MCS Share Transfer Agent Ltd.
12/1/5, Manoharpukur Road, Kolkata - 700 026
Phone : (033) 4072 4051-4053,
Fax : (033) 4072 4050
E-mail : mcssta@rediffmail.com

ANNUAL REPORT AND STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Contents

Directors' Report	3
Auditors' Report (Standalone)	24
Standalone Balance Sheet	31
Standalone Statement of Profit & Loss	32
Standalone Statement of Changes in Equity	33
Cash Flow Statement (Standalone)	34
Significant Accounting Policies (Standalone)	36
Notes (Standalone)	47
Auditors' Report (Consolidated)	64
Consolidated Balance Sheet	69
Consolidated Statement of Profit & Loss	70
Consolidated Statement of Changes in Equity	71
Cash Flow Statement (Consolidated)	72
Significant Accounting Policies (Consolidated)	74
Notes (Consolidated)	85

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Forty Fifth Annual Report, together with the Audited Accounts of the Company for the year ended 31st March,2018.

FINANCIAL RESULTS

(₹ in Lacs)

	2017-18	2016-17
Profit before Tax, Depreciation and Extra Ordinary Items	**(444.18)**	**(1055.83)**
Less : Depreciation and amortization expenses	84.11	283.39
Profit/(Loss) before Tax and extra ordinary items	(528.29)	(1339.22)
Less : I.T. for earlier year	0.00	0.00
Profit/(Loss) before Extra Ordinary Items	**(528.29)**	**(1339.22)**
Extra Ordinary Items	0.00	0.00
Profit/(Loss) after Tax	**(528.29)**	**(1339.22)**
Other Comprehensive Income for the year	3.13	(10.17)
Total Comprehensive Income for the year	**(525.16)**	**(1349.39)**
Add : Balance brought forward from Previous year	(4596.39)	(3247.00)
Making a total of	**(5121.55)**	**(4596.39)**

BUSINESS AND PERFORMANCE

The performance of the Company during the year under review is no better than previous year.The sales revenue was down at ₹114.70 lacs as compared to ₹693.83 lacs during the previous year.The loss before extra ordinary item was at ₹ 528.29 lacs as compared to ₹1339.22 lacs in the previous year.The main reason for the poor performance was closure of Company's manufacturing units at Kolkata and Bangalore due to economic reasons.

CURRENT YEAR'S OUT LOOK

In view of the closure of manufacturing units there is no future for the Company.

WINDING UP OF THE COMPANY U/S 271(a) OF THE COMPANIES ACT, 2013

The financial performance of the Company has continued to suffer set back since last five years mainly due to drastic drop in demand of silk fabrics and made ups across the globe resulting in the complete erosion of net worth of the Company. In view of the above, the Company with your approval has decided to go for winding of the Company under section 271(a) of the Companies Act, 2013 and will apply to NCLT, Kolkata Bench.

SETTLEMENT OF DUES OF THE BANKS

The loan from Industrial Development Bank of India (IDBI) (including interest thereon) amounting to ₹36.03 crores, has already been called back by the bank for repayment and loan from Indian Overseas Bank (IOB) to the extent of ₹28.44 crores (including interest thereon), subject to confirmation, was also called back by the bank for repayment. The above two banks had also served notice under section 13(2) of the Securitisation and Reconstruction of the Financial Assets and Enforcement of Security Interest Act, 2002 .The Company has defaulted in the repayment of above loans.

The IDBI Bank Ltd. (IDBI), IDBI House, 44 Shakespeare Sarani, Kolkata-700017 vide its possession notice dated 14th July, 2017 and 27th July, 2017 had taken the possession of the Movable & Immovable assets situated at Mouza-Gangarampur, South 24 Paraganas, West Bengal & Dodaballapur, Bangalore, Karnataka, which were secured against Loan, so the Company has not provided depreciation on the said Fixed Assets and also interest on the loans taken from IDBI & IOB from the said possession date. Subsequently, The IDBI, vide its letter Reference No.IDBI/NMG/JJEL/2017-18/9785 dated 24th January, 2018 sold the secured assets of the Company at Gangarampur on 18th January, 2018 under the SARFAESI Act, 2002 for a consideration of ₹ 18.01 crores which has been apportioned between the IDBI and IOB at ₹ 12.35 crores and ₹ 4.62 crores respectively, net of expenses.

Further the IDBI has charged ₹ 1.03 crores vide mail dated 29.05.2018 as expenditure incurred by the IDBI & IOB in the account and at the same time IOB also charged ₹ 0.07 crores for the payment to ECGC Ltd. The above two charges are included in the financial statements as "Bank charges" in the quarter ended 31st March, 2018.
The above sale proceeds on account of Immovable & Movable properties which has been apportioned by the bank for Immovable property at ₹ 14.01 crores and for the Movable property at ₹ 4.00 crores. The apportionment of sale proceeds between Land & Building and Movable assets has been made on the carrying amount of the assets in the Financial statements, as there is no item wise details of sale proceeds provided by the Banks. The Statutory Compliances if any, complied by the bank on account of the said transactions have not been confirmed.

SHARE CAPITAL

The Company has not issued any shares with differential voting rights, sweat equity shares or employee stock option during the year under review. The Company has also not made any provision for purchase of its own shares by employees or trustees for the benefit of employees.

DIRECTORS

Mr. A B Chaturvedi, Director resigned from the services of the Company on 31.08.2017.

Necessary declaration from Independent Directors as required under section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of Independence and are eligible to continue as an Independent Director have been received from Mr. Rahul Singhi, Mrs. Dipali Sharma and Mr. H. S. Senapati, the Independent Directors on the Board.

Mr. Rajiv Jhunjhunwala, Director, who retires by rotation and being eligible have offered himself for re-appointment at the ensuing Annual General Meeting.

A meeting of Independent Directors was held during the year where performance of Non-Independent Director was evaluated. The performance of Independent Directors was evaluated by the Board. The performance of an individual director is evaluated based on the performance of the department/unit of which he is the functional head.The performance of the Board as a whole or its committee is evaluated based on the performance of the Company.

Mr. S.N.Jhunjhunwala and Mr. Rajiv Jhunjhunwala, Executive Directors designation has been changed from Executive Directors to Non-Executive Directors from closing hours of 31.03.2018.

POLICIES

The Company has framed a familiarization programme for Independent Directors and accordingly programmes are organized on continuous basis by the Company. Details of the programme are available on Company's website, www.jjexporters.com.

The Company has formulated a policy for determining material subsidiaries. Details of the policy are available on Company's website, www.jjexporters.com

In compliance with Regulation 30(4) of the SEBI (Listing obligations & Disclosure Requirements) Regulation, 2015, the Company has framed a policy for determination of materiality of events/information. The policy and contact details of the person responsible for determining the materiality is available on Company's website, www.jjexporters.com.

In compliance with Regulation 30(1) of the SEBI (Listing obligations & Disclosure Requirements) Regulation 2015, the Company has framed a Archival Policy for disclosures of any events or information which in the opinion of the Board of Directors of listed Company is to be disclosed to Stock Exchange(s) under this regulation, and such disclosures shall be hosted on the website of the Company for a minimum period of five years as per the Archival Policy. Details of the policy are available on Company's website, www.jjexporters.com

BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors as on 31st March, 2018 and complies with the requirements of the Companies Act, 2013. The Board of Directors of the Company as at 31st March, 2018 consisted of two Promoter Executive Directors and three Non-Promoter Non-Executive Directors.

During the year under review, 4(four) Board Meetings were held on 29.05.2017, 11.08.2017, 14.11.2017 & 06.02.2018.

Composition of the Board of Directors, details of Board meeting held during the year and other details are as under :

Name	Category	No. of other Directorships held (other than Private Companies)	Committee positions held (other than JJEL) As Chairman	As Member	No. of Board Meetings attended during the year	Whether attended last AGM on 26.09.2017
Mr. S. N. Jhunjhunwala*	Promoter, Executive	1	None	None	3	Yes
Mr. Rajiv Jhunjhunwala**	Promoter, Executive	None	None	None	4	Yes
Mr. A. B. Chaturvedi ***	Non Promoter-Executive Director	None	None	None	2	No
Mr. H. S. Senapati	Non-Executive Independent	None	None	None	4	Yes
Mr. Rahul Singhi	Non-Executive Independent	None	None	None	3	No
Ms. Dipali Sharma	Non-Executive Independent	None	None	None	3	No

* Ceased to be Executive Director w.e.f. closing hours of 31.03.2018 but continuing as Non-Executive Director

** Ceased to be Executive Director w.e.f. closing hours of 31.03.2018 but continuing as Non-Executive Director

*** Ceased to be a Director w.e.f. closing hours of 31.08.2017

AUDIT COMMITTEE

The Audit Committee of the Board comprised of three Independent Non-Executive Directors i.e. Mr. Rahul Singhi, Mr. H. S. Senapati, and Mrs.Dipali Sharma. Mr. Rahul Singhi is the Chairman of the Committee. The Committee met four times during the year under review on 29.05.2017, 11.08.2017, 14.11.2017 & 06.02.2018. The attendance of the members at these meetings was as follows :

Sl. No.	Name of the Members	Status	No. of Meetings attended
1.	Mr. Rahul Singhi	Chairman, Independent Non-Executive	3
2.	Mr. H. S. Senapati	Member, Independent Non-Executive	4
3.	Mrs. Dipali Sharma	Member, Independent Non-Executive	3

VIGIL MECHANISM AND WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has framed vigil mechanism and whistle blower policy for Directors and employees to report genuine concern. The details are available on Company's website, www.jjexporters.com.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy in line with the requirements of The Sexual Harassment of women at the work place (Prevention, Prohibition & Redressal) Act, 2013.Internal Complaints Committee is in place to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc.) are covered under this Policy.

The Company has not received any complaint on sexual harassment during the year 2017-18.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the contracts and arrangements entered into with related parties during the year were at arm's length basis. Details of the same are given in Form AOC-2 and is annexed to the report. **(Annexure – 1)**

SECRETARIAL AUDIT REPORT

Secretarial Audit Report given by M/s. MR & Associates, Company Secretaries in Practice, is annexed to the report. **(Annexure – 2)**

RISK MANAGEMENT POLICY

In compliance of the requirements of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company had constituted a Risk Management Committee. The Committee

comprises of two Promoter Executive Directors, Mr. S. N. Jhunjhunwala and Mr. Rajiv Jhunjhunwala. Consequent upon resignation of Mr. A. B Chaturvedi, Non-promoter Executive Director, w.e.f.31.08.2017 he also ceased to be a member of the Committee. Mr. S. N. Jhunjhunwala is the Chairman of the Committee. The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. In view of the pending winding up process there is hardly any need to state risks associated with Company's product.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No.MGT-9 is annexed to the report and forms a part of the Board's report **(Annexure – 3)**

NOMINATION AND REMUNERATION COMMITTEE

The Company had formed a Nomination and Remuneration Committee during 2015-16. The Committee identifies and recommends suitable candidates as Members of Board, Key managerial personnel and other Senior Management. The remuneration policy of the Company aims to ensure fair remuneration for the employees based on their performance. It also ensures to eliminate discrimination while fixing the remuneration of various employees. No meeting was held during the year under review. The Nomination and Remuneration Committee of the Board comprised of two Independent Non-Executive Directors i.e. Mr. Rahul Singhi, Chairman, Mr. H. S. Senapati, Member and one Promoter Non-Executive Director i.e. Sri Rajiv Jhunjhunwala who has been appointed on 30.05.2018.

OVERSEAS SUBSIDIARIES AND JOINT VENTURE

The Company has only one subsidiary viz. Spin International Inc at New York. The performance of the said subsidiary viz. Spin International Inc. was, by and large, satisfactory during the year.

RETAIL SHOWROOM

The retail showroom has been closed.

DIVIDEND

Owing to loss, your Directors do not recommend any dividend for the year.

DIRECTORS RESPONSIBILITY STATEMENT

As required under section 134(3)(c) of the Companies Act, 2013, your Directors confirm that :

(a) in the preparation of the annual financial statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) 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.

(f) 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.

CORPORATE GOVERNANCE

In view of decline in the net worth and sales revenue of the Company below the threshold limit, the Company is no more required to prepare and annex a report on Corporate Governance, to the Directors Report required vide Circular No.CIR/CFD/POLICY CELL/7/2014 dated 15.09.2014 of SEBI.

AUDITORS

At the 44th Annual General Meeting held on 26th September, 2017, M/s. Lihala & Co., Chartered Accountants (Firm Registration No. 315052E) were appointed as Statutory Auditors of the Company to hold the office for a term of five years commencing from the conclusion of 44th Annual General Meeting (AGM) till the conclusion of 49th AGM of the Company, subject to ratification of appointment by the Members of the Company in each AGM.

The Ministry of Corporate Affairs vide its notification dated 07.05.2018, omitted the provision for ratification of appointment of Auditors by shareholders at every AGM. Accordingly, the ratification of the appointment of Statutory Auditors by shareholders is not required to be adopted in every AGM.

In view of the above, the Board of Directors of the Company have proposed partial modification in the previous resolution of the members passed at 44th AGM of the Company on appointment of Statutory Auditors and recommended to continue appointment of M/s. Lihala & Co., Chartered Accountants (Firm Registration No. 315052E) as Statutory Auditors of the Company for a period of five years commencing from the conclusion of 44th Annual General Meeting (AGM) till the conclusion of 49th AGM of the Company without seeking any further ratification of their appointment from members at this AGM and ensuing AGMs till the tenure of the Statutory Auditors.

The remark in Auditors Report read with notes to Accounts are self-explanatory and need no further clarification.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A) Conservation of energy and technology absorption :

The Company had closed its unit at Bangalore w.e.f. 01.04.2013. The unit at Gangarampur has also been closed permanently from 3rd January, 2017. The Company had also closed its unit at Bhagalpur w.e.f. 31.03.2018

The particulars in respect of conservation of energy and technology absorption in respect of Bhagalpur Unit upto 31.03.2018 are given in **Annexure 'A'** forming part of this report pursuant to Section 134(3)(m) of Companies Act, 2013 and rules made there under,

B) Foreign Exchange earnings and outgo:

Foreign Exchange Used : ₹ 24,69,350

Foreign Exchange Earned : ₹ 70,77,096

INVESTMENTS

The details of investments are given in **Note No. '3(a)'** annexed to the annual accounts of the Company.

SUBSIDIARY COMPANY

The particulars, as required under Section 134 of the Companies Act, 2013 and Rules made there under, in respect of Company's subsidiary viz. Spin International INC.are as follows :

		Spin International Inc. (Amount in USD)
I.	**Financial Performance**	
	Sales	777,624
	Cost of goods	592,673
	Gross Profit	**184,952**
	Overheads	296,033
	Income from operation	**(111,081)**
	Other Income	7,353
	Income before tax	**(103,729)**
	Income Tax	1,167
	Net Income	**(104,896)**
II.	**Financial position as on 31.03.2018**	
	Current liabilities	129,758
	Capital	1,000
	Reserve & Surplus	464,827
	Total Liability	**595,585**
	Current Assets	534,896
	Fixed Assets	1,964
	Investments	58,725
	Total Assets	**595,585**

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year. No deposits were outstanding at the beginning of the year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

In view of the pending winding up process there is no need of management discussion and analysis report.

MANAGERIAL REMUNERATION

i) The ratio of remuneration paid to each Director during the year to the median remuneration of the employees of the Company

A. Executive Directors

Name of the Director	Remuneration	Ratio
Mr. S. N. Jhunjhunwala	₹ 739,200	1.45
Mr. Rajiv Jhunjhunwala	₹ 672,000	1.32
Mr. A. B. Chaturvedi*	₹ 504,676	0.99

B. The Non-Executive Directors receive remuneration by way of sitting fees for attending Board and Committee Meetings. Such remuneration to each of the Non-Executive Directors for the financial year was lower than the median remuneration of employees for the year.

ii) Percentage increased in the remuneration of each Directors & Key Managerial Personnel

	Percentage increased
Mr. S. N. Jhunjhunwala, Executive Chairman & CEO	NIL
Mr. Rajiv Jhunjhunwala, Vice Chairman	NIL
Mr. A. B. Chaturvedi, Whole Time Director & CFO*	NIL
Ms. Shruti Murarka, Company Secretary	NIL

* resigned with effect from 31/08/2017

i) Percentage increased in the median remuneration of employees during the year : 57.46%

ii) No. of permanent employees on the Roll as on 31.03.2018 : 5 (five)

iii) Market capitalization as on

31.03.2017	₹ 417.73 lacs
31.03.2018	₹ 439.96 lacs
Variation	₹ 22.23 lacs

iv) Price at which the last Public offer was made ₹ 70/- per share

v) Percentage increase/decrease in market quotation of the shares of the Company in comparison to the price at which the last public offer was made (93.21)%

vi) Variation in the net worth of the Company as at close of current financial year and previous financial year. ₹ (525.16 lacs)

vii) Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but received remuneration in excess of its highest paid Director –

Remuneration of highest paid Director (Mr.S.N.Jhunjhunwala) ₹ 7.39 lacs

Remuneration to employees who are not Directors but received remuneration In excess of its highest paid Director : Nil

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

Other particulars as required under clause (v) to (ix) of Rule 5(1) of Companies (Appt & Return of Managerial Personnel) Rules, 2014 are not applicable to the Company.

ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation for the continued assistance and co-operation extended to the Company by its customers, investors, bankers, government agencies and its dedicated band of employees.

By Order of the Board

Registered Office :
64, Bright Street
Kolkata - 700 019
Dated : 10th August, 2018

S. N. Jhunjhunwala
Chairman
(DIN : 00063450)

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Additional information as required under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
A. Power and Fuel Consumption		
1. Electricity		
a) Unit Purchased (KWH)	92281	92281
Total Amount (Rs.)	288509	716128.90
Rate/Unit (Rs.)	10.15	7.76
b) Own Generation through Diesel Generator		
Units (KWH)	10851.36	7581.56
Units (Litre))	5425.68	3790.780
Unit per litre of Diesel Oil	2.00	2.00
Total Amount (Rs.)	333116.79	217490.60
Cost/Unit (Rs.)	30.70	28.69
2. Furnace Oil		
Quantity (KL)	3.158	18.742
Total Amount (Rs.)	182574.31	1079274.75
Average Rate (Rs.)	57.82	57.59
3. Steam Coal		
Quantity (Kg)	-	-
Total Amount (Rs.)	-	-
Average Rate (Rs.)	-	-
B. Consumption per Mtr of production		
Product : Natural Fabrics		
Electricity (KWH)	5.22	2.46
Furnace Oil (Ltr.)	0.58	0.50
Steam Coal (Kg.)	-	-
C.1. Energy Conservation Measures taken : –		
2. Additional Investments for reduction of power consumption : –		
3. Impact of the measures taken for reduction of energy consumption and consequent impact on production cost : –		

BENEFITS DERIVED AS A RESULT OF RESEARCH & DEVELOPMENT

A) Specific Areas in which R & D carried by the Company	:	NIL
B) Benefits derived as a result of the above R & D	:	NIL
C) Future plan of action	:	NIL
D) Expenditure on R & D	:	NIL

TECHNOLOGY ABSORPTION

A) Efforts in brief made towards Technology Absorption, Adoption and Innovations	:	–		
B) Benefits derived as a result of the above efforts	:	–		
C) In case of Imported Technology	:	Technology Imported	–	N.A.
		Year of Import	–	N.A.
		Status of Absorption	–	N.A.

Annexure-1

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)

Form for 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 : NIL

(a) Name(s) of the related party and nature of relationship
(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
(e) Justification for entering into such contracts or arrangements or transactions
(f) Date(s) of approval by the Board
(g) Amount paid as advances, if any:
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

(₹ in lacs)

	Name of Related Party	Relationship	Nature of Contract	Duration of contract	Salient Terms/ Value	Date of Approval from Board, if, any	Amount paid as advance
i)	Spin International Inc.	Wholly Owned Subsidiary Company	Sale of goods	N.A.	36.09	N.A.	NIL
ii)	Sri S. N. Jhunjhunwala	Chairman*	Payment of remuneration	5 years	7.39	22.01.2016	N.A.
iii)	Sri Rajiv Jhunjhunwala	Vice Chairman**	Payment of remuneration	5 years	6.72	22.01.2016	N.A.
iv)	Sri A. B. Chaturvedi	Whole Time Director & Chief Financial Officer***	Payment of remuneration	5 years	5.85	14.08.2012	N.A.

* Ceased to be Executive Director w.e.f. closing hours of 31.03.2018 but continuing as Non-Executive Director
** Ceased to be Executive Director w.e.f. closing hours of 31.03.2018 but continuing as Non-Executive Director
*** Ceased to be a Director w.e.f. closing hours of 31.08.2017

By Order of the Board

Registered Office :
64, Bright Street
Kolkata - 700 019
Dated : 10th August, 2018

S. N. Jhunjhunwala
Chairman
(DIN : 00063450)

Annexure-2

Form No. MR - 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
M/s. J J EXPORTERS LTD.
64, Bright Street
Kolkata - 700019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. J J EXPORTERS LTD** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

a. The Companies Act, 2013 (the Act) and the rules made thereunder;
b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
d. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    iv. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, there were no actions/ events in pursuance of ;

(a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that after considering the Compliance system prevailing in the Company and on the basis of the relevant records and documents as maintained and having relied upon the representation made by the Management, the following laws are specifically applicable to the Company;

a. Textile Committee Act, 1963,
b. Textile Committee (Cess) Rules, 1975

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent amended and notified from time to time.
(ii) The Listing Agreements entered into by the Company with BSE Limited and Calcutta Stock Exchange Limited.

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:

i. The Company is yet to appoint Chief Financial Officer under the provisions of section 203 of the Companies Act 2013.

ii. The Company is yet to file Form MGT 14 for approval of Boards Report u/s 179 of the Companies Act 2013.

We further report that,

The Board of Directors of the Company is 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that 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, there was possessions by bank of Secured Assets of J.J Exporters Ltd., situated at Gangarampur, West Bengal and Bangalore under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002(SARFAESI ACT, 2002). The properties situated at Gangarampur, West Bengal has been successfully sold through e- auction on January 18,2018 over the highest bidder after receiving the entire bid amount of Rs. 18,01,10,000/-(Rupees Eighteen Crore One Lakh and Ten Thousand Only). Further, there were no bidders for the property situated at Bangalore and the E-auction failed for the same.

The Operations of Bhagalpur and Bangalore units have been closed during the year.

This Report is to be read with our letter of even date which is annexed **"Annexure A"** and forms an Integral Part of this Report.

For MR & Associates
Company Secretaries

Partner
C P No.:5603

Place : Kolkata
Date : 10th August, 2018

"ANNEXURE – A"

**(TO THE SECRETARIAL AUDIT REPORT OF J J EXPORTERS LTD.
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018)**

To,
The Members,
M/s. J J EXPORTERS LTD.
64, Bright Street
Kolkata - 700019

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 where 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 MR & Associates
Company Secretaries

Partner
C P No.:5603

Place : Kolkata
Date : 10th August, 2018

Annexure-3

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1.	**CIN**	**L17112WB1972PLC028631**
2.	**Registration Date**	**29.12.1972**
3.	**Name of the Company**	**J. J. EXPORTERS LTD.**
4.	**Category/Sub-category of the Company**	**Public Company having share capital**
5.	**Address of the Registered office & contact details**	**64, BRIGHT STREET, KOLKATA – 700 019. PHONE : 033 22832329, Email: jjemail@vsnl.com**
6.	**Whether listed company**	**YES**
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	**M/s. MCS Share Transfer Agent Ltd 12/1/5, Manoharpukur Road, Kolkata - 700 026 Phone : (033) 4072 4051-4053, Fax : (033) 4072 4050 E-mail : mcssta@rediffmail.com**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	**Fabric**	**13122**	**100%**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	SPIN INTERNATIONAL INC. 240 West 37th Street, Suite- 503, New York, NY 10018.	N.A.	SUBSIDIARY	100%	2(87)(ii)
2					
3					

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,883,344	–	1,883,344	20.33	1,883,344	–	1,883,344	20.33	NIL
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	2,411,140	–	2,411,140	26.03	2,411,140	–	2,411,140	26.03	NIL
e) Banks / FI									
f) Any other	2,468,379	–	2,468,379	26.65	2,468,379	–	2,468,379	26.65	NIL
Sub-total									
(A)(1):-	**6,762,863**		**6,762,863**	**73.01**	**6,762,863**		**6,762,863**	**73.01**	**NIL**
(2) Foreign									
a) NRIs – Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Any other									
Sub-total (A) (2) :	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total shareholding of Promoter									
(A)=(A)(1)+(A)(2)	**6,762,863**	–	**6,762,863**	**73.01**	**6,762,863**	**–**	**6,762,863**	**73.01**	**NIL**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	445130	4475	449605	4.85	439201	4475	443676	4.79	(0.06)
ii) Overseas	–	3,750	3,750	0.04	–	3,750	3,750	0.04	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,130,275	166,235	1,296,510	14.00	1,137,915	164,254	1,302,169	14.06	0.06
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	350,117	–	350,117	3.78	349,112	–	349,112	3.77	–
c) Others (specify)									
Non Resident Indians	384,755	14,650	399,405	4.31	386,030	14,650	400,680	4.32	–
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	2,310,277	189,110	2,499,387	26.98	2,312,258	187,129	2,499,387	26.98	–
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2,310,277	189,110	2,499,387	26.98	2,312,258	187,129	2,499,387	26.98	–
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	9,073,140	189,110	9,262,250	100.00	9,075,121	187,129	9,262,250	100.00	–

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	NUPUR CARPETS PRIVATE LTD	2,411,140	26.0319	–	2,411,140	26.0319	–	–
2	J. J. EXPORTERS BENEFICIARY TRUST THRU S.N. JHUNJHUNWALA-TRUSTEE	1,303,675	14.0751	–	1,303,675	14.0751	–	–
3	AKHILESH JHUNJHUNWALA BENEFICIARY TRUST	762,604	8.2335	–	762,604	8.2335	–	–
4	POOJA JHUNJHUNWALA BENEFICIARY TRUST	259,600	2.8028	–	259,600	2.8028	–	–
5	S.N. JHUNJHUNWALA	1,000	0.0108	–	1,000	0.0108	–	–
6	RAJIV JHUNJHUNWALA	1,000	0.0108	–	1,000	0.0108	–	–
7	RAJIV JHUNJHUNWALA HUF	222,500	2.4022	–	222,500	2.4022	–	–
8	S. N. JHUNJHUNWALA HUF	221,000	2.3860	–	221,000	2.3860	–	–
9	KAVITA JHUNJHUNWALA	1,000	0.0108	–	1,000	0.0108	–	–
10	LAXMI JHUNJHUNWALA	1,000	0.0108	–	1,000	0.0108	–	–
11	MEGHA JHUNJHUNWALA TRUST	142,500	1.5385	–	142,500	1.5385	–	–
12	MEGHA JHUNJHUNWALA	1,000	0.0108	–	1,000	0.0108	–	–
13	AKHILESH JHUNJHUNWALA	65,000	0.7018	–	65,000	0.7018	–	–
14	NEHA JHUNJHUNWALA	13,69,844	14.7895	–	13,69,844	14.7895	–	–
	TOTAL	6,762,863	73.0154	–	6,762,863	73.0154	–	–

C) Change in Promoters' Shareholding (please specify, if there is no change) :

No change in shareholding of the Promoters during the year.

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		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	MENTOR CAPITAL LIMITED	309,998	3.3469	309,998	3.3469
2	DEVINA SARAFF	267,671	2.8899	267,671	2.8899
3	NEETA UMESH DHARNIDHARKA	223,029	2.4079	223,029	2.4079
4	PRERNA SARAFF	106,250	1.1471	106,250	1.1471
5	SANJAY KUMAR CHIMANBHAI MACWAN	85,508	0.9232		
	SOLD Q.E. 30.09.17	-1005	-0.0109	84503	0.9123
6	SEETHA KUMARI	41,580	0.4489	41,580	0.4489
7	LAXMINARAYAN VYAPAAR P LTD	25,124	0.2713	25,124	0.2713
8	DINESHBHAI CHIMANBHAI SONI	17,993	0.1943	17,993	0.1943
9	NEET NEEL (INDIA) PVT LTD	16,500	0.1781	16,500	0.1781
10	PRIYA RAJENDRAPRASAD TODI	15,000	0.1619	15,000	0.1619

E) Shareholding of Directors and Key Managerial Personnel:

a) Mr. S. N. Jhunjhunwala

Sl. No.	**Shareholding of each Directors and each Key Managerial Personnel**	Shareholding at the beginning of the year		Shareholding at the end of the year		Reason for Change
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year	1,000	0.0108	1,000	0.0108	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–	–	–	–	
	At the end of the year	1,000	0.0108	1,000	0.0108	

b) Mr. Rajiv Jhunjhunwala

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year		Reason for Change
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year	1,000	0.0108	1,000	0.0108	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	–	–	–	–	
	At the end of the year	1,000	0.0108	1,000	0.0108	

None of the other Directors or Key Managerial Personnel hold any share of the Company.

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5496.39	-	-	5496.39
ii) Interest due but not paid	950.87	-	-	950.87
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**6447.26**	**-**	**-**	**6447.26**
Change in Indebtness during the financial year				
ADDITION	81.69	-	-	81.69
REDUCTION	(1577.62)	-	-	(1577.62)
Exchange Difference	-	-	-	-
Net Change	**1495.93**	**-**	**-**	**1495.93**
Indebtness at the end of the financial year				
i) Principal amount as on 31.03.2018	3918.77	-	-	3918.77
ii) Interest due but not paid	1032.56	-	-	1032.56
iii) Interest accrued but not due as on 31.03.2018	-	-	-	-
Total (i+ii+iii)	**4951.33**	**-**	**-**	**4951.33**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. S. N. Jhunjhunwala, Executive Chairman & CEO*	Mr. Rajiv Jhunjhunwala, Vice Chairman	Mr. A. B. Chaturvedi, Whole Time Director & CFO**	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,60,000	6,00,000	5,04,676	17,64,676
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	32,400	–	64,800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	–
2	Stock Option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission – as % of profit – others, specify…	–	–	–	–
5	Others, please specify	–	–	–	–
	Total (A)	6,92,400	6 ,32,400	5,04,676	18,29,476
	Ceiling as per the Act	42,00,000	42,00,000	42,00,000	1,26,00,000

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. H. S. Senapati	Mr. Rahul Singhi	Mrs. Dipali Sharma	
1	Independent Directors				
	Fee for attending board & committee meetings	22,500	18,000	13,500	54,000
	Commission				
	Others, please specify				
	Total (1)	22,500	18,000	13,500	54,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	–	–	–	–
	Commission	–	–	–	–
	Others, please specify	–	–	–	–
	Total (2)	–	–	–	–
	Total (B)=(1+2)	22,500	18,000	13,500	54,000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross salary	CEO	Company Secretary Ms. Shruti Murarka	CEO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	3,44,701	–	3,44,701
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission - as % of profit others, specify	– – –	– – –	– – –	– – –
5	Others, please specify	–	–	–	–
	Total	–	3,44,701	–	3,44,701

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Case No. 3369/2005 under Section 212 (9) was settled at the Chief Judicial Magistrate, Alipore Court on 19.05.2017.

FORM AOC-1

Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in ₹)

Sl. No.	Particulars	Details
1	Name of the Subsidiary	**SPIN INTERNATIONAL INC**.
2	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	Year Ended 31st March, 2018
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiary	Reporting Currency: $ (U.S. DOLLAR) Exchange Rate on 31.03.2018: 1$ = ₹ 65.04
4	Share Capital	65,044
5	Reserves and Surplus	28,316,799
6	Total Assets	36,821,770
7	Total Liabilities	8,439,927
8	Investments	NIL
9	Turnover	51,005,490
10	Profit before Taxation	(6,389,023)
11	Provision for Taxation	75,828
12	Profit after Taxation	(6,464,851)
13	Proposed Dividend	NIL
14	% of Shareholding	100

Additional Information:

1	Name of Subsidiaries which are yet to commence operations	NONE
2	Name of Subsidiaries which have been sold during the year	NONE

Sl. No.	Particulars	Details
1	Name of the Subsidiary	**SPIN INTERNATIONAL INC.**
2	Reporting Period for the Subsidiary concerned, if different from the holding company's reporting period	Year Ended 31st March, 2017
3	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiary	Reporting Currency: $ (U.S. DOLLAR) Exchange Rate on 31.03.2017: 1$ = ₹64.90
4	Share Capital	64,900
5	Reserves and Surplus	34,781,648
6	Total Assets	41,016,007
7	Total Liabilities	6,169,459
8	Investments	NIL
9	Turnover	57,071,662
10	Profit before Taxation	(7,757,386)

11	Provision for Taxation	98,987
12	Profit after Taxation	(7,856,373)
13	Proposed Dividend	NIL
14	% of Shareholding	100

Additional Information:

1	Name of Subsidiaries which are yet to commence operations	NONE
2	Name of Subsidiaries which have been sold during the year	NONE

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NOT APPLICABLE

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

INDEPENDENT AUDITORS' REPORT

To the members of
J J EXPORTERS LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of J J Exporters Ltd. (''the Company''), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

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

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

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

Opinion

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, including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its Loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

1. Note- 12(a) and (b) to the financial statements which indicates that the company has accumulated losses and its net worth has been fully eroded, the Company has incurred a Net Loss during current and previous years and the Company's current liabilities exceeded its current assets as at the Balance Sheet date. These conditions, along with other matters set forth in Clause 5 of Note 25, indicate the existence of a material uncertainty that may cast significant doubt about that Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis.

2. In the meantime, the Board has decided in its meeting held on 30.05.2018 that as major portion of the Company's assets has been taken over by the Bank and since operations at all units of the Company has also been stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench.

Our opinion is not modified in respect of these matters.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016, prepared in accordance with Ind AS included in these Standalone Ind AS financial statements have been audited by predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 30th May, 2017 expressed an unmodified opinion.

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 section 143(11) of the Companies Act, 2013, we give in "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, the Cash Flow Statement and the Statement of Changes in Equity 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 Indian Accounting Standards prescribed under Section 133 of the Act.

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

   (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 has disclosed the impact of pending litigations on its financial position in its financial statements as at 31st March 2018 [Refer Note No. 25(1)].

      (ii) The Company did not have any long term contracts including derivative contract as at 31st March, 2018.

      (iii) There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company as at 31st March 2018 [Refer Note 25(12)].

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794

Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

ANNEXURE – "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2018, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company. According to the information and explanations given to us, no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of company.

ii. As explained to us, inventories have been physically verified during the year by the management, which, in our opinion, is reasonable and discrepancies which were noticed have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, comment on Clause No. iii (a), iii (b) and iii (c) of the said order does not arise.

iv. According to the information and explanations given to us, the Company has not given any loans, investments, guarantees, and security and has not invested in any other body corporate, hence the comment on the said clause of the order is not applicable.

v. According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required to be complied with.

vi. According to the information and explanations given to us, the company is not required to maintain cost record under sub section (1) of section 148 of Companies Act 2013 Hence comment on clause on vi of the said order is not applicable.

vii. a) According to the records of the Company and as per the information and explanations given to us, the company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance,Goods & Services Tax, income-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. No arrears of outstanding statutory dues on the last day of the financial year concerned exists for a period of more than six months from the date they became payable.

b) On the basis of our examination of the documents and records the following disputed statutory dues which have not been deposited with the appropriate authorities are as under:

The details regarding Income Tax disputed dues pending before Commissioner of Income Tax (Appeals) is shown below:

ASSESSMENT YEAR	INCOME TAX AMOUNT(₹)	ASSESSMENT YEAR	INCOME TAX AMOUNT(₹)
1998-1999	0.80	2009-2010	424.07
2003-2004	1.63	2010-2011	3.28
2005-2006	52.51	2011-2012	0.62
2008-2009	458.68	2012-2013	0.04

The details regarding the Sales Tax disputed dues pending before the Appellate and Revisional Board are as follows:

ASSESSMENT YEAR	SALES TAX AMOUNT (₹)
2008-09	1.15
2009-10	1.04
2010-11	25.76

The details regarding the Excise Duty, Custom Duty and Service Tax disputed dues are as follows:

PARTICULARS	AMOUNT (₹)	Forum where Dispute is Pending
Custom Duty(including penalty of ₹ 48.40) (2009-10 to 2012-13)	93.17	Commissioner of Central Excise
Service Tax (2006-07)	2.56	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Service Tax (2007-08)	3.27	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Service Tax (2006-07)	3.34	Commissioner of Central Excise
Service Tax (2007-08)	0.91	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Service Tax (2007-08)	2.67	Commissioner of Central Excise
Service Tax (2008-09 to 2011-12)	2.83	Commissioner of Central Excise
Service Tax (2009-10)	0.52	Commissioner of Central Excise
Service Tax (2006-07 & 2007-08)	6.95	Commissioner of Central Excise
Service Tax (2007-08)	2.02	Honourable High Court of Calcutta

viii. The loans from **Industrial Development Bank of India (IDBI)** amounting to ₹ 24.81 crores and **Indian Overseas Bank (IOB)** amounting to ₹ 24.71 crores (including interest thereon), are defaulted in repayment. The said amounts are subject to confirmation and reconciliation, if any. The Company has not provided interest on the said loans w.e.f. 26.07.2017 as the secured assets' possession was taken by the Bank under the SARFAESI Act, 2002, and subsequently the possessed assets at Gangarampur, West Bengal were sold. Refer Note 13(a).

ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised any term loan, and it has not raised any money by way of initial public offer or further public offer during the year. Hence comment on this clause in not applicable.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

xi. To the best of our knowledge and belief, managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. According to the information and explanation given to us, clause (xii) in respect of Nidhi Company is not applicable to the company. Hence the comment on the said clause does not arise.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act 2013, and have been disclosed in Notes to Accounts as required by Ind AS 24. [Refer Note 25(4)]

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year; hence comment on the said clause of the order is not applicable.

xv. To the best of our knowledge and belief and as per the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794

Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date)

We have audited the internal financial controls over financial reporting of J J Exporters Ltd ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS 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 Unit 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 Unit'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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794

Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

Standalone Balance Sheet as at 31st March 2018

ASSETS	Notes	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(1) NON CURRENT ASSETS				
(a) Property, Plant and Equipment	2	1,022.72	2,795.79	3,062.62
(b) Capital Work in Progress		–	25.90	25.90
(c) Financial Assets				
(i) Investments	3(a)	0.41	0.41	0.41
(ii) Others	3(c)	0.23	–	–
(d) Other Non- Current Assets	4	7.24	9.94	14.25
Total		**1,030.60**	**2,832.04**	**3,103.18**
(2) CURRENT ASSETS				
(a) Inventories	5	63.76	124.86	264.54
(b) Financial Assets				
(i) Investments	6	23.51	73.94	125.18
(ii) Trade Receivables	3(b)	7.21	30.27	231.94
(iii) Cash & Cash Equivalents	7	30.64	36.15	33.84
(iv) Bank Balances other than (iii) above	8	2.50	3.30	44.26
(v) Others	9	0.75	3.17	15.24
(c) Current Tax Asset (Net)	10	158.57	158.52	158.18
(d) Other Current Assets	11	57.55	106.13	143.67
Total		**344.50**	**536.34**	**1,016.84**
Total Assets		**1,375.10**	**3,368.38**	**4,120.02**
EQUITY & LIABILITIES				
(1) EQUITY				
(a) Equity Share Capital	12(a)	926.23	926.23	926.23
(b) Other Equity	12(b)	(4,606.80)	(4,078.50)	(2,738.80)
Total		**(3,680.58)**	**(3,152.28)**	**(1,812.57)**
(2) LIABILITIES				
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13(a)	3,918.77	5,496.39	5,076.43
(ii) Trade Payables	13(b)	34.92	29.51	112.64
(iii) Other Financial Liabilities	13(c)	1,081.57	969.84	695.30
(b) Other Current Liabilities	14	20.00	24.91	48.23
(c) Provisions	15	0.43	-	-
Total		**5,055.67**	**6,520.66**	**5,932.59**
Total Equity and Liabilities		**1,375.10**	**3,368.38**	**4,120.02**
Significant Accounting Policies & Other Notes	1 & 25			

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Standalone Statement of Profit and Loss for the year ended 31st March 2018

	PARTICULARS	Notes	For the year ended 31.03. 2018 (₹ in lakhs)	For the year ended 31.03. 2017 (₹ in lakhs)
I.	Revenue from Operations	16	114.70	693.83
II.	Other Income	17	128.49	14.45
	III. Total Revenue (I + II)		**243.20**	**708.28**
IV.	Expenses:			
	Cost of Materials Consumed	18	40.86	248.85
	Purchase of Stock in Trade	19	10.77	158.12
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	42.70	69.87
	Employee Benefit Expenses	21	84.76	226.97
	Finance Costs	22	221.58	747.17
	Depreciation and Amortization Expense	23	84.11	283.39
	Other Expenses	24	286.72	313.11
	IV. Total Expenses		**771.49**	**2,047.50**
V.	**Profit/(Loss) before Exceptional Items and Tax (III - IV)**		(528.29)	(1,339.22)
VI.	Exceptional Item		–	–
VII.	**Profit/(Loss) before Tax (V -VI)**		**(528.29)**	**(1,339.22)**
VIII.	Tax Expense:			
	1 Current Tax		–	–
	2 Tax for earlier years (Net)		–	–
	3 Deferred Tax		–	–
	Net Current Tax (VIII)		–	–
IX.	**Profit/(Loss) for the Period (VII- VIII)**		**(528.29)**	**(1,339.22)**
X.	**Other Comprehensive Income for the period**			
	(A) (i) Item that will not be reclassified to Profit or Loss		**3.13**	**(10.17)**
	(ii) Income Tax relating to items that will not be reclassified to Profit or Los			
	(B) (i) Items that will be reclassified to Profit or Loss		–	–
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
XI.	**Total Comprehensive Income for the period (IX +X)**		**(525.16)**	**(1,349.39)**
	Earnings per Equity Share:	**25(6)**		
	(1) Basic (₹)		**(5.70)**	**(14.46)**
	(2) Diluted (₹)		**(5.70)**	**(14.46)**
	Significant Accounting Policies & Other Notes	1 & 25		

The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)
Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

EQUITY SHARE CAPITAL [Refer Note 12(a)] (₹ in lakhs)

Particulars	No. of Shares	Amount
As at 1st April, 2016	92.62	926.23
Changes in Equity Share Capital	-	-
As at 31st March, 2017	92.62	926.23
Changes in Equity Share Capital	-	-
As at 31St March, 2018	92.62	926.23

OTHER EQUITY [Refer Note 12(b)]	RESERVES & SURPLUS				Other Comprehensive Income	Total
Particulars	Securities Premium Reserve	Treasury Investment	Capital Reserve	Retained Earnings	Fair Value Gain/(Loss) on Equity Instruments	
Balance as on 01.04.2016	482.04	-	94.65	(3,250.61)	-	(2,673.92)
Treasury Shares transferred to Other Equity	-	(68.96)	-	-	-	(68.96)
Profit on restating current investments at fair value	-	-	-	4.09	-	4.09
Restated Balance as on 01.04.2016	482.04	(68.96)	94.65	(3,246.52)	-	(2,738.80)
Prior Period Expenses	-	-	-	(0.48)	-	(0.48)
Additions				(1,339.22)	(10.17)	(1,349.39)
Restated Balance at 31st March, 2017	482.04	(58.80)	94.65	(4,586.22)	(10.17)	(4,078.50)
Total Comprehensive Income for the year ended 31st March, 2018		-		(528.29)	3.13	(525.16)
Balance as at 31st March, 2018	482.04	(61.92)	94.65	(5,114.52)	(7.04)	(4,606.80)

This is the Statement of Changes In Equity referred to in our report of even date

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Standalone Cash Flow Statement for the year ended 31st March 2018

PARTICULARS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extra-Ordinary Items	(528.29)	(1,339.22)
Less: Prior Period Items	-	(0.48)
Net Profit/(Loss) after Tax & Extra-Ordinary Items	**(528.29)**	**(1,339.70)**
Adjustment for :		
Depreciation	84.11	283.39
Interest Expenses	221.58	747.17
Interest Income	(0.42)	(0.84)
(Profit)/Loss on Sale of Investnment	(2.21)	(6.18)
Unrealised gain on Investments measured at Fair value Through Profit and Loss	(0.35)	(3.58)
(Profit)/Loss on Sale of Property, Plant and Equipment(Net)	(121.36)	(1.15)
Provision for Gratuity	0.43	-
Operating Profit before Working Capital Changes	**(346.51)**	**(320.88)**
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	5.40	(83.13)
Increase/(Decrease) in Other Current Liabilities	(4.91)	(23.32)
Increase/(Decrease) in Other Financial Liabilities	30.03	(20.35)
(Increase)/ Decrease in Inventories	61.09	139.69
(Increase)/ Decrease in Trade Receivables	23.06	201.67
(Increase)/ Decrease in Non Current Assets	2.70	4.31
Increase/(Decrease) in Other Non Current Financial Assets	(0.23)	-
(Increase)/Decrease in Other Current Assets	48.59	37.53
Cash generated from/(used in) Operations	**(180.79)**	**(64.48)**
Direct Taxes Paid (Net)	(0.05)	(0.34)
Net Cash from Operating Activities	**(180.83)**	**(64.83)**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	1,840.34	4.88
Purchase of Property Plant and Equipment	(4.11)	(20.29)
Interest Received	2.84	12.90
Sale of Investments	159.98	121.00
Purchase of Investments	(107.00)	(60.00)
Fixed Deposit held as Margin Money matured	0.80	40.96
Net Cash from Investing Activities	**1,892.84**	**99.45**

Cash Flow Statement for the year ended 31st March 2018 (Contd.)

	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(0.14)	(0.11)
Proceeds/(Repayment) of Short Term Borrowings	(1,717.38)	(32.20)
Net Cash from Financing Activities	(1,717.52)	(32.31)
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	(5.51)	2.31
Cash and Cash Equivalents at the beginning of the year	36.15	33.84
Cash and Cash Equivalents at end of the year	30.64	36.15
Components of Cash & Cash Equivalents:		
Balances with Banks		
– In Current Account	29.32	21.63
– In Foreign Currency Account	-	13.10
Cash-on-Hand	0.80	1.42
Cheques on Hand	0.52	-
Total	**30.64**	**36.15**

Note:

(a) Previous year's figures have been regrouped/recasted wherever necessary.

(b) The above cash flow has been prepared under "Indirect Method" as per Ind AS 7, "Statement of Cash Flows", as prescribed under section 133 of the Companies Act, 2013 (“the Act”), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

CORPORATE INFORMATION

The Company (J J Exporters Ltd) was incorporated in India in 1972, having its registered office at 64, Bright Street, Kolkata-700019. The equity shares of the Company are listed on BSE Limited ("BSE") and CSE Limited ("CSE").

The Company is engaged in the manufacturing and exporting of silk fabrics, both traditional and modern.

SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

I) BASIS OF PREPARATION

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Company's financial statements up to and for the year ended 31 March, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in **Note 25(15).**

The financial statements for the year ended 31st March, 2018 have been approved by the Board of Directors of the Company in their meeting held on 30th May, 2018.

Functional and presentation currency

These financial statements are presented in Indian Rupees (₹),which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs and unless otherwise indicated.

The financial statements of J J Exporters Ltd ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

These financial statements are the first financial statement of the Company prepared under Ind-AS.

The financial statements for all periods up to and including the year ended March 31, 2017, were prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of The Companies (Accounts) Rules, 2014, the Companies Act, 2013 and in accordance with the Generally Accepted Accounting Principles in India.

The Company followed the provisions of Ind-AS 101 in preparing its Opening Ind-AS Balance Sheet (OBS) as of the date of transition i.e. 1st April, 2016. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2016 as required by Ind-AS 101.

The financial statements have been prepared on historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value or revalued amount:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value.

The Financial Statements have been presented in Indian National Rupees (INR), which is the Company's functional currency.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, the normal operating cycle cannot be identified and hence it is assumed to have a duration of twelve months.

Use of Estimates and Management Judgement

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

Ind AS Optional Exemptions

Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, "Intangible Assets".

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

Investment in Subsidiaries, Joint Ventures and Associates

When an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries, joint ventures and associates either at cost; or in accordance with Ind AS 109.

If a first time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

a) Cost determined in accordance with Ind AS 27; or

b) Deemed cost.

The deemed cost of such an investment shall be its:

i) Fair Value as on the entity's date of transition to Ind ASs in the separate financial statements; or

ii) Previous GAAP carrying amount at that date.

Ind AS Mandatory Exceptions

Derecognition of Financial assets and Liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occuring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the derecognition requirements in Ind AS 109 retrospectively from the date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

Measurement of fair values

Fair values are categorised 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 a liability, the Group 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 a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

II) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, allowances, rebates, value added taxes, goods and services tax and amounts collected on behalf of third parties. The company recognizes revenue when the amount of Revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(1) Sales:

(a) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

(b) Export sales are recognised on the date of ship on board signifying transfer of rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of transaction.

(2) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim our fulfilled.

III) Other Income:

(1) Interest Income on Financial Assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of the Financial Asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(2) Dividends are recognized in the statement of profit and loss only when the right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(3) Profit/Loss on sale of Investments is recognised on the contract date.

(4) Others: The Company recognizes other income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

IV) Property, Plant and Equipment

a) On transition to Ind AS, the Company has elected to continue the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and used those carrying values as the deemed cost of property, plant and equipment.

b) Asset Class:

i) Freehold Land is carried at historical cost including cost that is directly attributable to the acquisition of the land.

ii) All other items of property, plant and equipment are stated at historical cost less accumulated depreciation/ amortization. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Cost may also include effective portion on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment recycled from hedge reserve as basis adjustment.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and effective portion of cash flow hedges of foreign currency recycled from the hedge reserve as basis adjustment.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised

and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation is provided on Written down value Method as per Schedule II of the Companies Act, 2013, save and except for units J.J. Spectrum Silk and J.J. Exporters Ltd -DTA unit where Depreciation has been provided on straight line method as per schedule II of the Companies Act, 2013. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed from service.

The useful life of the items of PPE estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

Intangible Assets

An intangible asset shall be recognised if, and only if:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and

(b) the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use.

V) Disposal of assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

VI) Investment Property

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

VII) Foreign currency Transactions

In preparing the financial statements transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for:

- eligible exchange differences on foreign currency borrowings relating to qualifying assets under construction are included in the cost of those assets when they are regarded as an adjustment to interest;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the statement of profit and loss on repayment of the monetary items.

VIII) Provisions and Contingencies

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable (more likely than not) that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

IX) Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs incurred in bringing the the inventory to its present condition.

Cost is determined using the weighted average cost. Inventories of stores and spare parts are valued at lower of weighted average cost and net realisable value.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

X) Financial Instruments

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Debt instruments are measured at FVTOCI if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and

- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on Remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of Financial Assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit losses of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of Financial Assets

A financial asset is derecognised only when

(a) the Company has transferred the right to receive cash flows from the financial asset; or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recepients.

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

Where the entity has neither transferred a financial asset not retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Derecognition of Financial Liabilities

A financial liability (or a part of a financial liability) is derecognised for the Balance Sheet when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired. In case the financial instrument are renegotiated or modified, the event is evaluated as to whether it is a modification or an extinguishment of the financial instrument.

The difference between the carrying amount of a financial liability (or a part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, shall be recognised in Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are classified as either financial liabilities ‘at FVTPL’ or ‘other financial liabilities’.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

XI) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured initially at fair value, and subsequently at amortised cost using effective interest method, less provision for impairment.

Loss allowance for expected life time credit loss is recognised on initial recognition.

XII) Trade Payables

Trade Payables are liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

XIII) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised at transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In the case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).

Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-

term loan arrangement on or before the end of the reporting period with the effect that the liability becomes repayable on demand on the reporting date, the entitiy does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

XIV) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying Assets are assets that necessarily take substantial period of time to get ready for their intended use or sale. Borrowing Costs also include exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expended in the period in which they are incurred.

XV) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

XVI) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian National Rupee ( ), which is the company's functional and presentation currency.

a) On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of transaction.

b) Monetary items of current assets and liabilities in foreign currency outstanding at the close of the financial year are revalorised at the appropriate exchange rates prevailing at the close of the year.

c) the gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the statement of Profit and Loss.

XVII) Income Tax

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

Current tax an deffered tax are recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income.

Current Income Tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management evaluates periodically positions taken with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

XVIII) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if

i) the business has present legal or constructive obligation as a result of a past event;

ii) it is probable that an outflow of resources will be required to settle the obligation; and

iii) the amount of obligation has been reliably estimated

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of time value of money is material , provisions are discounted to reflect its current value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

XIX) Employees Benefit Expenses

a) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet

b) Other Long Term Employee Benefit Obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumptions are recognised in the Statement of Profit and Loss.

c) Post Employment Obligations

Post Employee benefits and other long term employee benefits include:

Defined Contribution Plans:

The Company's contribution to Provident Fund and Employees State Insurance Fund is determined under the relevant schemes and/or statutes, and charged to the Statement of Profit and Loss.

Defined Benefit Plans:

The Company's liability towards gratuity is actuarially determined at each Balance Sheet date, using Projected Unit Credit Method. Actuarial gains and losses are recognised in Other Comprehensive Income in the Statement of Profit and Loss. The contribution towards gratuity is funded with LIC. However, as the number of employees is below the threshold limit specified in the Payment of Gratuity Act, 1972, gratuity provision is not made in accordance with actuarial valuation.

XX) Dividend

Provision is made for the amount of any final dividend declared, being appropriately authorised in the Annual General Meeting and no longer at the discretion of the Company.

Interim Dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

XXI) Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss of the period attributable to equity shareholders by the weighted average number of equity shares oustanding during the period. Earnings considered in ascertaining the Company's Earnings Per Share is the net profit or loss for the period. The weighted average number of equity shares oustanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XXII) Provision for Trade Receivables

The Company makes allowances for doubtful accounts receivable using simplified approach. Significant judgement is used to estimate doubtful accounts. In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer condition may require adjustments to the allowances for doubtful accounts recorded in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31.03.2018

NOTE 2: PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold Land *	Leasehold Land	Building *	Plant & Machinery *	Furniture& Fixtures *	Office Equipment *	Vehicles	Total
Deemed Cost As At 1 April, 2016	233.60	1.19	1,814.93	895.71	33.12	69.97	14.09	3,062.62
Additions	-		-	0.08	-	2.95	17.26	20.29
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	-		-	-	-	-	4.58	4.58
Closing Gross carrying amount as at 31st March, 2017	233.60	1.19	1,814.93	895.80	33.12	72.92	26.77	3,078.33
Accumulated depreciation as at 1st April, 2016								
Opening accumulated depreciation	-		-	-	-	-	-	-
Depreciation charge during the year		0.12	144.48	102.01	9.82	20.37	6.59	283.39
Adjustments					-	-	-	-
Disposals							0.85	0.85
Closing accumulated depreciation as at 31st March, 2017	-	0.12	144.48	102.01	9.82	20.37	5.74	282.54
Net carrying amount as at 31st March, 2017	233.60	1.07	1,670.46	793.79	23.30	52.54	20.68	2,795.44
Gross Block as at 1st April, 2017	233.60	1.19	1,814.93	895.80	33.12	72.92	26.77	3,078.33
Additions	-		-	4.11	-	-	-	4.11
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	138.47	1.19	831.68	890.42	11.27	8.13	21.77	1,902.93
Closing Gross carrying amount as at 31st March, 2018	95.13		983.25	9.49	21.85	64.79	5.01	1,179.51
Opening accumulated depreciation as at 1st April, 2017	-	0.12	144.48	102.01	9.82	20.37	5.74	282.54
Depreciation charge during the year	-	0.04	43.07	27.79	2.96	5.70	4.54	84.11
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	-	0.16	68.19	128.30	4.71	0.79	7.71	209.86
Closing accumulated depreciation as at 31st March, 2018	-		119.36	1.51	8.07	25.29	2.58	156.80
Net carrying amount as at 31st March, 2018	95.13		863.89	7.98	13.78	39.50	2.42	1,022.72

*** Possession taken over by Bank [Refer Note-13(a) for the year ended 31.03.18]**

	WDV as on 31.03.2018
Freehold land	95.13
Building	863.89
Furniture and Fittings	13.78
Office Equipment	33.24
	1,006.04

Note : 3(a) INVESTMENTS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Investment in Equity Instrument			
a) In Subsidiaries (Unquoted)			
- Spin International Inc	0.41	0.41	0.41
b) J.J. Exporters Ltd (Held by J.J. Exporters			
Beneficiary Trust as Treasury shares)	811.00	811.00	811.00
Less: Provision for Diminution in value of Investment	(749.08)	(752.21)	(742.04)
Less: Transferred to Other Equity	(61.92)	(58.80)	(68.96)
[Refer Note- 25(2)]	-	-	-
c) In structured entities (Unquoted)			
- OOO JJ Home (FC)	60.95	60.95	60.95
Less: Provision for Diminution in value of Investment	(60.95)	(60.95)	(60.95)
	-	-	-
Total	**0.41**	**0.41**	**0.41**

NOTE: 3(b) TRADE RECEIVABLES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Current Portion*	7.21	30.27	231.94
	7.21	30.27	231.94
Unsecured , Considered Good	7.21	30.27	231.94
Doubtful	201.01	201.01	201.01
Total	**208.23**	**231.28**	**432.95**
Loss Allowance	(201.01)	(201.01)	(201.01)
Total Unsecured Trade Receivable	**7.21**	**30.27**	**231.94**

*Includes due from Subsidiary Company Spin International Inc ₹ 5.77 lakhs (Previous Year ₹ 6.29 lakhs)

NOTE: 3(c) OTHER NON CURRENT FINANCIAL ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Bank Deposits with Maturity more than 12 months	0.23	-	-
Total	**0.23**	**-**	**-**

Note : 4 OTHER NON CURRENT ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Security Deposit	7.24	9.94	14.25
Total	**7.24**	**9.94**	**14.25**

Note : 5 INVENTORIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Raw Material	10.10	21.82	37.84
Work In Progress	11.86	18.79	33.94
Finished Goods*	41.76	77.52	132.24
Stores & Spares	-	6.38	59.93
Others	0.04	0.34	0.58
Total	**63.76**	**124.86**	**264.54**

* Includes Stock in Trade of ₹ 11.98 lakhs(Previous year ₹ 14.86 lakhs)

NOTE : 6 FINANCIAL ASSET	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
INVESTMENTS (CURRENT)			
(I) In Mutual Funds- Quoted			
Reliance Growth Fund	20.03	73.82	125.06
Reliance Liquidity Fund	3.36	-	-
Total (a)	**23.39**	**73.82**	**125.06**
(II) In Government Securities - Unquoted			
National Savings Certificate (Refer Note 25(14)]	0.12	0.12	0.12
Total (b)	**0.12**	**0.12**	**0.12**
Total Current Investments	**23.51**	**73.94**	**125.18**

Note : 7 CASH AND CASH EQUIVALENTS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Balances with Bank	-	-	-
- In Current Account	29.32	21.63	29.28
- In Foreign Currency Account	-	13.10	0.00
Cheque on Hand	0.52	-	-
Cash on Hand	0.80	1.42	1.89
Foreign Exchange on Hand	-	-	2.67
Total	**30.64**	**36.15**	**33.84**

Note : 8 BANK BALANCES OTHER THAN NOTE 7 ABOVE	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Margin Deposit Account	2.50	3.30	44.26
Total	**2.50**	**3.30**	**44.26**

Note : 9 OTHER CURRENT FINANCIAL ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Interest Accrued on Bank Deposit	0.75	3.17	15.24
Total	**0.75**	**3.17**	**15.24**

Note : 10 CURRENT TAX ASSET (NET)	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Advance payment of Income Tax (Net)*	158.57	158.52	158.18
Total	**158.57**	**158.52**	**158.18**

* Advance Tax is net of provision of ₹ 596.05 lakhs
(previous year ₹ 596.05 lakhs)

Note : 11 OTHER CURRENT ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Electronic Cash Ledger	0.54	-	-
Advance Recoverable From Employee	0.28	-	-
Focus Product License in hand	-	-	4.37
Duty Drawback Receivable	0.40	4.63	13.69
Goods and Services Tax (Input)	1.73	-	-
Other Advances	54.59	101.50	125.61
Total	**57.55**	**106.13**	**143.67**

Note : 12(a) EQUITY SHARE CAPITAL	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(A) Equity Share Capital			
Authorised Shares	1,000.00	1,000.00	1,000.00
	1,000.00	1,000.00	1,000.00
Issued, Subscribed & Paid-Up Shares			
12.58 lakhs (Previous Year 12.58 lakhs) shares of 10/- each fully paid up in cash	125.75	125.75	125.75
0.43 lakhs (Previous Year 0.43 lakhs) shares of 10/- each allotted as fully paid-up, pursuant to contract without payment being received in cash	4.25	4.25	4.25
58.76 lakhs (Previous Year 58.76 lakhs) shares of 10/- each allotted as fully paid-up bonus shares by way of capitalisation of reserve	587.60	587.60	587.60
20.86 lakhs(Previous Year 20.86 lakhs) shares of 10/- each allotted as fully paid-up, pursuant to scheme of Amalgamation	208.63	208.63	208.63
	926.23	926.23	926.23

a. Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos. (in lakhs)	As at 31.03. 2018 (₹ in lakhs)	Nos. (in lakhs)	As at 31.03. 2017 (₹ in lakhs)
At the beginning of the year	92.62	926.23	92.62	926.23
Issued during the year	–	–	–	–
Outstanding at the end of the year	92.62	926.23	92.62	926.23

b. Aggregate number of Bonus shares issued & shares issued for consideration other than cash.

Equity Shares	Nos. (in lakhs)	As at 31.03. 2018 (₹ in lakhs)	Nos. (in lakhs)	As at 31.03. 2017 (₹ in lakhs)
Equity share alloted as fully paid bonus share by capitalisation of reserve				
At the beginning of the year	58.76	587.60	58.76	587.60
Issued during the year	–	–	–	–
Outstanding at the end of the year	58.76	587.60	58.76	587.60
Equity share alloted as fully paid up pursuant to contracts for consideration other than Cash				
At the beginning of the year	21.29	212.88	21.29	212.88
Issued during the year	–	–	–	–
Outstanding at the end of the year	21.29	212.88	21.29	212.88

c. The Company does not have any Holding Company or ultimate Holding Company. It has a wholly owned foreign subsidiary, Spin International Inc.

d. Details of Shareholders holding more than 5% of Shares in the Company

Particulars	Nos. (in lakhs)	As at 31.03. 2018 % Holding in the Class	Nos. (in lakhs)	As at 31.03. 2017 % Holding in the Class
Equity Shares of ₹10/- Each				
Nupur Carpets Private Limited	24.11	26.03%	24.11	26.03%
J J Exporters Beneficiary Trust	13.04	14.08%	13.04	14.08%
Akhilesh Jhunjhunwala Beneficiary Trust	7.63	8.23%	7.63	8.23%
Neha Jhunjhunwala	13.70	14.79%	13.70	14.79%

e. For the period of five years immediately preceding the date as at the Balance Sheet is prepared:
No Shares have been alloted as fully paid up pursuant to contract(s) without payment being received in cash.
No Shares have been alloted as fully paid up by way of Bonus Shares.
No Shares has been bought back by the Company.

Note : 12(b) OTHER EQUITY	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(a) Securities Premium	482.04	482.04	482.04
(b) Treasury Investment [Refer Note 25(2)]			
As per Last Balance Sheet	(58.80)	(68.96)	
Transferred to OCI	3.13	(10.17)	
Closing Balance	(61.93)	(58.80)	(68.96)
(c) Capital Reserve			
As per Last Balance Sheet	94.65	94.65	94.65
(d) Retained Earnings			
As per Last Balance Sheet	(4,586.22)	(3,246.52)	(3,246.52)
Less: Prior Period Expenses	-	(0.48)	
Profit/(Loss) for the Year	(528.29)	(1,339.22)	-
Closing Balance	(5,114.52)	(4,586.22)	(3,246.52)
(e) Other Comprehensive Income			
As per Last Balance Sheet	(10.17)	-	-
Movement in OCI during the year	3.13	(10.17)	-
Closing Balance	(7.04)	(10.17)	-
Total	**(4,606.80)**	**(4,078.50)**	**(2,738.80)**

NOTE 13 : FINANCIAL LIABILITIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(a) BORROWINGS			
Loans Repayable to Bank (already called by Bank)			
– Term Loan (Secured)	1,782.11	2,904.66	2,537.25
– Funding Interest Term Loan (Secured)	798.35	798.35	713.59
– Working Capital Term Loan (Secured)	911.27	911.27	911.27
– Cash Credit Facilities (Secured)	359.41	814.48	846.68
Bill Discounting - Foreign Currency	67.63	67.63	67.63
Total	**3,918.77**	**5,496.39**	**5,076.43**

i) Working capital facilities with Indian Overseas Bank is secured by first charge on Current Assets of the Company.

ii) As collateral security, Indian Overseas Bank has second pari passu charge on (i) Movable block assets of the company, (ii) Mortgage on Land and Building at Dodaballapur, Bangalore and (iii) Mortgage on Land and Building at Gangarampur, 24 Parganas (S), West Bengal.

iii) Further, Indian Overseas Bank (IOB) has pari passu first charge on Gangarampur movable fixed assets and land and buildings for ₹ 1,565 lakhs.

iv) Further, the working capital limits of Indian Overseas Bank is also secured by personal guarantee of two Directors of the company.

v) The said loan from the banks are subject to confirmation and reconciliation along with interest accrued and due.

vi) Rupee Term Loan with Industrial Development Bank of India Ltd (IDBI) has been secured as follows:

Purpose	Description of property
Retail Showroom	(i) Plant and machinery of Kolkata EOU on first Charge. (ii) Entire movable property (excluding current assets) of retail showroom on first charge basis. (iii) Stock of Raw Material, WIP and Finished goods of all units on second charge.
Dodaballapur	(i) First charge on Land and Building at Dodaballabpur. (ii) First charge on movable and immovable assets (except Stock) of J.J.Spectrum (unit of J J Exporter Ltd). (iii) First charge on movable and immovable assets (except Stock) of EOU at Kolkata.
Kolkata EOU	(i) Whole of movable properties (other than Stock) of the Company's unit situated at Gangarampur, EOU-I and EOU -II . (ii) Land measuring 40,000 sq. feet together with building thereon. Plant and machinery on first charge. (iii) Personal guarantee of a Director.

vii) The interest is provided by the Company at the rate of 15% p.a. on loan from Indian Overseas Bank (IOB)

viii) The loan from Industrial Development Bank of India (IDBI) (including interest thereon) amounting to ₹36.03 crores, has already been called back by the bank for repayment and loan from Indian Overseas Bank (IOB) to the extent of ₹ 28.44 crores (including interest thereon), subject to confirmation, was also called back by the bank for repayment. The above two banks had also served notice under section 13(2) of the Securitisation and Reconstruction of the Financial Assets and Enforcement of Security Interest Act, 2002. The Company has defaulted in the repayment of above loans.

The IDBI Bank Ltd. (IDBI), IDBI House, 44 Shakespeare Sarani, Kolkata-700017 vide its possession notice dated 14th July, 2017 and 27th July, 2017 had taken the possession of the Movable & Immovable assets situated at Mouza-Gangarampur, South 24 Paraganas, West Bengal & Dodaballapur, Bangalore, Karnataka, which were secured against Loan, so the Company has not provided depreciation on the said Fixed Assets and also interest on the loans taken from IDBI & IOB from the said possession date. Subsequently, The IDBI, vide its letter Reference No.IDBI/NMG/JJEL/2017-18/9785 dated 24th January, 2018 sold the secured assets of the Company at Gangarampur on 18th January, 2018 under the SARFAESI Act, 2002 for a consideration of ₹18.01 crores which has been apportioned between the IDBI and IOB at ₹12.35 crores and ₹ 4.62 crores respectively, net of expenses.

Further the IDBI has charged ₹1.03 crores vide mail dated 29.05.2018 as expenditure incurred by the IDBI & IOB in the account and at the same time IOB also charged ₹ 0.07 crores for the payment to ECGC Ltd. The above two charges are included in the financial statements as “Bank charges”.

The above sale proceeds on account of Immovable & Movable properties which has been apportioned by the bank for Immovable property at ₹14.01 crores and for the Movable property at ₹ 4.00 crores. The apportionment of sale proceeds between Land & Building and Movable assets has been made on the carrying amount of the assets in the Financial statements, as there is no item wise details of sale proceeds provided by the Banks. The Statutory Compliances if any, complied by the bank on account of the said transactions have not been confirmed.

The above loan excludes ₹ 0.17 crores, which is included in Other Payables. [Refer Note 14]"

In the meantime, the Board has decided in its meeting held on 30.05.2018 that as major portion of the Company's assets has been taken over by the Bank and since operations at all units of the Company has also been stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench.

Particulars	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(b) TRADE PAYABLES			
Current			
Trade Payables			
Total Outstanding Dues to Micro and Small Enterprises *	-	-	-
Total Outstanding dues of Creditors other than Micro			
Enterprise & Small Enterprises*	34.92	29.51	112.64
Total	**34.92**	**29.51**	**112.64**

***There are no Micro, Small and Medium Enterprises to which the company owes dues as no parties claim to be registered as a Micro, Small and Medium Enterprises.**

Particulars	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (but within due date as per the MSMED Act).	NIL	NIL	NIL
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL	NIL
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	NIL	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	NIL	NIL	NIL

(c) OTHER FINANCIAL LIABILITIES			
Interest Accrued and Due on Borrowings	1,032.56	950.87	655.98
Payable to Employees*	49.01	18.98	39.32
Total	**1,081.57**	**969.84**	**695.30**

*As at 31.03.2018, Payable to Employees includes ₹ 45.94 lakhs on account of Gratuity for JJ Spectrum (unit of JJ Exporters Ltd.) in respect of which cheques were issued but were not accepted by the employees.

Note : 14 OTHER CURRENT LIABILITIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Advance from Customers	-	10.76	18.82
Statutory Dues			
– Provident Fund	0.14	1.26	2.24
– Employee State Insurance Fund	0.00	0.12	0.30
– Goods & Services Tax	0.65	-	-
– Tax Deducted At Source	0.77	1.57	1.55
– Professional Tax	0.00	0.01	0.05
– Value Added Tax	-	0.04	0.29
– Others	0.00	7.62	7.31
Other Payables	18.44	3.53	17.67
Total	20.00	24.91	48.23

Note : 15 SHORT TERM PROVISIONS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Provision for Employee Benefits			
– Provision for Gratuity	0.43	-	-
Total	0.43	-	-

Note : 16 REVENUE FROM OPERATIONS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
A) Revenue from Sale of Products*	100.24	647.74
Sub Total (A)	100.24	647.74
B) Other Operating Revenues		
Duty Drawback	0.75	28.09
Focus Product Incentive Scheme	13.71	17.21
Service Tax Refund Received	-	0.79
Sub Total (B)	14.46	46.09
Total (A + B)	**114.70**	**693.83**

*Revenue from Sale of products includes Retail Showroom Sales of ₹ 5.75 lakhs (Previous year ₹ 15.34 lakhs)

Note : 17 OTHER INCOME	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
(a) Interest Income		
– On Bank Deposit	0.42	0.84
(b) Other Non Operating Income		
– Short Term Gain on Sale Of Mutual Fund (Net)	2.21	6.18
– Profit From Sale of Property Plant & Equipment**	121.36	1.15
– Miscellaneous Receipt	4.15	2.71
(c) Other Gains & Losses		
– Net gain arising on Mutual Funds measured at FVTPL	0.35	3.58
Total	**128.49**	**14.45**

** For the Financial Year ended 31.03.2018, Profit on sale of Property, Plant and Equipment includes profit on sale under SARFAESI Act, 2002 ₹ 112.63 lakhs Refer Note 13(a).

Note : 18 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Raw Material Consumed*	30.78	145.15
Stores Consumed	0.06	0.90
Power & Fuel	6.06	24.92
Stitching, Embroidery and Designing Charges	3.70	24.70
Adjustment on account of Valuation of Raw Material, Stores and Spares	–	52.08
Carriage Inward	0.26	1.10
Total	**40.86**	**248.85**
*Raw Material Consumption		
- Fabrics	26.46	74.21
- Yarn	0.18	64.66
- Others	4.14	6.27
Total	**30.78**	**145.15**

Note : 19 PURCHASE OF TRADED GOODS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Purchase of Stock in Trade	10.77	158.12
Total	**10.77**	**158.12**

Note : 20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Stock at the Beginning of the Year		
Finished Goods	77.52	132.24
Work-in-Progress	18.79	33.94
Total	**96.31**	**166.18**
Stock at the End of the year		
Finished Goods*	41.76	77.52
Work-in-Progress	11.86	18.79
Total	**53.62**	**96.31**
Changes In Inventory of Finished Goods and Work In Progress	42.70	69.87

* Includes Stock in Trade of ₹ 11.98 lakhs (Previous year ₹ 14.86 lakhs)

Note : 21 EMPLOYEE BENEFIT EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Salaries, Wages and Bonus* (Includes Director Remuneration)	73.98	205.32
Contribution to Provident Funds and Other Fund	8.66	14.70
Staff Welfare Expenses	2.12	6.95
Total	**84.76**	**226.97**

*Refer Note 25(8)

Note : 22 FINANCE COSTS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Interest		
– on borrowings from banks [Refer Note 13(a) for the year ended 31.03.2018]	221.58	747.17
Total	**221.58**	**747.17**

Note : 23 DEPRECIATION & AMORTISATION EXPENSE	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Depreciation on Property, Plant & Equipment [Refer Note 13(a) for the year ended 31.03.2018]	84.11	283.39
Total	**84.11**	**283.39**

Note : 24 OTHER EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Selling & Distribution Expenses*	6.20	43.67
Rates & Taxes	10.45	12.18
Repairs & Maintenance		
Repairs to Building	0.74	1.97
Repairs to Plant & Machinery	0.62	0.44
Repairs to Others Assets	1.39	4.10
Travelling Expenses		
Inland Travelling	1.58	3.45
Foreign Travelling	18.71	39.67
Auditors' Remuneration		
- Audit Fees	1.50	2.30
- Tax Audit Fees	-	-
- Certification Fees	-	-
- Other Services	-	-
- Reimbursement of expenses	-	0.07
Export Promotion Expenses	0.15	-
Commission & Brokerage	4.90	23.06
Electricity Charges	3.83	8.02
Rent	16.68	23.68
Printing & Stationery	1.12	3.34
Postage & Courier	4.41	10.22
Insurance	4.06	4.39
Professional, Legal & Consultancy	15.18	28.17
Director's Meeting Fees	0.60	0.55
Vehicle Maintenance	5.05	10.52
Trade Fair Expenses (Net)	-	10.13
Service Charge	1.32	4.21
Rebate and Discount	5.93	8.17
Net (Gain)/ Loss in Foreign currency transaction and translation	(2.23)	12.35
Bank Charges	115.49	9.33
Filing Fees	1.37	0.33
Sundry Balances written off (Net of Written back)***	49.17	28.77
Conveyance	0.92	3.78
Cost of stock of stores sold by Bank [Refer Note 13(a)]	9.13	-
Miscellaneous Expenses	8.43	16.24
Total	286.72	313.11

***Selling & Distribution Expenses includes-**	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Advertisement	-	2.17
Samples(net)**	5.81	35.34
Packing Expenses	0.15	2.61
Freight and Delivery Charges	0.24	3.56
	6.20	43.67

** Realisation on account of samples ₹ 0.47 lakhs (PY ₹ 3.27 lakhs) from buyers has been credited to Sample Expenses Account.

***Sundry Balances Written off (Net of Written Back) includes:	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Bad Debts	-	5.29
Statutory Claims receivable Written Off	50.90	-
Others	3.89	0.36
Less: Credit Balances Written Back	(5.62)	(2.92)
	49.17	2.73

(₹ in lakhs)

15 Reconciliations

i. Equity as at 1st April, 2016 and 31st March, 2017

ii. Net Profit for the year ended 31st March, 2017

(i) Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Foot notes	As at 31st March, 2017			As at 1st April, 2016		
		Indian GAAP	Adjustment	Ind AS	Indian GAAP	Adjustment	Ind AS
Assets							
Non-Current Assets							
Property, Plant and Equipment		2,795.79	-	2,795.79	3,062.62	-	3,062.62
Capital Work in Progress		25.90	-	25.90	25.90	-	25.90
Financial Assets							
Investments	1	59.20	(58.80)	0.41	69.37	(68.96)	0.41
Other Non-Current Assets		9.94	-	9.94	14.25	-	14.25
Current Assets							
Inventories		124.86	-	124.86	264.54	-	264.54
Financial Assets							
Investments	2	70.15	3.79	73.94	121.10	4.09	125.18
Trade Receivables		30.27	-	30.27	231.94	-	231.94
Cash and Cash Equivalents		36.15	-	36.15	33.84	-	33.84
Bank Balances other than above		3.30	-	3.30	44.26	-	44.26
Others		3.17	-	3.17	15.24	-	15.24
Current Tax Assets (Net)		158.52	-	158.52	158.18	-	158.18
Other Current Assets		106.13	-	106.13	143.67	-	143.67
Total Assets		**3,423.39**	**(55.01)**	**3,368.38**	**4,184.90**	**(64.88)**	**4,120.02**
Equity							
Equity Share Capital		926.23	-	926.23	926.23	-	926.23
Other Equity							
Capital Reserve		94.65	-	94.65	94.65	-	94.65
Securities Premium		482.04	-	482.04	482.04	-	482.04
Treasury Investment	1	-	(58.80)	(58.80)	-	(68.96)	(68.96)
FVTOCI Reserve	1	-	(10.17)	(10.17)			
Retained Earnings		(4,600.18)	13.96	(4,586.22)	(3,250.61)	4.09	(3,246.52)
Total Equity		**(3,097.27)**	**(55.01)**	**(3,152.28)**	**(1,747.70)**	**(64.88)**	**(1,812.57)**
Current Liabilities							
Financial Liabilities							
Borrowings		5,496.39		5,496.39	5,076.43	-	5,076.43
Trade Payables		29.51		29.51	112.64		112.64
Other Financial Liabilities		969.84	-	969.84	695.30	-	695.30
Other Current Liabilities		24.91	-	24.91	48.23	-	48.23
Total Liabilities		**6,520.66**	**-**	**6,520.66**	**5,932.59**	**-**	**5,932.59**
Total Equity and Liabilities		**3,423.39**	**(55.01)**	**3,368.38**	**4,184.90**	**(64.88)**	**4,120.02**

Note: 1 Investments at fair value through OCI (FVTOCI)

Under Indian GAAP the Company accounted for investments in unquoted equity shares as investments measured at cost less provision for other than temporary dimunition in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI investments. At the date of transition to Ind AS (1st April, 2016) and as on 31st March, 2017, difference between the instrument's fair value and Indian GAAP carrying amount has been recognised in OCI Reserves and other comprehensive income respectively.

The Treasury shares of JJ Exporters Ltd (held by JJ Exporters Beneficiary Trust) has been regrouped from Non-Current Investments to Other Equity.

2 Under Indian GAAP the Company accounted for unquoted investments and mutual funds as investments measured at cost. Under Ind AS, the Company has designated investment in mutual funds as FVTPL investments. At the date of transition to Ind AS (1st April, 2016) and as on 31st March, 2017, difference between the instrument's fair value and Indian GAAP carrying amount has been recognised in Statement of Profit and Loss.

(ii) Reconciliation of Statement of Profit & Loss for the year ended 31st March, 2017 **(₹ in lakhs)**

	Particulars	Foot notes	Indian GAAP	Adjustments	Ind AS
II	Revenue from Operations (Gross)		693.83	–	693.83
II	Other Income	1	14.75	(0.30)	14.45
III	**Total Revenue (I+II)**		**708.58**	**(0.30)**	**708.28**
IV	**EXPENSES**				
	Cost of Materials Consumed		248.85	–	248.85
	Purchase of Stock in Trade		158.12	–	158.12
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress		69.87	–	69.87
	Employee Benefit Expenses		226.97	–	226.97
	Finance Costs		747.17	–	747.17
	Depreciation and Amortization Expense		283.39	–	283.39
	Other Expenses		323.28	(10.17)	313.11
	Total Expenses		**2,057.67**	**(10.17)**	**2,047.50**
V	**Profit / (Loss) Before Tax (III-IV)**		**(1,349.09)**	**–**	**(1,339.22**
VI	Tax Expense		–	–	–
VII	**Profit / (Loss) for the year (V-VI)**		**(1,349.09)**	**–**	**(1,339.22**
VII	O**ther Comprehensive Income (OCI)**				
	Other Comprehensive Income not to be reclassified to profit/loss in subsequent periods -	2	–	(10.17)	(10.17)
	Net Gain / (Loss) on FVTOCI Investments		–	(10.17)	(10.17)
	Income Tax Effect on above		–	–	–
	Other Comprehensive Income for the year, net of tax - (VIII)		–	(10)	(10)
	Total Comprehensive Income for the year - [(VII) + (VIII)]		**(1,349.09)**		**(1,349.39)**

Note:

1 **Investments at fair value through OCI (FVTOCI)**

Under Indian GAAP the Company accounted for gain/loss on sale of current investments (mutual funds) at sale proceeds less cost of purchase. Under Ind AS, the Company has calculated gain/loss as NAV as on the dale of sale less NAV as on the first day of the financial year (1st April, 2016).

2 Under Indian GAAP, the fall in market value of treasury shares of JJ Exporters Ltd (held by JJ Exporters Beneficiary Trust) was accounted for by creating a provision for diminution in value of investment as on the reporting date. Under Ind AS, the Company has designated the investment as FVTOCI, and any gain/loss on its fair value measurement is recorded under Other Comprehensive Income (OCI).

Note 25 : Notes forming part of the Standalone Financial Statements **(₹ in lakhs)**

1	**Contingent Liabilities not provided for :**	**31.03.2018** ₹	31.03.2017 ₹
a)	Letters of Guarantee	–	0.65
b)	Income Tax pending in appeals*	941.63	941.63
c)	Sales tax claim under Appeal (For this, management expects no liability)**	27.95	27.95
d)	Excise & Custom Duty and Service tax Demand (includes ₹48.40 lakhs (previous year ₹ 155.55 lakhs) of fines and penalty on Custom Duty)***	118.24	364.29

*

Assessment Year	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
1998-1999	0.80	0.80
2003-2004	1.63	1.63
2005-2006	52.51	52.51
2008-2009	458.68	458.68
2009-2010	424.07	424.07
2010-2011	3.28	3.28
2011-2012	0.62	0.62
2012-2013	0.04	0.04

**

Assessment Year	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
2008-09	1.15	1.15
2009-10	1.04	1.04
2010-11	25.76	25.76

***

Particulars	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
Custom Duty(including penalty of ₹ 48.40) (2009-10 to 2012-13)	93.17	93.17
Service Tax (2006-07)	2.56	2.56
Service Tax (2007-08)	3.27	3.27
Service Tax (2006-07)	3.34	3.34
Service Tax (2007-08)	0.91	0.91
Service Tax (2007-08)	2.67	2.67
Service Tax (2008-09 to 2011-12)	2.83	2.83
Service Tax (2009-10)	0.52	0.52
Service Tax (2006-07 & 2007-08)	6.95	6.95
Service Tax (2007-08)	2.02	2.02
Custom Duty (including Fines and Penalty NIL (Previous Year ₹ 107.15)]	-	246.05

2 In respect of the Equity shares of erstwhile J.J.Spectrum Silks Ltd. held by the company (hereinafter referred to as the transferee company), 13.04 lakhs shares have been issued by the transferee company in terms of scheme, to the board of trustees to have and to hold such shares in trust exclusively for the benefit of the transferee company and deal with the same as they deem fit.

The above shares have been valued at cost. The said shares, being long term in nature, no provision for diminution in value has been done in earlier years. However, as per prudence and in view of the Financial Position, the company has made a provision of ₹ 300.00 lakhs towards dimunition in the year 2013-14 and ₹ 442.04 lakhs towards diminution in the year 2015-16 and a further provision of ₹ 10.17 lakhs towards diminution in the year 2016-17 which, according to the management, is appropriate, out of which ₹ 3.13 lakhs has been reversed during the financial year 2017-18. The net value of the above investment is transferred to Other Equity as Treasury Investment.

3 As the company's business activities falls mainly within a single primary business segment viz. Dealing in Textile Goods, so disclosure of Ind AS 108, " Operating Segments ", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 is not required.

4 Related Party Disclosure in accordance with Ind AS 24, "Related Party Disclosures", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

a)	**Where common control exist**	**Relationship**
i)	Spin International Inc.	Wholly Owned Foreign Subsidiary Company
ii)	Nupur Carpets Private Limited	Company Having Substantial Interest
b)	**Key Managerial Personnel.**	
i)	Sri S.N.Jhunjhunwala	Executive-Chairman (Non-Executive Chairman w.e.f. 01.04.2018)
ii)	Sri Rajiv Jhunjhunwala	Vice-Chairman
iii)	Sri A.B.Chaturvedi (resigned w.e.f. 01.09.2017)	Whole Time Director and Chief Financial Officer
iv)	Shruti Murarka	Company Secretary
c)	**Relative of Key Managerial Personnel**	
i)	Mrs. Kavita Jhunjhunwala	Wife of Mr. Rajiv Jhunjhunwala, Vice-Chairman
ii)	Ms. Neha Jhunjhunwala	Daughter of Mr. Rajiv Jhunjhunwala, Vice-Chairman

Nature of Transaction	Related parties referred under (a) above		Related parties referred under (b) and (c) above	
	31.03.2018 (₹ in lakhs)	31.03.2017 (₹ in lakhs)	**31.03.2018** (₹ in lakhs)	31.03.2017 (₹ in lakhs)
i) Sale of goods	36.09	73.20	–	–
ii) Remuneration paid	–	–	23.41	26.01
iii) Receivable (Including Freight & Insurance)	5.77	6.29	–	–

5 The Net Worth of the Company has fully eroded. However, the accounts of the Company have been prepared on going concern basis.

In the meantime, the Board has decided in its meeting held on 30.05.2018 that as major portion of the Company's assets has been taken over by the Bank and since operations at all units of the Company has also been stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench."

6 Earnings per Share :- Disclosure in accordance with Ind AS 33, "Earnings Per Share", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

Particulars	**2017-18** (₹ in lakhs)	2016-17 (₹ in lakhs)
i) Net profit/(loss) after tax available for equity shareholders	(528.29)	(1,339.22)
ii) Weighted Average Number of Equity Shares of ₹ 10/- each outstanding during the year.	92.62	92.62
iii) Basic/ Diluted Earning per Share(i/ii)	**(5.70)**	(14.46)

7 As a matter of prudence, no deferred tax assets has been recognised in the accounts, in accordance with Ind AS 12, "Income Taxes", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

8 Wholetime Director's Remuneration :

Particulars	**31.03.2018** (₹ in lakhs)	31.03.2017 (₹ in lakhs)
a) Salaries & Bonus	15.40	19.32
b) Contribution to P.F. and other funds	1.85	2.32
c) Other perquisites	1.10	0.91
d) Gratuity	1.62	–
Total	19.96	22.55

9 Land measuring about 2.07 acre duly conveyed in the name of one of the units of the company by the State Government has been disputed by the original owner and the matter was subjudice. However, possession was taken by IDBI Bank and subsequently sold. Refer Note 13(a).

10 In Respect Of 100% Export Oriented Units and as per the prevailing laws and guidelines, it is exempted from Customs and Central Excise Duties and levies. The Company has executed legal undertaking to pay the customs and central excise duties and liquidated damages, if any, in respect of capital goods, raw material, stores etc. procured duty free in the event of non-fulfillment of terms and conditions.

11 Loans and advances include ₹ 0.26 lakhs (Previous Year ₹ 0.15 lakhs) balance lying with Central Excise department.

12 There is no amount to be credited to Investors Education & Protection Fund as on 31st March, 2018.

13 As the number of employees is below the threshold limit specified in the Payment of Gratuity Act, 1972, gratuity provision is not made in accordance with actuarial valuation, and after considering the matters stated in Note 25(5), the actuarial gain/loss is not considered in OCI in the financial statements, including transitional period.

14 The Investment in National Savings Certificate amounting to ₹ 0.12 lakhs is yet to be traced.

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF J J EXPORTERS LIMITED

Report on the Consolidated (Ind AS) Financial Statements

We have audited the accompanying Consolidated (Ind AS)financial statements of J J EXPORTERS LTD("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, theConsolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement for the year then endedand the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated (Ind AS)Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive consolidated cash flows and consolidatedstatement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on theseconsolidated Ind AS financial statements based on our audit.

While conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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 in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2018, and its ConsolidatedLoss(financial performance including other comprehensive income), its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

In the meantime, the Board has decided in its meeting held on 30.05.2018 that as major portion of the Holding Company's assets has been taken over by the Bank and since operations at all units of the Company has also been stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench.

Other Matter

1. We did not audit the financial statements/financial information of SPIN INTERNATIONAL INC., a foreign subsidiary, whose financial statements/financial information reflect total assets of ₹ 368.22 as at 31st March, 2018, total revenues of ₹ 510.05 for the year then ended on that date, as considered in the consolidated 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 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-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

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

2. The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016, prepared in accordance with Ind AS included in these Standalone Ind AS financial statements have been audited by predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 30th May, 2017 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   (b) In our opinion, proper books of account as required by law have been kept by the Holding Company and its subsidiary included in the Group,including relevant records relating to the preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the preparation of the aforesaid consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company, reports of the statutory auditor of the subsidiary company, incorporated in India which has been audited by us, none of the directors of the Group is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure-A” which is based on the auditor’s reports of the company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.

(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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer Note 25(1) to the consolidated financial statements.

ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March, 2018.

iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended 31st March, 2018. [Refer Note 25(11)]

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794

Place : Kolkata
Date: 30th May, 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the Members of J J EXPORTERS LTD on the consolidated Ind AS financial statements for the year ended 31st March, 2018)

[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 consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting ofJ J EXPORTERS LTD ("the Company") and its subsidiary.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company, its subsidiaryCompany, 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that.

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794

Place : Kolkata
Date: 30th May, 2018

Consolidated Balance Sheet as at 31st March 2018

ASSETS	Notes	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(1) NON CURRENT ASSETS				
(a) Property, Plant and Equipment	2	1,024.00	2,797.45	3,065.23
(b) Capital Work in Progress		–	25.90	25.90
(c) Financial Assets				
(i) Investments	3(a)	–	–	–
(ii) Others	3(c)	0.23	–	–
(d) Other Non- Current Assets	4	7.24	9.94	14.25
Total		**1,031.47**	**2,833.30**	**3,105.38**
(2) CURRENT ASSETS				
(a) Inventories	5	313.45	397.39	460.22
(b) Financial Assets				
(i) Investments	6	23.51	73.94	125.18
(ii) Trade Receivables	3(b)	65.45	76.35	264.55
(iii) Cash & Cash Equivalents	7	45.36	80.96	200.15
(iv) Bank Balances other than (iii) above	8	2.50	3.30	44.26
(vi) Others	9	0.75	3.17	15.24
(c) Current Tax Asset (Net)	10	158.57	158.52	158.18
(d) Other Current Assets	11	96.20	144.93	184.24
Total		**705.79**	**938.56**	**1,452.03**
Total Assets		**1,737.26**	**3,771.86**	**4,557.41**
EQUITY & LIABILITIES				
(1) EQUITY				
(a) Equity Share Capital	12(a)	926.23	926.23	926.23
(b) Other Equity	12(b)	(4,323.39)	(3,730.42)	(2,312.20)
Total		**(3,397.16)**	**(2,804.20)**	**(1,385.97)**
(2) LIABILITIES				
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13(a)	3,918.77	5,496.39	5,076.43
(ii) Trade Payables	13(b)	113.66	84.91	123.43
(iii) Other Financial Liabilities	13(c)	1,081.57	969.84	695.30
(b) Other Current Liabilities	14	20.00	24.91	48.23
(c) Provisions	15	0.43	–	–
Total		**5,134.42**	**6,576.06**	**5,943.38**
Total Equity and Liabilities		**1,737.26**	**3,771.86**	**4,557.41**

Significant Accounting Policies & Other Notes 1 & 25

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Consolidated Statement of Profit and Loss for the year ended 31st March 2018

	PARTICULARS	Notes	For the year ended 31.03. 2018 (₹ in lakhs)	For the year ended 31.03. 2017 (₹ in lakhs)
I.	Revenue from Operations	**16**	583.89	1,187.36
II.	Other Income	**17**	133.27	18.44
	III. Total Revenue (I + II)		717.16	1,205.79
IV.	**Expenses:**			
	Cost of Materials Consumed	**18**	40.86	248.85
	Purchase of Traded Goods	**19**	333.54	600.51
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	**20**	65.55	(6.99)
	Employee Benefit Expenses	**21**	166.60	319.86
	Finance Costs	**22**	221.58	747.17
	Depreciation and Amortization Expense	**23**	84.48	284.34
	Other Expenses	**24**	396.85	425.60
	IV. Total Expenses		**1,309.47**	**2,619.34**
V.	**Profit/(Loss) before Exceptional Items and Tax (III - IV)**		**(592.31)**	**(1,413.55)**
VI.	Exceptional Item		–	–
VII.	**Profit/(Loss) before Tax (V -VI)**		**(592.31)**	**(1,413.55)**
VIII.	Tax Expense:			
	1 Current Tax		0.76	0.99
	2 Tax for earlier years (Net)		–	–
	3 Deferred Tax		–	–
	Net Current Tax (VIII)		0.76	0.99
IX.	**Profit/(Loss) for the Period (VII- VIII)**		**(593.07)**	**(1,414.54)**
X.	**Other Comprehensive Income for the period**			
	(A) (i) Item that will not be reclassified to Profit or Loss		3.13	(10.17)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Los			
	(B) (i) Items that will be reclassified to Profit or Loss		–	–
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
XI.	**Total Comprehensive Income for the period (IX+X)**		**(589.94)**	**(1,424.71)**
	Earnings per Equity Share:	**25(6)**		
	(1) Basic (₹)		**(6.40)**	**(15.27)**
	(2) Diluted (₹)		**(6.40)**	**(15.27)**
	Significant Accounting Policies & Other Notes	**1 & 25**		

The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

EQUITY SHARE CAPITAL [Refer Note 12(a)] (₹ in lakhs)

Particulars	No. of Shares	Amount
As at 1st April, 2016	92.62	926.23
Changes in Equity Share Capital	-	-
As at 31st March, 2017	92.62	926.23
Changes in Equity Share Capital	-	-
As at 31St March, 2018	92.62	926.23

OTHER EQUITY [Refer Note 12(b)]	RESERVES & SURPLUS						Other Reserves	Total
Particulars	Securities Premium Reserve	Treasury Investment	Retained Earnings	Foreign Currency Reserve	Fair Value Gain/(Loss) on Equity Instruments (OCI)	Total	Capital Reserve	
Balance as on 01.04.2016	482.04	-	(2,824.08)	0.07	-	(2,341.97)	94.65	(2,247.32)
Treasury Shares transferred to Other Equity	-	(68.96)	-	-	-	(68.96)		(68.96)
Profit on restating current investments at fair value	-	-	4.09	-	-	4.09		4.09
Foreign Currency Gain (Net) regrouped under Other Equity	-	-	(14.87)	14.87	-	-		-
Restated Balance as on 01.04.2016	482.04	(68.96)	(2,834.86)	14.94		(2,406.84)	94.65	(2,312.20)
Additions		(10.17)	(1,414.54)	(3.21)	(10.17)	(1,438.08)	-	(1,438.08)
Prior Period Expenses	-	-	(0.48)			(0.48)	-	(0.48)
Restated Balance at 31st March, 2017	482.04	(58.80)	(4,249.88)	11.73	(10.17)	(3,825.07)	94.65	(3,730.42)
Additions				0.11		0.11		0.11
Total Comprehensive Income for the year			(593.07)		3.13	(589.94)		(589.94)
Total Additions	-	-	(593.07)	0.11	3.13	(589.83)	-	(589.83)
Balance as at 31st March,2018	482.04	(61.92)	(4,842.94)	11.84	(7.04)	(4,418.03)	94.65	(4,323.39)

This is the Statement of Changes In Equity referred to in our report of even date

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Consolidated Cash Flow Statement for the year ended 31st March 2018

	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extra-Ordinary Items	(592.31)	(1,413.55)
Adjustment for: Prior Period Expenses	-	(0.48
Adjustment for :		
Depreciation	84.48	284.34
Interest Expenses	221.58	747.17
Interest Income	(0.42)	(0.84)
Unrealised gain on Investments measured at Fair value Through Profit and Loss	(0.35)	(3.58)
(Profit)/Loss on Sale of Investments	(2.21)	(6.18)
(Profit)/Loss on Sale of Property, Plant and Equipment(Net)	(121.36)	(1.15)
Provision for Gratuity	0.43	-
Operating Profit before Working Capital Changes	**(410.16)**	**(394.26)**
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	28.75	(38.52)
Increase/(Decrease) in Other Current Liabilities	(4.91)	(23.32)
Increase/(Decrease) in Other Financial Liabilities	30.03	(20.35)
(Increase)/ Decrease in Inventories	83.95	62.83
(Increase)/ Decrease in Trade Receivables	10.90	188.21
(Increase)/ Decrease in Non Current Assets	2.70	4.31
(Increase)/ Decrease in Long Term Loans And Advances	-	-
Increase/(Decrease) in Other Non Current Financial Assets	(0.23)	-
(Increase)/Decrease in Other Current Assets	48.73	39.31
Cash generated from/(used in) Operations	**(210.23)**	**(181.79)**
Direct Taxes Paid (Net)	(0.81)	(1.33)
Net Cash from Operating Activities	**(211.04)**	**(183.12)**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Property, Plant and Equipment	1,840.34	4.88
Purchase of property, Plant and Equipment	(4.11)	(20.29)
Effect of Exchange Rate Changes on Consolidation	0.11	(3.21)
Interest Received	2.84	12.90
Fixed Deposit held as Margin Money matured	0.80	40.96
Purchase of Investments	(107.00)	(60.00)
Sale of Investments	159.98	121.00
Net Cash from Investing Activities	**1,892.95**	**96.24**

Consolidated Cash Flow Statement for the year ended 31st March 2018 (Contd.)

	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(0.14)	(0.11)
Proceeds/(Repayment) of Short Term Borrowings	(1,717.38)	(32.20)
Net Cash from Financing Activities	**(1,717.52)**	**(32.31)**
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	**(35.61)**	**(119.19)**
Cash and Cash Equivalents at the beginning of the year	**80.96**	**200.15**
Cash and Cash Equivalents at end of the year	**45.36**	**80.96**
Cash & Cash Equivalents:		
Balances with Banks		
Current Account	44.04	66.45
Foreign Curency Account	–	13.10
Cash-on-Hand	0.80	1.42
Cheque on Hand	0.52	-
Total	**45.36**	**80.96**

Note:

(a) Previous year's figures have been regrouped/recasted wherever necessary.

(b) The above cash flow has been prepared under "Indirect Method" as per Ind AS 7, "Statement of Cash Flows", as prescribed under section 133 of the Companies Act, 2013 (“the Act”), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Significant Accounting Policies and Notes to the Consolidated Financial Statements are intended to show as means of informative disclosure and a guide to better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from individual financial statements which fairly present the needed disclosure. Lack of homogeneity and other similar conditions made it desirable to exclude some of them which in the opinion of the management could be better viewed when referred from individual financial statements.

CORPORATE INFORMATION

The Holding Company (J J Exporters Ltd) was incorporated in India in 1972, having its registered office at 64, Bright Street, Kolkata- 700019. The equity shares of the Holding Company are listed on BSE Limited ("BSE") and CSE Limited (" CSE").

The Group is engaged in the manufacturing and exporting of silk fabrics, both traditional and modern.

SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Group's consolidated financial statements up to and for the year ended 31 March, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Group is provided in Note 25(14).

The financial statements for the year ended 31st March, 2018 have been approved by the Board of Directors of the Group in their meeting held on 30th May, 2018.

Functional and Presentation Currency

These financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

Use of Estimates and Judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The financial statements of J J Exporters Ltd ("the Group") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

These financial statements are the first financial statement of the Group prepared under Ind-AS.

The financial statements for all periods up to and including the year ended March 31, 2017, were prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of The Companies (Accounts) Rules, 2014, the Companies Act, 2013 and in accordance with the Generally Accepted Accounting Principles in India.

The Group followed the provisions of Ind-AS 101 in preparing its Opening Ind-AS Balance Sheet (OBS) as of the date of transition i.e. 1st April 2016. Certain of the Group's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2016 as required by Ind-AS 101.

The financial statements have been prepared on historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value or revalued amount:

• Financial instruments - Measured at fair value;

• Plan assets under defined benefit plans - Measured at fair value.

The Financial Statements have been presented in Indian National Rupees (INR).

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, the normal operating cycle cannot be identified and hence it is assumed to have a duration of twelve months.

Use of Estimates and Management Judgement

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

Ind AS Optional Exemptions

Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, "Intangible Assets".

Accordingly, the Group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

Investment in Subsidiaries, Joint Ventures and Associates

When an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries, joint ventures and associates either at cost; or in accordance with Ind AS 109.

If a first time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

a) Cost determined in accordance with Ind AS 27; or

b) Deemed cost.

The deemed cost of such an investment shall be its:

i) Fair Value as on the entity's date of transition to Ind ASs in the separate financial statements; or

ii) Previous GAAP carrying amount at that date.

Ind AS Mandatory Exceptions

Derecognition of Financial Assets and Liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occuring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the derecognition requirements in Ind AS 109 retrospectively from the date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

Measurement of Fair Values

Fair values are categorised 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 a liability, the Group 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 a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group 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 the parents and subsidiary companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions Eliminated on Consolidation

Intra - Group balances and transactions, and any unrealised income and expenses arising from intra - Group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the Investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiary Considered in the Consolidated Financial Statements:

Name of the Company	Country Of Incorporation	Ownership interest(in %)		
		31st March, 2018	31st March, 2017	1st April, 2016
Spin International Inc.	U.S.A.	100.00%	100.00%	100.00%

III) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, allowances, rebates, value added taxes, goods and services tax and amounts collected on behalf of third parties. The Group recognizes revenue when the amount of Revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

(1) Sales:

(a) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

(b) Export sales are recognised on the date of ship on board signifying transfer of rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of transaction.

(2) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim our fulfilled.

IV) Other Income:

(1) Interest Income on Financial Assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of the Financial Asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(2) Dividends are recognized in the statement of profit and loss only when the right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(3) Profit/Loss on sale of Investments is recognised on the contract date.

(4) Others: The Group recognizes other income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

V) Property, Plant and Equipment

(a) On transition to Ind AS, the Group has elected to continue the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and used those carrying values as the deemed cost of property, plant and equipment.

(b) Asset Class:

i) Freehold Land is carried at historical cost including cost that is directly attributable to the acquisition of the land.

ii) All other items of property, plant and equipment are stated at historical cost less accumulated depreciation/ amortization. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use. Cost may also include effective portion on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment recycled from hedge reserve as basis adjustment.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs and effective portion of cash flow hedges of foreign currency recycled from the hedge reserve as basis adjustment.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation is provided on Written Down Value Method as per Schedule II of the Companies Act, 2013, save and except for units J.J. Spectrum Silk and J.J. Exporters Ltd -DTA unit where Depreciation has been provided on Straight Line Method as per schedule II of the Companies Act, 2013. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed from service.

The useful life of the items of PPE estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

Intangible Assets

An intangible asset shall be recognised if, and only if:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group; and

(b) the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use.

VI) Disposal of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

VII) Investment Property

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

VIII) Foreign Currency Transactions

In preparing the financial statements transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for:

- eligible exchange differences on foreign currency borrowings relating to qualifying assets under construction are included in the cost of those assets when they are regarded as an adjustment to interest;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the statement of profit and loss on repayment of the monetary items.

IX) Provisions and Contingencies

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable (more likely than not) that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

X) Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs incurred in bringing the the inventory to its present condition.

Cost is determined using the weighted average cost. Inventories of stores and spare parts are valued at lower of weighted average cost and net realisable value.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XI) Financial Instruments

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the time frame established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Debt instruments are measured at FVTOCI if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on Remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Group designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of Financial Assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit losses of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of Financial Assets

A financial asset is derecognised only when

(a) the Group has transferred the right to receive cash flows from the financial asset; or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recepients.

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

Where the entity has neither transferred a financial asset not retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Derecognition of Financial Liabilities

A financial liability (or a part of a financial liability) is derecognised for the Balance Sheet when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired. In case the financial instrument are renegotiated or modified, the event is evaluated as to whether it is a modification or an extinguishment of the financial instrument.

The difference between the carrying amount of a financial liability (or a part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, shall be recognised in Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

XII) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured initially at fair value, and subsequently at amortised cost using effective interest method, less provision for impairment.

Loss allowance for expected life time credit loss is recognised on initial recognition.

XIII) Trade Payables

Trade Payables are liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

XIV) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised at transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In the case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss as other gains/(losses).

Borrowings are classified as current financial liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes repayable on demand on the reporting date, the entitiy does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying Assets are assets that necessarily take substantial period of time to get ready for their intended use or sale. Borrowing Costs also include exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expended in the period in which they are incurred.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty..

XV) Income Tax

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

Current tax an deffered tax are recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income.

Current Income Tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management evaluates periodically positions taken with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

XVI) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if

i) the business has present legal or constructive obligation as a result of a past event;

ii) it is probable that an outflow of resources will be required to settle the obligation; and

iii) the amount of obligation has been reliably estimated

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of time value of money is material , provisions are discounted to reflect its current value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

XVII) Employees Benefit Expenses

a) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet

b) Other Long Term Employee Benefit Obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumptions are recognised in the Statement of Profit and Loss.

c) Post Employment Obligations

Post Employee benefits and other long term employee benefits include:

Defined Contribution Plans:

The Group's contribution to Provident Fund and Employees State Insurance Fund is determined under the relevant schemes and/or statutes, and charged to the Statement of Profit and Loss.

Defined Benefit Plans:

The Group's liability towards gratuity is actuarially determined at each Balance Sheet date, using Projected Unit Credit Method. Actuarial gains and losses are recognised in Other Comprehensive Income in the Statement of Profit and Loss. The contribution towards gratuity is funded with LIC. However, as the number of employees is below the threshold limit specified in the Payment of Gratuity Act, 1972, gratuity provision is not made in accordance with actuarial valuation.

XVIII) Dividend

Provision is made for the amount of any final dividend declared, being appropriately authorised in the Annual General Meeting and no longer at the discretion of the Group.

Interim Dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

XIX) Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss of the period attributable to equity shareholders by the weighted average number of equity shares oustanding during the period. Earnings considered in ascertaining the Group's Earnings Per Share is the net profit or loss for the period. The weighted average number of equity shares oustanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XX) Provision for Trade Receivables

The Group makes allowances for doubtful accounts receivable using simplified approach. Significant judgement is used to estimate doubtful accounts. In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer condition may require adjustments to the allowances for doubtful accounts recorded in the financial statements.

Basic Earnings Per Share is calculated by dividing the net profit or loss of the period attributable to equity shareholders by the weighted average number of equity shares oustanding during the period. Earnings considered in ascertaining the Group's Earnings Per Share is the net profit or loss for the period. The weighted average number of equity shares oustanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31.03.2018

NOTE 2: PROPERTY, PLANT & EQUIPMENT **(₹ in lakhs)**

Particulars	Freehold Land *	Leasehold Land	Building *	Plant & Machinery *	Furniture& Fixtures *	Office Equipment *	Vehicles	Total
Deemed Cost As At 1st April, 2016	233.60	1.19	1,814.93	895.91	34.48	70.96	14.16	3,065.23
Additions	-		-	0.08	-	2.95	17.26	20.29
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	-		-	-	-	-	4.58	4.58
Closing Gross carrying amount as at 31st March, 2017	233.60	1.19	1,814.93	895.99	34.48	73.91	26.83	3,080.94
Accumulated depreciation as at 1st April, 2016								
Opening accumulated depreciation	-		-	-	-	-	-	-
Depreciation charge during the year		0.12	144.48	102.01	10.77	20.37	6.59	284.34
Adjustments					-	-	-	-
Disposals							0.85	0.85
Closing accumulated depreciation as at 31st March, 2017	-	0.12	144.48	102.01	10.77	20.37	5.74	283.49
Net carrying amount as at 31st March, 2017	233.60	1.07	1,670.46	793.98	23.71	53.54	20.74	2,797.10
Gross Block as at 1st April, 2017	**233.60**	**1.19**	**1,814.93**	**895.99**	**34.48**	**73.91**	26.83	3,080.94
Additions	-		-	4.11	-	-	-	4.11
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	138.47	1.19	831.68	890.42	11.27	8.13	21.77	1,902.93
Closing Gross carrying amount as at 31st March, 2018	95.13		983.25	9.68	23.21	65.78	5.07	1,182.12
Opening accumulated depreciation as at 1st April, 2017	-	0.12	144.48	102.01	10.77	20.37	5.74	283.49
Depreciation charge during the year	-	0.04	43.07	27.79	3.33	5.70	4.54	84.48
Asset Classified as held for sale	-		-	-	-	-	-	-
Disposals	-	0.16	68.19	128.30	4.71	0.79	7.71	209.85
Closing accumulated depreciation as at 31st March, 2018	-		119.36	1.51	9.39	25.29	2.58	156.12
Net carrying amount as at 31st March, 2018	95.13		863.89	8.18	13.82	40.50	2.49	1,024.00

*** Possession taken over by Bank [Refer Note-13(a) for the year ended 31.03.18]**

	WDV as on 31.03.2018
Freehold land	95.13
Building	863.89
Plant & Machinery	-
Furniture and Fittings	13.78
Office Equipment	33.24
	1,006.04

Note : 3(a) INVESTMENTS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Investment in Equity Instrument			
b) J.J. Exporters Ltd (Held by J.J. Exporters			
Beneficiary Trust as Treasury shares)	811.00	811.00	811.00
Less: Provision for Diminution in value of Investment	(749.08)	(752.21)	(742.04)
Less: Transferred to Other Equity	(61.92)	(58.80)	(68.96)
[Refer Note- 25(2)]	-	-	-
c) In structured entities (Unquoted)			
- OOO JJ Home (FC)	60.95	60.95	60.95
Less: Provision for Diminution in value of Investment	(60.95)	(60.95)	(60.95)
	-	-	-
Total	**-**	**-**	**-**

NOTE: 3(b) TRADE RECEIVABLES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Current Portion	65.45	76.35	264.55
Non- Current Portion	(0.00)	-	-
	65.45	76.35	264.55
Unsecured , Considered Good	7.21	76.35	264.55
Doubtful	201.01	0.00	201.01
Total	**208.23**	**76.35**	**465.57**
Loss Allowance	(201.01)	(201.01)	(201.01)
Total Unsecured Trade Receivable	**7.21**	**(124.67)**	**264.55**

NOTE: 3(c) OTHER NON CURRENT FINANCIAL ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Bank Deposits with Maturity more than 12 months	0.23	-	-
Total	**0.23**	**-**	**-**

Note : 4 OTHER NON CURRENT ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Security Deposit	7.24	9.94	14.25
Total	**7.24**	**9.94**	**14.25**

Note : 5 INVENTORIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Raw Material	10.10	21.82	37.84
Work In Progress	11.86	18.79	33.94
Finished Goods*	41.76	77.52	132.24
Traded Goods	249.68	272.54	195.68
Stores & Spares	-	6.38	59.93
Others	0.04	0.34	0.58
Total	**313.45**	**397.39**	**460.22**

* Includes Stock in Trade of ₹ 11.98 lakhs(Previous year ₹ 14.86 lakhs)

NOTE : 6 FINANCIAL ASSET	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
INVESTMENTS (CURRENT)			
(I) In Mutual Funds- Quoted			
Reliance Growth Fund	20.03	73.82	125.06
Reliance Liquidity Fund	3.36	-	-
Total (a)	**23.39**	**73.82**	**125.06**
(II) In Government Securities - Unquoted			
National Savings Certificate (Refer Note 25(13)]	0.12	0.12	0.12
Total (b)	**0.12**	**0.12**	**0.12**
Total Current Investments	**23.51**	**73.94**	**125.18**

Note : 7 CASH AND CASH EQUIVALENTS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Balances with Bank			
- In Current Account	44.04	66.45	195.59
- In Foreign Currency Account	-	13.10	0.00
Cheques/ Drafts in Hand	0.52	-	-
Cash on Hand	0.80	1.42	1.89
Foreign Exchange on Hand	-	-	2.67
Total	**45.36**	**80.96**	**200.15**

Note : 8 BANK BALANCES OTHER THAN NOTE 7 ABOVE	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Margin Deposit Account	2.50	3.30	44.26
Total	**2.50**	**3.30**	**44.26**

Note : 9 OTHER CURRENT FINANCIAL ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Interest Accrued on Bank Deposit	0.75	3.17	15.24
Total	**0.75**	**3.17**	**15.24**

Note : 10 CURRENT TAX ASSET (NET)	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Advance payment of Income Tax (Net)*	158.57	158.52	158.18
Total	**158.57**	**158.52**	**158.18**

* Advance Tax is net of provision of ₹ 596.05 lakhs (previous year ₹ 596.05 lakhs)

Note : 11 OTHER CURRENT ASSETS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Electronic Cash Ledger	0.54	-	-
Advance Recoverable From Employee	0.28	-	-
Focus Product License in hand	-	-	4.37
Duty Drawback Receivable	0.40	4.63	13.69
Goods and Services Tax (Input)	1.73	-	-
Other Advances	60.68	107.81	133.00
Hotel facility in hand (Hotel Hilton)	32.56	32.49	33.19
Total	**96.20**	**144.93**	**184.24**

Note : 12(a) EQUITY SHARE CAPITAL	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(A) Equity Share Capital			
Authorised Shares	1,000.00	1,000.00	1,000.00
	1,000.00	**1,000.00**	**1,000.00**
Issued, Subscribed & Paid-Up Shares			
12.58 lakhs (Previous Year 12.58 lakhs) shares of 10/- each fully paid up in cash	125.75	125.75	125.75
0.43 lakhs (Previous Year 0.43 lakhs) shares of 10/- each allotted as fully paid-up, pursuant to contract without payment being received in cash	4.25	4.25	4.25
58.76 lakhs (Previous Year 58.76 lakhs) shares of 10/- each allotted as fully paid-up bonus shares by way of capitalisation of reserve	587.60	587.60	587.60
20.86 lakhs(Previous Year 20.86 lakhs) shares of 10/- each allotted as fully paid-up, pursuant to scheme of Amalgamation	208.63	208.63	208.63
	926.23	**926.23**	**926.23**

a. Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos. (in lakhs)	As at 31.03. 2018 (₹ in lakhs)	Nos. (in lakhs)	As at 31.03. 2017 (₹ in lakhs)
At the beginning of the year	92.62	926.23	92.62	926.23
Issued during the year	–	–	–	–
Outstanding at the end of the year	**92.62**	**926.23**	**92.62**	**926.23**

b. Aggregate number of Bonus shares issued & shares issued for consideration other than cash.

Equity Shares	Nos. (in lakhs)	As at 31.03. 2018 (₹ in lakhs)	Nos. (in lakhs)	As at 31.03. 2017 (₹ in lakhs)
Equity share alloted as fully paid bonus share by capitalisation of reserve				
At the beginning of the year	58.76	587.60	58.76	587.60
Issued during the year	–	–	–	–
Outstanding at the end of the year	**58.76**	**587.60**	**58.76**	**587.60**
Equity share alloted as fully paid up pursuant to contracts for consideration other than Cash				
At the beginning of the year	21.29	212.88	21.29	212.88
Issued during the year	–	–	–	–
Outstanding at the end of the year	**21.29**	**212.88**	**21.29**	**212.88**

c. The Company does not have any Holding Company or ultimate Holding Company. It has a wholly owned foreign subsidiary, Spin International Inc.

d. Details of Shareholders holding more than 5% of Shares in the Company

Particulars	Nos. (in lakhs)	As at 31.03. 2018 % Holding in the Class	Nos. (in lakhs)	As at 31.03. 2017 % Holding in the Class
Equity Shares of ₹10/- Each				
Nupur Carpets Private Limited	24.11	26.03%	24.11	26.03%
J J Exporters Beneficiary Trust	13.04	14.08%	13.04	14.08%
Akhilesh Jhunjhunwala Beneficiary Trust	7.63	8.23%	7.63	8.23%
Neha Jhunjhunwala	13.70	14.79%	13.70	14.79%

e. For the period of five years immediately preceding the date as at the Balance Sheet is prepared:
No Shares have been alloted as fully paid up pursuant to contract(s) without payment being received in cash.
No Shares have been alloted as fully paid up by way of Bonus Shares.
No Shares has been bought back by the Company.

Note : 12(b) OTHER EQUITY	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(a) Securities Premium	482.04	482.04	482.04
(b) Treasury Investment [Refer Note 25(2)]			
As per Last Balance Sheet	(58.80)	(68.96)	
Transferred to OCI	3.13	(10.17)	
Closing Balance	**(61.93)**	**(58.80)**	**(68.96)**
(c) Capital Reserve			
As per Last Balance Sheet	94.65	94.65	94.65
(d) Retained Earnings			
As per Last Balance Sheet	(4,249.88)	(2,834.86)	
Less: Prior Period Expenses	-	(0.48)	
Profit/(Loss) for the Year	(593.07)	(1,414.54)	
Closing Balance	**(4,842.94)**	**(4,249.88)**	**(2,834.86)**
(e) Foreign Currency Reserve			
Opening Balance	11.73	14.94	
Additions/(Deductions)	0.11	(3.21)	
Closing Balance	**11.84**	**11.73**	**14.94**
(f) Other Comprehensive Income			
As per Last Balance Sheet	(10.17)	-	-
Movement in OCI during the year	3.13	(10.17)	-
Closing Balance	(7.04)	(10.17)	-
Grand Total	**(4,323.39)**	**(3,730.42)**	**(2,312.20)**

NOTE 13 : FINANCIAL LIABILITIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(a) BORROWINGS			
Loans Repayable on demand (already called by Bank)			
• **From Bank**			
– Term Loan (Secured)	**1,782.11**	**2,904.66**	**2,537.25**
– Funding Interest Term Loan (Secured)	**798.35**	**798.35**	**713.59**
– Working Capital Term Loan (Secured)	**911.27**	**911.27**	**911.27**
– Cash Credit Facilities (Secured)	**359.41**	**814.48**	**846.68**
Bill Discounting - Foreign Currency	**67.63**	**67.63**	**67.63**
Total	**3,918.77**	**5,496.39**	**5,076.43**

i) Working capital facilities with Indian Overseas Bank is secured by first charge on Current Assets of the Company.

ii) As collateral security, Indian Overseas Bank has second pari passu charge on (i) Movable block assets of the company, (ii) Mortgage on Land and Building at Dodaballapur, Bangalore and (iii) Mortgage on Land and Building at Gangarampur, 24 Parganas (S), West Bengal.

iii) Further, Indian Overseas Bank (IOB) has pari passu first charge on Gangarampur movable fixed assets and land and buildings for ₹ 15.65 crores.

iv) Further, the working capital limits of Indian Overseas Bank is also secured by personal guarantee of two Directors of the company.

v) The said loan from the banks are subject to confirmation and reconciliation along with interest accrued and due.

vi) Rupee Term Loan with Industrial Development Bank of India Ltd (IDBI) has been secured as follows:

Purpose	Description of property
Retail Showroom	(i) Plant and machinery of Kolkata EOU on first Charge. (ii) Entire movable property (excluding current assets) of retail showroom on first charge basis. (iii) Stock of Raw Material, WIP and Finished goods of all units on second charge.
Dodaballapur	(i) First charge on Land and Building at Dodaballabpur. (ii) First charge on movable and immovable assets (except Stock) of J.J.Spectrum (unit of J J Exporter Ltd). (iii) First charge on movable and immovable assets (except Stock) of EOU at Kolkata.
Kolkata EOU	(i) Whole of movable properties (other than Stock) of the Company's unit situated at Gangarampur, EOU-I and EOU -II . (ii) Land measuring 40,000 sq. feet together with building thereon. Plant and machinery on first charge. (iii) Personal guarantee of a Director.

vii) The interest is provided by the Company at the rate of 15% p.a. on loan from Indian Overseas Bank (IOB)

viii) The loan from Industrial Development Bank of India (IDBI) (including interest thereon) amounting to ₹36.03 crores, has already been called back by the bank for repayment and loan from Indian Overseas Bank (IOB) to the extent of ₹ 28.44 crores (including interest thereon), subject to confirmation, was also called back by the bank for repayment. The above two banks had also served notice under section 13(2) of the Securitisation and Reconstruction of the Financial Assets and Enforcement of Security Interest Act, 2002. The Company has defaulted in the repayment of above loans.

The IDBI Bank Ltd. (IDBI), IDBI House, 44 Shakespeare Sarani, Kolkata-700017 vide its possession notice dated 14th July, 2017 and 27th July, 2017 had taken the possession of the Movable & Immovable assets situated at Mouza-Gangarampur, South 24 Paraganas, West Bengal & Dodaballapur, Bangalore, Karnataka, which were secured against Loan, so the Company has not provided depreciation on the said Fixed Assets and also interest on the loans taken from IDBI & Indian Overseas Bank (IOB) from the said possession date. Subsequently, The IDBI, vide its letter Reference No.IDBI/NMG/JJEL/2017-18/9785 dated 24th January, 2018 sold the secured assets of the Company at Gangarampur on 18th January, 2018 under the SARFAESI Act, 2002 for a consideration of ₹ 18.01 crores which has been apportioned between the IDBI and IOB at ₹ 12.35 crores and ₹ 4.63 crores respectively, net of expenses

Further the IDBI has charged ₹ 1.03 crores vide mail dated 29.05.2018 as expenditure incurred by the IDBI & IOB in the account and at the same time IOB also charged ₹ 0.07 crores for the payment to ECGC Ltd. The above two charges are included in the financial statements as “Bank charges”.

The above sale proceeds on account of Immovable & Movable properties which has been apportioned by the bank for Immovable property at ₹14.01 crores and for the Movable property at ₹4.00 crores The apportionment of sale proceeds between Land & Building and Movable assets has been made on the carrying amount of the assets in the Financial statements, as there is no item wise details of sale proceeds provided by the Banks. The Statutory Compliances if any, complied by the bank on account of the said transactions have not been confirmed.

The above loan excludes ₹ 0.17 crores, which is included in Other Payables. [Refer Note 14]

However, in the meantime the Board has decided in the meeting dated 30.05.2018 that as major portion of the Company's assets has been taken over by Bank and since operations at all units of the Company has also stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench.

Particulars	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
(b) TRADE PAYABLES			
Current			
Trade Payables			
Total Outstanding Dues to Micro and Small Enterprises *	-	-	-
Total Outstanding dues of Creditors other than Micro Enterprise & Small Enterprises*	113.66	84.91	123.43
Total	**113.66**	**84.91**	**123.43**

***There are no Micro, Small and Medium Enterprises to which the company owes dues as no parties claim to be registered as a Micro.**

Particulars	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (but within due date as per the MSMED Act).	NIL	NIL	NIL
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL	NIL
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	NIL	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	NIL	NIL	NIL
(c) OTHER FINANCIAL LIABILITIES			
Interest Accrued and Due on Borrowings	1,032.56	950.87	655.98
Payable to Employees*	49.01	18.98	39.32
Total	**1,081.57**	**969.84**	**695.30**

*As at 31.03.2018, Payable to Employees includes ₹ 45.94 lakhs on account of Gratuity for JJ Spectrum (unit of JJ Exporters Ltd.) in respect of which cheques were issued but were not accepted by the employees.

Note : 14 OTHER CURRENT LIABILITIES	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Advance from Customers	-	10.76	18.82
Statutory Dues			
– Provident Fund	0.14	1.26	2.24
– Employee State Insurance Fund	0.00	0.12	0.30
– Goods & Services Tax	0.65	-	-
– Tax Deducted At Source	0.77	1.57	1.55
– Professional Tax	0.00	0.01	0.05
– Value Added Tax	-	0.04	0.29
– Others	0.00	7.62	7.31
Other Payables	18.44	3.53	17.67
Total	**20.00**	**24.91**	**48.23**

Note : 15 SHORT TERM PROVISIONS	As at 31.03. 2018 (₹ in lakhs)	As at 31.03.2017 (₹ in lakhs)	As at 31.03.2016 (₹ in lakhs)
Provision for Employee Benefits			
– Provision for Gratuity	0.43	-	-
Total	**0.43**	**-**	**-**

Note : 16 REVENUE FROM OPERATIONS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
A) Revenue from Sale of Products*	569.43	1,141.26
Sub Total (A)	**569.43**	**1,141.26**
B) Other Operating Revenues		
Duty Drawback	0.75	28.09
Focus Product Incentive Scheme	13.71	17.21
Service Tax Refund Received	-	0.79
Sub Total (B)	**14.46**	**46.09**
Total (A + B)	**583.89**	**1,187.36**

*Revenue from Sale of products includes Retail Showroom Sales of ₹ 5.75 lakhs (Previous year ₹ 15.35 lakhs)

Note : 17 OTHER INCOME	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
(a) Interest Income		
– On Bank Deposit	0.42	0.84
(b) Other Non Operating Income		
– Short Term Gain on Sale Of Mutual Fund (Net)	2.21	6.18
– Profit From Sale of Property Plant & Equipment**	121.36	1.15
– Miscellaneous Receipt	8.93	6.69
(c) Other Gains & Losses		
– Net gain arising on Mutual Funds measured at FVTPL	0.35	3.58
Total	**133.27**	**18.44**

** For the Financial Year ended 31.03.2018, Profit on sale of Property, Plant and Equipment includes profit on sale under SARFAESI Act, 2002 ₹ 112.63 lakhs Refer Note 13(a).

Note : 18 COST OF MATERIALS CONSUMED & OTHER MANUFACTURING EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Raw Material Consumed*	30.78	145.15
Stores Consumed	0.06	0.90
Power & Fuel	6.06	24.92
Stitching, Embroidery and Designing Charges	3.70	24.70
Adjustment on account of Valuation of Raw Material, Stores and Spares	–	52.08
Carriage Inward	0.26	1.10
Total	**40.86**	**248.85**
*Raw Material Consumption		
- Fabrics	26.46	74.21
- Yarn	0.18	64.66
- Others	4.14	6.27
	30.78	145.15

Note : 19 PURCHASE OF TRADED GOODS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Purchase of Stock in Trade	333.54	600.51
Total	**333.54**	**600.51**

Note : 20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Stock at the Beginning of the Year		
Finished Goods	77.52	132.24
Work-in-Progress	18.79	33.94
Stock in Trade	272.54	195.68
Total	**368.85**	**361.87**
Stock at the End of the year		
Finished Goods*	41.76	77.52
Work-in-Progress	11.86	18.79
Stock in Trade	249.68	272.54
Total	**303.30**	**368.85**
Changes In Inventory of Finished Goods and Work In Progress	**65.55**	(6.99)
* Includes Stock in Trade of ₹ 11.98 lakhs (Previous year ₹ 14.86 lakhs)		

Note : 21 EMPLOYEE BENEFIT EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Salaries, Wages and Bonus* (Includes Director Remuneration)	155.82	298.20
Contribution to Provident Funds and Other Fund	8.66	14.70
Staff Welfare Expenses	2.12	6.95
Total	**166.60**	**319.86**
*Refer Note 25(8)		

Note : 22 FINANCE COSTS	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Interest		
(i) Interest cost on Financial Liabilities measured at amortized cost		
– on borrowings from banks [Refer Note 13(a) for the year ended 31.03.2018]	221.58	747.17
Total	**221.58**	**747.17**

Note : 23 DEPRECIATION & AMORTISATION EXPENSE	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Depreciation on Property, Plant & Equipment [Refer Note 13(a) for the year ended 31.03.2018]	84.48	284.34
Total	**84.48**	**284.34**

Note : 24 OTHER EXPENSES	For the year ended 31.03.2018 (₹ in lakhs)	For the year ended 31.03.2017 (₹ in lakhs)
Selling & Distribution Expenses*	6.20	43.67
Rates & Taxes	19.28	19.99
Repairs & Maintenance	-	
Repairs to Building	0.74	1.97
Repairs to Plant & Machinery	0.62	0.44
Repairs to Others Assets	1.57	4.10
Travelling Expenses	-	
Inland Travelling	1.58	3.45
Foreign Travelling	23.62	45.35
Auditors' Remuneration	-	
- Audit Fees	1.50	2.30
- Tax Audit Fees	-	-
- Certification Fees	-	-
- Other Services	-	-
- Reimbursement of expenses	-	0.07
Export Promotion Expenses	0.15	-
Commission & Brokerage	4.94	27.32
Electricity Charges	3.83	8.02
Rent	56.63	62.35
Printing & Stationery	1.12	3.34
Postage & Courier	18.31	21.47
Insurance	18.18	18.71
Professional, Legal & Consultancy	21.88	34.55
Director's Meeting Fees	0.60	0.55
Vehicle Maintenance	5.05	10.52
Trade Fair Expenses (Net)	-	10.13
Service Charge	1.32	4.21
Rebate and Discount	5.93	8.17
Net (Gain)/ Loss in Foreign currency transaction and translation	(2.23)	12.35
Bank Charges	121.59	16.59
Filing Fees	1.37	0.33
Sundry Balances written off (Net of Written back)***	49.17	28.77
Conveyance	0.92	3.78
Cost of stock of stores sold by Bank [Refer Note 13(a)]	9.13	-
Miscellaneous Expenses	23.85	33.12
Total	**396.85**	**425.60**

***Selling & Distribution Expenses includes-**	**For the year ended 31.03.2018 (₹ in lakhs)**	For the year ended **31.03.2017 (₹ in lakhs)**
Advertisement	-	2.17
Samples (Net) **	5.81	35.34
Packing Expenses	0.15	2.61
Freight & Delivery Charges	0.24	3.56
Total	**6.20**	**43.67**

** Realisation on account of samples Rs. 0.47 lakhs (PY ₹ 3.27 lakhs) from buyers has been credited to Sample Expenses Account.

***Sundry Balances Written off (Net of Written Back) includes:	**For the year ended 31.03.2018 (₹ in lakhs)**	For the year ended **31.03.2017 (₹ in lakhs)**
Bad Debts	-	5.29
Statutory Claims receivable Written Off	50.90	26.04
Others	3.89	0.36
Less: Credit Balances Written Back	(5.62)	(2.92)
Total	**49.17**	**28.77**

(₹ in lakhs)

15 Reconciliations

i. Equity as at 1st April, 2016 and 31st March, 2017

ii. Net Profit for the year ended 31st March, 2017

(i) Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Foot notes	As at 31st March, 2017			As at 1st April, 2016		
		Indian GAAP	Adjustment	Ind AS	Indian GAAP	Adjustment	Ind AS
Assets							
Non-Current Assets							
Property, Plant and Equipment		2,797.45	-	2,797.45	3,065.23	-	3,065.23
Capital Work in Progress		25.90	-	25.90	25.90	-	25.90
Financial Assets							
Investments	1	58.80	(58.80)	-	68.96	(68.96)	-
Other Non-Current Assets		9.94	-	9.94	14.25	-	14.25
Current Assets							
Inventories		397.39	-	397.39	460.22	-	460.22
Financial Assets							
Investments	2	70.15	3.79	73.94	121.10	4.09	125.18
Trade Receivables		76.35	-	76.35	264.55	-	264.55
Cash and Cash Equivalents		80.96	-	80.96	200.15	-	200.15
Bank Balances other than above		3.30	-	3.30	44.26	-	44.26
Others		3.17	-	3.17	15.24	-	15.24
Current Tax Assets (Net)		158.52		158.52	158.18	-	158.18
Other Current Assets		144.93		144.93	184.24	-	184.24
Total Assets		3,826.87	(55.01)	3,771.86	4,622.29	(64.88)	4,557.41
Equity							
Equity Share Capital		926.23	-	926.23	926.23	-	926.23
Other Equity							
Capital Reserve		94.65	-	94.65	94.65	-	94.65
Securities Premium		482.04	-	482.04	482.04	-	482.04
Treasury Investment	1	-	(58.80)	(58.80)	-	(68.96)	(68.96)
FVTOCI Reserve	1	-	(10.17)	(10.17)	-		-
Retained Earnings		(4,252.21)	2.34	(4,249.88)	(2,824.08)	(10.78)	(2,834.86)
Foreign Currency Reserve	3	0.11	11.62	11.73	0.07	14.87	14.94
Total Equity		(2,749.19)	(55.01)	(2,804.20)	(1,321.10)	(64.88)	(1,385.97)
Current Liabilities							
Financial Liabilities							
Borrowings		5,496.39		5,496.39	5,076.43	-	5,076.43
Trade Payables		84.91		84.91	123.43		123.43
Other Financial Liabilities		969.84	-	969.84	695.30	-	695.30
Other Current Liabilities		24.91	-	24.91	48.23	-	48.23
Total Liabilities		6,576.06	-	6,576.06	5,943.38	-	5,943.38
Total Equity and Liabilities		3,826.87	(55.01)	3,771.86	4,622.29	(64.88)	4,557.41

Note:

1 **Investments at fair value through OCI (FVTOCI)**

Under Indian GAAP the Company accounted for investments in unquoted equity shares as investments measured at cost less provision for other than temporary dimunition in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI investments. At the date of transition to Ind AS (1st April, 2016) and as on 31st March, 2017, difference between the instrument's fair value and Indian GAAP carrying amount has been recognised in OCI Reserves and other comprehensive income respectively.

The Treasury shares of JJ Exporters Ltd (held by JJ Exporters Beneficiary Trust) has been regrouped from Non-Current Investments to Other Equity.

2 Under Indian GAAP the Company accounted for unquoted investments and mutual funds as investments measured at cost. Under Ind AS, the Company has designated investment in mutual funds as FVTPL investments. At the date of transition to Ind AS (1st April, 2016) and as on 31st March, 2017, difference between the instrument's fair value and Indian GAAP carrying amount has been recognised in Statement of Profit and Loss.

3. Net gain/loss on foreign currency transaction and translations is regrouped under Other Equity.

(₹ in lakhs)

(ii) Reconciliation of Statement of Profit & Loss for the year ended 31st March, 2017

	Particulars	Foot notes	Indian GAAP	Adjustments	Ind AS
I	Revenue from Operations (Gross)		1,187.36	-	1,187.36
II	Other Income	1	18.74	(0.30)	18.44
III	Total Revenue (I+II)		1,206.09	(0.30)	1,205.79
IV	**EXPENSES**				
	Cost of Materials Consumed		248.85	-	248.85
	Purchase of Stock in Trade		600.51	-	600.51
	Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress		(6.98)	(0.00)	(6.99)
	Employee Benefit Expenses		319.86	0.00	319.86
	Finance Costs		747.17	-	747.17
	Depreciation and Amortization Expense		284.34	-	284.34
	Other Expenses	2,3	439.01	(13.41)	425.60
	Total Expenses		2,632.76	(13.42)	2,619.34
V	**Profit / (Loss) Before Tax (III-IV)**		(1,426.66)	-	(1,413.55)
VI	Tax Expense		0.99	-	0.99
VII	**Profit / (Loss) for the year (V-VI)**		(1,427.65)		(1,414.54)
VII	**Other Comprehensive Income (OCI)**				
	Other Comprehensive Income not to be reclassified to profit/loss in subsequent periods -	3	-	**(10.17)**	**(10.17)**
	Net Gain / (Loss) on FVTOCI Investments		-	(10.17)	(10.17)
	Income Tax Effect on above		-	-	-
	Other Comprehensive Income for the year, net of tax - (VIII)		**-**	**(10.17)**	**(10.17)**
	Total Comprehensive Income for the year - [(VII) + (VIII)]		(1,427.65)		(1,424.71)

Note:

1 **Investments at fair value through OCI (FVTOCI)**

Under Indian GAAP the Company accounted for gain/loss on sale of current investments (mutual funds) at sale proceeds less cost of purchase. Under Ind AS, the Company has calculated gain/loss as NAV as on the dale of sale less NAV as on the first day of the financial year (1st April, 2016).

2 Net gain/loss on foreign currency transaction and translations is regrouped under Other Equity.

3 Under Indian GAAP, the fall in market value of treasury shares of JJ Exporters Ltd (held by JJ Exporters Beneficiary Trust) was accounted for by creating a provision for diminution in value of investment as on the reporting date. Under Ind AS, the Company has designated the investment as FVTOCI, and any gain/loss on its fair value measurement is recorded under Other Comprehensive Income (OCI).

Note 25 : Notes forming part of the Consolidated Financial Statements for the Year Ended 31st March, 2018

(₹ in lakhs)

	Particulars	31.03.2018	31.03.2017
1	**Contingent Liabilities not provided for :**	₹	₹
a)	Letters of Guarantee	–	0.65
b)	Income Tax pending in appeals*	941.63	941.63
c)	Sales tax claim under Appeal (For this, management expects no liability)**	27.95	27.95
d)	Excise & Custom Duty and Service tax Demand (includes ₹48.40 lakhs (previous year ₹ 155.55 lakhs) penalty on Custom Duty)***	118.24	364.29

*

Assessment Year	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
1998-1999	0.80	0.80
2003-2004	1.63	1.63
2005-2006	52.51	52.51
2008-2009	458.68	458.68
2009-2010	424.07	424.07
2010-2011	3.28	3.28
2011-2012	0.62	0.62
2012-2013	0.04	0.04

**

Assessment Year	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
2008-09	1.15	1.15
2009-10	1.04	1.04
2010-11	25.76	25.76

***

Particulars	Amount 31.03.2018 (₹)	Amount 31.03.2017 (₹)
Custom Duty (including penalty of ₹ 48.40 lakhs) (2009-10 to 2012-13)	93.17	93.17
Service Tax (2006-07)	2.56	2.56
Service Tax (2007-08)	3.27	3.27
Service Tax (2006-07)	3.34	3.34
Service Tax (2007-08)	0.91	0.91
Service Tax (2007-08)	2.67	2.67
Service Tax (2008-09 to 2011-12)	2.83	2.83
Service Tax (2009-10)	0.52	0.52
Service Tax (2006-07 & 2007-08)	6.95	6.95
Service Tax (2007-08)	2.02	2.02
Custom Duty [including Fines and Penalty NIL (Previous Year ₹ 107.15)]	-	246.05

2 In respect of the Equity shares of erstwhile J.J. Spectrum Silks Ltd. held by the company (hereinafter referred to as the transferee company), 13.04 lakhs shares have been issued by the transferee company in terms of scheme, to the board of trustees to have and to hold such shares in trust exclusively for the benefit of the transferee company and deal with the same as they deem fit.

The above shares have been valued at cost. The said shares, being long term in nature, no provision for diminution in value has been done in earlier years. However, as per prudence and in view of the Financial Position, the company has made a provision of ₹ 300.00 towards dimunition in the year 2013-14 and ₹ 442.04 lakhs towards diminution in the year 2015-16 and a further provision of ₹ 10.17 lakhs towards diminution in the year 2016-17 which, according to the management, is appropriate, out of which ₹ 3.13 lakhs has been reversed during the financial year 2017-18. The net value of the above investment is transferred to Other Equity as Treasury Investment.

3 As the Group's business activities falls mainly within a single primary business segment viz. Dealing in Textile Goods, so disclosure of Ind AS 108, " Operating Segments ", as prescribed under section 133 of the Companies Act, 2013 (“the Act”), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 is not required.

4 Related Party Disclosure in accordance with Ind AS 24, Related Party Disclosures, as prescribed under section 133 of the Companies Act, 2013 (“the Act”), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

Name of the Related Party	**Relationship**
a) Where Common Control Exist	
i) Nupur Carpets Private Limited	Company having Substantial Interest
b) Key Managerial Personnel	
i) Sri S. N. Jhunjhunwala	Executive-Chairman (Non-Executive Chairman w.e.f 01.04.2018)
ii) Sri Rajiv Jhunjhunwala	Vice-Chairman
iii) Sri A.B. Chaturvedi (resigned w.e.f. 01.09.2017)	Whole Time Director
iv) Shruti Murarka	Company Secretary
c) Relative of Key Managerial Personnel	
i) Mrs. Kavita Jhunjhunwala	Wife of Mr. Rajiv Jhunjhunwala, Vice-Chairman
ii) Ms. Neha Jhunjhunwala	Daughter of Mr. Rajiv Jhunjhunwala, Vice-Chairman

Nature of Transaction	31.03.2018		31.03.2017	
	In Respect of	In Respect of	In Respect of	In Respect of
	(a) & (b) above (₹ in lakhs)	(c) above (₹ in lakhs)	(a) & (b) above (₹ in lakhs)	(c) above (₹ in lakhs)
Remuneration Paid	23.41	-	23.01	3.00

5 The Net Worth of the Holding Company has fully eroded.

However, the accounts of the company have been prepared on going concern basis.
In the meantime, the Board has decided in its meeting held on 30.05.2018 that as major portion of the Holding Company's assets has been taken over by the Bank and since operations at all units of the Company has also been stopped and the Company did not have any commercial activity, the continuance of the corporate existence of the Company was no longer feasible. Thus, the Board decided that the Company be wound up under the provisions of Section 271(a) of the Companies Act, 2013 subject to approval of Members by Postal Ballot and National Company Law Tribunal, Kolkata Bench.

6 **Earning per Share (after tax) :-** Disclosure in accordance with Ind AS 33, "Earnings Per Share", prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

	Particulars	**2017-18** (₹ in lakhs)	2016-17 (₹ in lakhs)
i)	Net Profit/(Loss) after Tax available for Equity Shareholders	(593.07)	(1,414.54)
ii)	Weighted average Number of Equity Shares of ₹10/- each outstanding at the end of the year	92.62	92.62
iii)	Basic/ Diluted Earning Per Share (i/ii)	(6.40)	(15.27)

7 As a matter of prudence, no deferred tax assets has been recognised in the accounts, in accordance with Ind AS 12, "Income Taxes", as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and other accounting principles generally accepted in India.

8 **Whole-time Director's Remuneration :**

	Particulars	**31.03.2018** (₹ in lakhs)	31.03.2017 (₹ in lakhs)
a)	Salaries & Bonus	15.40	19.32
b)	Contribution to P.F. and other funds	1.85	2.32
c)	Other perquisites	1.10	0.91
d)	Gratuity	1.62	–
	Total	19.96	22.55

9 Loans and advances include ₹ 0.26 lakhs (Previous Year amounting to ₹ 0.15 lakhs) balance lying with Central Excise department.

10 Land measuring about 2.07 acres duly conveyed in the name of one of the units of the company by the State Government has been disputed by the original owner and the matter was subjudice. However, possession was taken by IDBI Bank and subsequently sold. Refer Note 13(a).

11 There is no amount due to be credited to Investors Education & Protection Fund as on 31st March, 2018.

12 As the number of employees is below the threshold limit specified in the Payment of Gratuity Act, 1972, gratuity provision is not made in accordance with actuarial valuation, and after considering the matters stated in Note 25(5), the actuarial gain/loss is not considered in OCI in the financial statements, including transitional period.

13 The Investment in National Savings Certificate amounting to ₹ 0.12 lakhs is yet to be traced.

For **Lihala & Co.**
Chartered Acccountants
(Firm ICAI Regd. No. 315052E)

Priyam Dalmiya
Partner
Membership No. 303794
Place : 11, Crooked Lane,
Kolkata - 700 069
Date : 30th May, 2018

For and on Behalf of the Board of Directors

S. N. Jhunjhunwala — *Chairman*
Rajiv Jhunjhunwala — *Vice Chairman*
H. S. Senapati — *Director*
Rahul Singhi — *Director*
Dipali Sharma — *Director*
Shruti Murarka — *Company Secretary*

Notes

Notes

Notes

BOOK POST

If undelivered, please return to :

jj exporters ltd.

64, Bright Street,
Kolkata - 700 019
Phone : (033) 2283 2329
Email: jjemail@vsnl.com, Website: www.jjexporters.com
CIN : L17112WB1972PLC028631

Printed at Impressive Air House, www.impressiveairhouse.com