

30TH ANNUAL REPORT 2017-18

JATTASHANKAR INDUSTRIES LIMITED

(Formerly known as Jatta Poly-yarn Limited)

CIN: L17110MH1988PLC048451

Corporate Information:**Board of Directors:**

Mr. Jattashankar Poddar

Dr. Sharad Poddar

Mrs. Seema Poddar

Mr. Ankur Poddar*

Mr. Sandeepkumar Modi

Mr. Udit Master

*Appointed as Additional Director w.e.f 14th Aug. 2018

-Chairman & Managing Director

-Whole-time Director

-Non Executive Woman Director

-Director & Chief Financial Officer

-Independent Director

-Independent Director

Company Secretary

Mrs. Swati Gupta

Appointed as Company Secretary w.e.f 28th June 2018

Statutory Auditors

M/s K.K. Jhunjhunwala & Co.

Chartered Accountants

Registered Office:

11, Parasrampur Apartment, Filmcity Road,

Opp. Bank of India, Gokuldham, Goregoan (East)

Mumbai- 400 063

Tel. - 28414262/64/66

Email- jattashankarind@yahoo.com Website: www.jsil.in

Works:

77/78 Piparia Industrial Estate,

Dadra & Nagar Haveli, Silvassa, Union Territory

Registrar & Transfer Agents:

Sharex Dynamic (India) Pvt. Ltd.

Unit 1, Luthra Industrial Premises, Safed Pool,

Andheri Kurla Road, Andheri (East),

Mumbai- 400 072

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NOTICE

NOTICE is hereby given that 30th Annual General Meeting of Jattashankar Industries Limited will be held on Saturday, 22nd September, 2018 at 9.30 a.m. at 11, Parasrampuria Apartment, Filmcity Road, Gokuldham, Goregoan (East), Mumbai- 400 063 to transact following business.

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Seema Poddar (DIN: 07157093), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. K.K. Jhunjunwala & Co., Chartered Accountants, Mumbai (Firm Registration No. 111852W), as Statutory Auditors of the Company, who were appointed for 5 years at the 29th AGM of the Company held on 16th September, 2017, to hold office for its remaining tenure of 4 years viz. until the conclusion of the 34th AGM of the Company to be held in the year 2022, at such remuneration and out of pocket expenses, as may be mutually decided between the Board of Directors of the Company and the Statutory Auditor.”

Special Business

4. To re-appoint Mr. Jattashankar Poddar (DIN: 00335747), as Managing Director of the Company and in this regard to consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of Board of Directors and subject to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof, consent of the members of the company be and is hereby accorded for the re-appointment of Mr. Jattashankar Poddar as Managing Director of the Company for a period of 3 (Three) years with effect from 01/10/2018 upto 30/09/2021 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Jattashankar Poddar.”

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013.

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.

5. To re-appoint Dr. Sharad Poddar (DIN: 00335806), as Whole time Director of the Company, and in this regard to consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of Board of Directors and subject to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof, consent of the members of the company be and is hereby accorded for the re-appointment of Dr. Sharad Poddar as Whole Time Director of the Company for a period of 3 (Three) years with effect from 01/10/2018 upto 30/09/2021 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting which is hereby approved

and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Dr. Sharad Poddar.”

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the Whole Time Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013.

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.

6. To appoint Mr. Ankur Poddar (DIN: 03102299), Additional Director, as a Director, and in this regard, to consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or reenactment(s) thereof, for the time being in force] and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ankur Poddar (DIN: 03102299), who, on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (Executive) by the Board of Directors of the Company, be and is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation.

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

7. Approval of Material Related Party Transaction(s) with Sunrise Colours Limited

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Amendment Rules, 2017 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), approval of the Company be and is hereby accorded to the Board of Directors, to ratify all existing contracts/ transactions and to enter in to new or further contracts/transactions (including any modifications, alterations thereto), in the ordinary course of business and on arm’s length basis with Sunrise Colours Limited a ‘Related Party’ as defined under Section 2 (76) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 based on the omnibus approval of the Audit Committee and on such other terms and conditions as may be mutually agreed upon between the Company and Sunrise Colours Limited.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things , settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company.”

By Oder of the Board
For Jattashankar Industries Limited

Swati Gupta
Company Secretary
A16939

Date: 14/08/2018
Place: Mumbai

Registered Office: 11, Parasrampur Apts,
Filmcity Road, Gokuldhama, Goregoan (East)
Mumbai- 400 063

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY.

A person can act as proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing proxies should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 of the Companies Act, 2013 with respect to item nos. 4, 5, 6 & 7 of the Notice is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2018 to 22nd September, 2018. (Both days inclusive).
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. along with their copy of Annual Report to the meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Members are requested to intimate any change in their address to the Registrar and Transfer Agent of the company.
7. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in Physical form can submit their PAN details to the RTA i.e Sharex Dynamic (India) Pvt Ltd. or to the Company.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, except Saturdays during 10.00 am to 01.00 p.m. upto the date of the Meeting.
9. Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically.
10. Brief resume of Directors/persons proposed to be appointed/re-appointed, as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards issued by The Institute of Company Secretaries of India is provided after the explanatory statement to this notice.
11. **Voting through Electronic Means (Remote e-Voting)**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:**How to log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares, I.e Demat (NSDL or CDSL) or Physical | Your User ID Is |
|---|---|
| a) For Members who hold shares in demat account with NSDL | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered fore-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’ you need enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment, i.e., a.pdf” file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’:
 - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the” Initial password” or have forgotten your password:
- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDI or CDSI) option available on www.evoting.nsdL.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “**Terms and Conditions**” by selecting on the check box.
8. Now, you will have to click on “login” button.
9. After you click on the “login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDI e-Voting system?

- 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, dick on Active Voting Cycles.
- 2. After click on Active Voting Cycles, you will be able to see all the Companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- 3. Select “EVEN” of Company for which you wish to cast your vote.
- 4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc., with attested specimen signature of the duly authorized signatory (ies), who are authorized to vote, to the Scrutinizer by e-mail to agarwalkala@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQ.s) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- 12 The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off Date, i.e., 15th September, 2018.
- 13 Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15th September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- 14 A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- 15 A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- 16 Ms. Kala Agarwal, Practicing Company Secretary, (FCS no. 5356) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 17 The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 18 The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 19 The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jsil.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Place: Mumbai
Date: 14/08/2018

By Oder of the Board
For Jattashankar Industries Limited

Swati Gupta
Company Secretary
A16939

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 (1) of the Companies Act, 2013

Item No 4 & 5:

Subject to the approval of the shareholders of the Company, the Board of Directors at its meeting held on 14th August, 2018 re-appointed Mr. Jattashankar Poddar (holding DIN 00335747) as Managing Director and Dr. Sharad Poddar (holding DIN 00335806) as Whole-time Director of the Company with effect from October 1, 2018 for a period of three years on the basis of recommendation of Nomination & Remuneration Committee.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

A brief profile of Mr. Jattashankar Poddar and Dr. Sharad Poddar, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is provided as part of the Notice.

The proposed remuneration and terms and conditions of appointment of Mr. Jattashankar Poddar and Dr. Sharad Poddar are as given below:

a. Term of appointment: - Three years with effect from October 1, 2018.

b. Remuneration : Rs. 60,00,000 P.A including salary, perquisites and commission

The Managing Director and Whole-time Director shall perform their duties subject to the superintendence, control and direction of the Board of Directors of the Company.

In respect of Resolution 4, except Mr. Jattashankar Poddar (the appointee), Dr. Sharad Poddar, being relative of the appointee, and in respect of Resolution 5, except Dr. Sharad Poddar (the appointee), Mr Jattashankat Poddar, Mrs Seema Poddar and Mr. Ankur Poddar (being relatives of the appointee), none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in these Resolutions.

The Directors are of the view that the appointment of Mr. Jattashankar Poddar and Dr. Sharad Poddar as the Managing Director and Whole Time Director respectively will be beneficial to the operations of the Company and the remuneration payable to them is commensurate with their abilities and experience and accordingly the Board commend the Resolutions at Item No. 4 and 5 of the accompanying notice for approval by the shareholders of the Company

The following additional detailed information as per Section – II of Schedule V is as follows:

I. GENERAL INFORMATION:

1. Nature of Industry: Jattashankar Industries Limited (the Company”) is into Textile Industry.

2. Date or expected date of commencement of commercial production: March 1989

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial Performance based on given indicators:

| SNO | Particulars | 2017-2018 (Rs. In Lacs) | 2016-2017 (Rs. In Lacs) | 2015-2016 (Rs. In Lacs) |
|-----|-------------------------------|----------------------------|----------------------------|----------------------------|
| 1. | Gross Income | 2723.07 | 3804.75 | 3593.56 |
| 2. | Profit before tax | 268.21 | 256.53 | 234.57 |
| 3. | Profit after tax | 200.20 | 175.69 | 220.88 |
| 4. | Dividend paid (including tax) | - | - | - |
| 5. | Rate of dividend % | - | - | - |

5 Foreign Investments or collaborations, if any: Nil

II. Information about the appointees:

| Name of the Director | Mr. Jattashankar Poddar | Dr. Sharad Poddar |
|--|---|------------------------------------|
| Date of Birth | 4 th Mar 1962 | 21 st May 1965 |
| Qualifications | Graduate in Commerce from Bombay University. | M.B.B.S from Rajasthan University. |
| Nature of expertise in Specific functional areas | Policy Planning, Marketing & Business Development | Operations, Purchase & Finance. |

| | | |
|---|---|--|
| Brief Resume | <p>Mr. Jattashankar Poddar is associated with the Company since inception as an Executive Director and has experience of more than 30 years in his credit.</p> <p>He is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.</p> <p>He has been responsible for overall development and policy planning of the Company. Further, he has been instrumental in developing new markets for the Company and has a great vision for future of textile industry.</p> | <p>Dr. Sharad Poddar is one of the promoter of the Company. He has been primarily responsible for erecting and commissioning of the Company's plant at Silvassa.</p> <p>He is the Whole time Director of the Company and looks after the overall affairs of the Company and plays an imperative role in the progress of the Company. He has knowledge of latest technology and advancement in manufacturing operations</p> <p>Looking at the exposure, experience and responsibilities shouldered by him, he is suitable for the position.</p> |
| Remuneration last drawn (including sitting fees, if any) | Rs.60,00,000/- p.a. | Rs.60,00,000/- p.a. |
| Remuneration proposed to be paid | Rs.60,00,000/- p.a. | Rs.60,00,000/- p.a. |
| Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | Considering the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Jattashankar Poddar and Dr. Sharad Poddar, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies. | |
| Shareholding in the Company as on March 31, 2018 | 1421100 | 1420100 |
| Relationship with other Directors/ Key Managerial Personnel | Mr. Jattashankar Poddar is related to Mr. Shard Poddar | Mr. Sharad Poddar is related to Mr. Jattashankar Poddar, Mrs. Seema Poddar and Mr. Ankur Poddar. |

III. Other Information:

- (1) Reasons of loss or inadequate profits: Because of market competition and higher overhead cost.
- (2) Steps taken or proposed to be taken for improvement:

The Company has taken the following steps to negate the adverse impact in the coming years –

- i) Improvement in Productivity
- ii) Higher capacity utilization & value added by-products
- iii) Increase in realization of various products.

With steps taken by the management, now the Company has started making profits and expected to improve further.

- (3) Expected increase in productivity and profits in measurable terms: Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by 10-15%.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report under the heading **Remuneration of Directors and Key Managerial Personnel** for the year ended March 31, 2018.

Item No 6

Mr. Ankur Poddar joined the Board of Directors of the Company on August 14, 2018 as Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013. Pursuant to the provision of Section 161 of The Companies Act, 2013, Mr. Ankur Poddar will hold office up to the date of ensuing Annual General Meeting.

The resolution seeks the approval of members for the appointment of Mr. Ankur Poddar (DIN: 03102299) as Director (Executive) liable to retire by rotation

The Company has received from Mr. Ankur Poddar (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rule, 2014 (ii) intimation in DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rule, 2014 to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.

Except Mr. Ankur Poddar(appointee), Mr. Sharad Poddar, and Mrs. Seema Poddar, (being relatives of Mr. Ankur Poddar), none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 6.

Item No. 7

Pursuant to the first proviso to Section 188 of the Companies Act, 2013 (“the Act”) read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 (“Rules”) along with amendments thereto, prior approval of the members by way of ordinary resolution is not required in respect of transactions which are in the ordinary course of business and on arm’s length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), approval of the members through ordinary resolution is required for all material related party transactions, even if they are entered into in the ordinary course of business and on arm’s length basis. However the compliance with Regulation 23 is not applicable in respect of listed entity having paid up equity share capital not exceeding Rupees Ten Crore and Net Worth not exceeding Rupess Twenty Five Crore as on the last day of the previous financial year.

The Company has existing transactions with Sunrise Colours Limited which is in the ordinary course of business and at arm’s length basis. The estimated value of new transactions from financial year 2018-19 onwards is likely to exceed 10% of the annual consolidated turnover of the Company, based on the audited financial statements for year ended March 31, 2018.

Your Company is currently engaged in manufacturing and selling of Grey and covered Yarn.

Sunrise Colours Limited is engaged in the business of Dyeing Grey Yarn and manufacturing Narrow Woven Fabrics, which requires continueos supply of Texturized and Twisted Grey yarn and covered yarn and your Company is an appropriate supplier of required goods for Sunrise Colours Limited.

The particulars of the Transaction(s)/Contract with Sunrise Colours Limited are as under:

| Particulars | Information |
|--|--|
| Name of the Related Party | Sunrise Colours Limited |
| Name of the Director/KMP who is related | Mr. Jattashankar Poddar Mr. Sharad Poddar Mr. Ankur Poddar Mrs. Seema Poddar |
| Nature of Relationship | Your Company and Sunrise Colours Limited are related party as defined under Section 2(76) of the Companies Act, 2013. |
| Nature, material terms, monetary value and particulars of the contract/transactions | Supply of Grey and covered yarn at the arm’s length basis On the terms and conditions as mutually agreed upon by and between the parties to the Agreement |
| Duration of these Related Party Transactions | These transactions are on-going depending upon the needs of the business. |
| Any other information relevant or important for the members to take decision on proposed resolution | As disclosed in the aforesaid paragraph |

The Board is in opinion that the transactions with Sunrise Colours Limited is in the best interest of the Company.

The transactions as described above may exceed the materiality threshold as prescribed under Regulation 23 of the Listing Regulations. Thus, these transactions would require the approval of the Members by way of ordinary resolution.

The Audit Committee has reviewed and approved the transaction as set out herein.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, except Mr. Jattashankar Poddar (Managing Director) and Mr. Sharad Poddar (Whole-Time Director), who are directors on the Board of Sunrise Colours limited.

The Board commends the Ordinary Resolution as set out in Item No. 7 of this Notice for your approval.

Place: Mumbai
Date: 14/08/2018

By Order of the Board
For Jattashankar Industries Limited

Swati Gupta
Company Secretary
A16939

ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment / Re-appointment at the forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015)

(As on March 31, 2018)

| Name | Mrs. Seema Poddar | Mr. Jattashankar Poddar | Dr. Sharad Poddar | Mr. Ankur Poddar |
|---|--|---|---|--|
| Date of Birth | 4 th Nov 1969 | 4 th Mar 1962 | 21 st May 1965 | 14 th Feb 1992 |
| Date of Appointment | 24 th April 2015 | 1 st Oct 2014 | 1 st Oct 2014 | 14 th Aug 2018 |
| Experience in Specific Functional Area | Administration & Human Resource Development | Planning & Analysis, Budgeting, Marketing etc. | Production, Procurement, Operations etc | Financial Management & Business Analysis |
| Qualification | B. Com | B. Com | M.B.B.S. | B.Com(Hons) & MBA – Finance |
| Relationship with other Directors | Relative of Dr. Sharad Poddar & Mr. Ankur Poddar | Relative of Dr. Sharad Poddar | Relative of Mr. Jattashankar Poddar, Mrs. Seema Poddar & Mr. Ankur Poddar | Relative of Dr. Sharad Poddar & Mrs. Seema Poddar |
| Directorship in other Companies | - | <ul style="list-style-type: none"> • Sunrise Colours Limited • Madhusudan Enterprises Private Limited | <ul style="list-style-type: none"> • Sunrise Colours Limited • Madhusudan Enterprises Private Limited | <ul style="list-style-type: none"> • Easylegal Solutioin Private Limite |
| Chairman/ Member in the Committees of the Boards of other Companies | - | - | - | - |
| No. of Shares held in the Company | 111700 | 1421100 | 1420100 | - |

BOARD'S REPORT

To,
The Members,
Jattashankar Industries Limited

The Directors of your Company have pleasure in presenting their 30th Annual Report together with Audited accounts of the Company for the year ended March 31, 2018.

Financial Results

The Company's financial performance for the year under review along with previous year's figures are give hereunder:

| Particulars | Year ended 31st March, 2018 (Rs In Lakhs) | Year ended 31st March, 2017 (Rs. In Lakhs) |
|---|--|---|
| Revenue from Operation | 2660.87 | 3781.94 |
| Other Income | 62.20 | 22.81 |
| Profit Before Exceptional and Extraordinary Items and Tax | 268.21 | 256.53 |
| Profit Before Tax | 268.21 | 256.53 |
| Taxes | 68.01 | 80.84 |
| Profit After Tax | 200.20 | 175.69 |
| Brought forward profit /(losses) | 69.46 | (106.23) |
| Carried forward profit | 269.66 | 69.46 |

Review of Operations

During the year under review, Textile industry was afflicted with series of macro level challenges leading to all round under performance. Demonetization as well as the introduction of Goods and Services Tax (GST) from 1st July, 2017 adversely affected the overall profitability in the Financial Year 2017-18.

However, despite the difficult market conditions, your Company has managed to achieve reasonably good performance during the year.

The Company's turnover for the Financial Year 2017-18 was Rs. 26.61 crore as against Rs. 37.82 crore in the previous year. The profit after tax is Rs. 2.00 crore as against Rs. 1.76 crore in the previous year.

There is no change in nature of business of the Company during the Financial Year under review.

Overall performance for the year is considered to be satisfactory under given circumstances.

Dividend

Your Directors regret their inability to recommend dividend in order to conserve resources for future growth of the Company.

Share Capital

There was no change in the Company's share capital during the year under review. The Company's paid up equity share capital as on March 31, 2018 remained at Rs. 43,871,000/- comprising of 4,387,100 equity shares of Rs. 10/- each.

The Company has not bought back any securities or issued any Sweat Equity shares or bonus shares or provided any stock option scheme to employees during the year under review.

Number of Meetings of the Board

During the year four Board Meetings were convened and held. The details are given below. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

| Sr. No. | Date of Board Meeting | Total Strength of the Board | No. of Directors Present |
|----------------|------------------------------|------------------------------------|---------------------------------|
| 1. | 30 May, 2017 | 6 | 6 |
| 2. | 14 August, 2017 | 6 | 6 |
| 3. | 14 November, 2017 | 6 | 6 |
| 4. | 14 February, 2018 | 5 | 5 |

Directors and Key Managerial Personnel

The Composition and category of Directors on Board and other KMP's of the Company during the financial year 2017-18 are as follows:

| Name of Director/KMP | Designation | Date of Appointment | DIN/PAN |
|-------------------------|-----------------------|---------------------|------------|
| Jattashankar Poddar | Managing Director | 01/10/2014 | 00335747 |
| Sharad Poddar | Wholetime Director | 01/10/2014 | 00335806 |
| Sandeepkumar Modi | Director | 31/05/2001 | 02420276 |
| Udit Sanatkumar Master | Director | 02/09/2002 | 02424071 |
| Seema Sharad Poddar | Director | 24/04/2015 | 07157093 |
| Richa Sushil Choudhary* | Director | 15/07/2015 | 07218765 |
| Ankur Sharad Poddar | Chief Finance Officer | 25/03/2017 | ATWPP0457F |
| Pradeep Kumar Vyas** | Company Secretary | 30/05/2016 | CSUPK1798M |

*Ms. Richa Sushil Choudhry ceased to act as Director of the Company w.e.f 14th November, 2017.

**Mr. Pradeep Kumar Vyas ceased to act as Company Secretary of the Company w.e.f 15th February, 2018.

***Mrs. Swati Gupta was appointed as Company Secretary of the Company w.e.f 28th June 2018.

Mrs. Seema Poddar, Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 14th August, 2018, has appointed Mr. Ankur Sharad Poddar as an Additional Director of the Company.

Declaration by Independent Directors

Declaration given by Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is received and taken on record.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an annual performance evaluation, in the specified manner, of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholder Relationship Committee and Compliance Committees.

Committees of the board**Audit Committee**

The Audit committee comprises Independent Directors namely Mr. Udit Master, Mr. Sandeep Kumar Modi, and Executive Director Mr. Jattashankar Poddar, Managing Director. During the year ended March 31, 2018, four audit committee meetings were held on 30th May, 2017, 14th August, 2017, 14th November, 2018 and 14th February, 2018.

Nomination & Remuneration Committee & Policy

In compliance with section 178 of the Act and of the Listing Agreement the Board has constituted "Nomination and Remuneration Committee" which comprises executive Directors namely Mrs. Seema Poddar (Chairperson), Non Executive Directors Mr. Udit Master and Mr. Sandeep Kumar modi as members. During the year under review two meetings of the Committee has been held on 14th August, 2017 and 14th February, 2018.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & remuneration Policy is available on the website of the Company.

Risk Management Committee & Policy

The Company has formed a business risk management committee consisting of Mr. Jattashankar Poddar (Chairman), Mr. Udit Master Member, Mr. Sandeepkumar Modi, Mr. Sharad Poddar as members of the Committee.

During the year of review, company engaged in the process of Risk Management and evaluate the elements of business risk. The risk management framework defines the risk management approach of the company and includes periodic review of such and also documentation, mitigating controls and reporting mechanism of risk.

Stakeholders Relationship Committee

This Committee comprises of Mrs. Seema Poddar (Chairperson), Mr. Udit Master and Mr. Jattashankar Poddar as members. During the year ended 31st March, 2018, Stakeholders Relationship Committee had four meetings, which were held on 30 May, 2017, 14th August, 2017, 14th November, 2017 and 14th February, 2018 respectively. The Company during the year had received two complaints which were resolved and there were no pending complaints as on March 31, 2018.

Independent Directors Meeting

During the year under review, the Independent Directors met on 24 March, 2018, inter-alia, to discuss:

- Evaluation of the performance of Non independent Directors & the Board of Directors as whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the board that is necessary for the board to effectively & reasonably perform its duties.

Performance Evaluation

Formal Annual evaluation has been made by the Board of its own Performance and that of its Committees & Individual Directors during the meeting of Board of Directors and by common discussion with concerned persons.

Vigil Mechanism

In pursuant to the provisions of Section 177(9) & 177 (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism policy was adopted by the board of Directors on 30th May, 2014. This policy is available on the website of the Company at www.jsil.in

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 the directors would like to state that:-

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- (c) The directors have 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 have prepared the annual accounts on a going concern basis.
- (e) The directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as **Annexure-2**

Auditors

M/s. K.K. Jhunjunwala & Co., Chartered Accountants have been appointed as the Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 29th Annual General Meeting held on 16th September, 2017 until the conclusion of the 34th Annual General Meeting subject to ratification of their appointment by the members at every Annual General Meeting during the remaining term. Accordingly, being eligible, the Board recommends to the Shareholders ratification of their appointment at the ensuing Annual General Meeting.

Auditors Report

The observation made in the Auditors Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

Secretarial Audit and Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Kala Agarwal, Practicing Company Secretary, COP no. 5356, to undertake the secretarial audit of the Company, As required under Section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report for the period from 01 April, 2017 to 31 March, 2018. The Secretarial Audit report is annexed herewith as **Annexure-3**

Observations in Secretarial Audit and management reply

i) *After resignation of the Internal Auditor of the Company with effect from 24th August, 2016, Internal Audit is being conducted in house. The Company is under process to find suitable professional candidate for internal audit as per provisions of the section 138 of Indian Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 and in accordance with the size and nature of operation of the Company.*

The Internal Auditor of the Company will be appointed after selection of suitable professional candidate in accordance with Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014.

ii) After resignation of Company Secretary, Mr. Pradeep Kumar Vyas, the Board of Directors of the Company in its meeting held on 28th June, 2018 has approved the appointment of Mrs. Swati Gupta as Company Secretary, which was duly intimated to The BSE Limited on 28th June 2018. The other necessary formalites regarding filing of e-forms with ROC, Mumbai and other intimations have also been duly complied with.

Fixed Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and amendments thereto.

Particulars of Loans, Guarantees and Investments

There were no loans, guarantees and investments made by the company under Section 186 of the Companies Act, 2013 during the year under review.

Subsidiary Companies

The Company does not have any subsidiary.

Related party Transactions

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business.

Material Changes and Commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Significant and Material Orders passed by The Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Expenditure

As required Under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 88 and Rule 8 (3) of Companies (Accounts) Rules, 14 and forming part of the report of the Directors. **Annexure-1**

Particulars of Employees

There are no employees of your company who comes within the purview of Section 134 (3)(q) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under review.

Obligation of Company under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up committee for implementation of said policy. During the year Company has not received any complaint of harassment.

Transfer of Amounts to Investor Education and Protection Fund

There are no amounts due and outstanding to be credited to investor Education and Protection Fund as on 31st March, 2018.

Corporate Social Responsibility Initiatives

The criteria prescribed for the applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 is not applicable to the Company.

Stock Exchange

The Company's equity shares are listed at BSE Limited and the Annual Listing Fees for the year 2018-2019 has been paid to the Exchange.

Industrial Relations

The relations between the employees and the Management have remained cordial and harmonious during the year under review.

Management Discussion and Analysis Report

Management Discussion Analysis Report is annexed as a part of the Report.

Corporate Governance

In accordance with Regulation 15 of the SEBI(LODR), Regulations, 2015 the Corporate Governance provisions are not applicable to your Company as the Paid up Equity Share Capital of the Company is not exceeding Rs. 10 Crores and Net Worth of the Company is not exceeding Rs. 25 Crores as on the last day of previous financial year. Accordingly Corporate Governance Report, Certification from Practicing Company Secretary and Certification from CEO/CFO are not given in Annual Report.

Internal Financial Control Systems and their Adequacy

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the company's policies, safeguarding its assets, the prevention on detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The systems and operations are regularly reviewed by audit committee to ensure and review their effectiveness and implementation. The audit committee also issues directives for enhancement in scope and coverage of specific areas, wherever felt necessary.

Acknowledgement

Your Directors would like to express their appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For Jattashankar Industries Limited
Jattashankar Poddar**

**Place: Mumbai
Date:-14/08/2018**

**Managing Director
DIN: 00335747**

Annexure to Directors Report

Annexure 1

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

As required Under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 and Rule 8 (3) of Companies (Accounts) Rules, 2014 and forming part of the report of the Directors.

CONSERVATION OF ENERGY

- a. Company ensures that manufacturing operations are conducted in a manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b. No specific investment has been made in reduction in energy consumption.
- c. The total energy consumption as per prescribed Form 'A' is as under:-

a. PART A POWER AND FUEL CONSUMPTION**Electricity:--Silvassa**

| | For Year ended 31.03.2018 | For Year ended 31.03.2017 |
|------------------------------|---------------------------|---------------------------|
| a) Purchased Units (in Lacs) | 17.78 | 21.33 |
| Total amount (Rs.in Lacs) | 72.66 | 96.46 |
| Rate /Unit (Rs.) | 4.09 | 4.54 |

| | | |
|---------------------------------------|------|------|
| i. Coal | 0.00 | 0.00 |
| ii. Furnace Oil | 0.00 | 0.00 |
| iii. Other/Internal Generation System | 0.00 | 0.00 |

TECHNOLOGY ABSORPTION

The Company has not absorbed or adopted any technology other than provided by the plant suppliers for manufacturing of texturizing, twisting of yarn.

RESEARCH & DEVELOPMENT

The company is continuously developing innovative shades in dyed yarn. The Company's Head Office (Mumbai) and factory (Silvassa) is connected with cloud computing system. The head office (Mumbai), Computer's software are updated with Office 365 for better and fast processing work.

Research and Development on improving the production process, yield and quality is ongoing exercise, Expenditure on Research and Development and its benefit is not separately quantified at present, since it is continuous exercise merged in the manufacture and quality and quality control activity.

FOREIGN EXCHANGE EARNINGS / OUTGOES

During the year under review there was no foreign exchange earnings or outgoes.

Place: Mumbai
Date: 14/08/2018

For Jattashankar Industries Limited
Jattashankar Poddar

Managing Director
DIN: 00335747

MANAGEMENT DISCUSSION & ANALYSIS REPORT 2017-2018

The Management of **JATTASHANKAR INDUSTRIES LIMITED** presents its report covering performance and outlook of the Company. The Management accepts responsibility for the integrity and objectivity of the financial statements. However, investors and readers are cautioned that this discussion contains certain forward looking Statements that involve risk and uncertainties.

Industry Structure & Developments

India's textile sector is one of the mainstays of the national economy. The country continues to be the only country other than China to have the full textile chain i.e. from fibre to clothing. However, the year was marked with one of the biggest reform in indirect taxes - The Goods and Service Tax (GST), which was implemented with effect from 1st July 2017. The Indian Textiles and Apparels Industry being unorganized sector faced major challenges in adapting to the new regime due to their unpreparedness and its complexity. However efforts were made to simplify and make the system user friendly with series of amendments.

The inverted duty structure of 18% in case of Synthetic and blended yarn, as against 5% on fabric, resulted in huge input credit getting blocked with fabric manufacturers who resorted to drastic production cuts and large scale protests. The duty structure was partially corrected by reducing the GST rates on synthetic and blended yarn to 12% in October, which gave some relief to the industry.

Company's Business

The financial performance of our Company has been adversely affected due to weak market conditions in domestic as well as export markets. Due to low demand and pressure on prices, the margins have been under pressure.

Demand for polyester yarn from manufacturers, converters doing job works and small traders has been going down because of the cash crunch which is still persisting in textile hubs including Bhiwandi, Gandhinagar, Erode, Bellary etc. Unless the general market improves all over the country, including small towns, the situation will remain challenging.

We have taken various steps to offset the challenges in the competitive business scenario by focusing on direct sales to brands / retailers, introduction of new markets, penetration in Out to Out business module by offering niche products with sustainable finishes, and reduction in product and utility costs.

The Company is optimistic of its improved performance.

Segment-wise Performance

Company operates only in one segment as the Manufacturer of Polyester Dyed Yarn, High Bulk Yarn, Cotton Dyed Yarn and other fancy Dyed Yarn and performance of same are reflected in financial statement. The Company is also engaged in the business of manufacturing of Woven elastic tapes and this activities of the Company revolve around the main business and as such, there are no separate reportable segments.

Risk and Concern

Risk is an integral part of business reality. It is uncertainty regarding business decisions, events and their possible outcomes that could impact a Company's performance and prospects. Successful risk management implies not only avoidance of risk, but anticipation of same, implementation of relevant mitigation strategies.

Outlook

Indian textiles industry is a well-established Industry showing strong features and a bright future. The textiles manufacturing business is a pioneer activity in the Indian manufacturing sector and it has a primordial importance in the economic life of the country. With successful GST implementation, which brought nationwide uniform tax structure, a level playing field has been offered to companies like ours to improve its competitive position against unorganised Polyester, Cotton and other fancy Yarn producers. This would pave way for better stability in price and maintaining the margins.

Insurance

All the insurable interest of your company including inventories, building, plant and machinery and other assets are adequately insured.

ISO CERTIFICATION

Your Company has successfully completed its certification audit for a period of three (3) years for the **ISO 9001:2008 Certification from BSCIC Certifications Private Limited**, thereby meeting the global quality and international standards.

Oeko-Tex® Certification

Your company has successfully granted authorization according to **Oeko-tex® Standard 100 Product Class I Certification from Hohenstein Textile Testing Institute GmnH & Co. KG**, thereby meeting the human-ecological requirements of the standards presently established for baby articles.

Information Technology

Company's Head Office (Mumbai) and factory (Silvassa) is connected with **cloud computing system**. The head office (Mumbai), Computer's software are updated with Office 365 for better and fast processing work.

Internal control systems and their adequacy

The Company has a proper and adequate internal control system to ensure that all resources are put to efficient use and protect against unauthorised use or disposition. The Company takes adequate steps to review and monitor working of internal control system. The Audit Committee periodically reviews the internal control system of the Company.

Discussion on Financial Performance With Respect To Operational Performance

During the year under review turnover of the company stands at Rs. 2723.07 Lakhs (P.Y. Rs. 3800.78 Lakhs). Operating Net Profits during the year are Rs 200.20 Lakhs (P.Y. 175.69 Lacs).

Human Resources Management / Industrial Relation Front

Human Resource is the back-bone of achieving organisation excellence. The Company continuously strives for improvement of its human resources. It regularly organises various programmes to improve productivity and competency of its employees.

The company's belief is that its people are the primary source of its competitive advantage and consistently puts emphasis on Human Resource Development, which remains vital and strategic to the company. The Company is committed to nurturing, enhancing and retaining talent through Learning & Organizational Development to support the organization's growth and its sustainability in the long run.

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has redesigned performance evaluation system to draw career path of deserving employees and their promotion.

Cautionary Statement

Statements Made in this Management Discussion and Analysis may be "forward looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors like changes in economic conditions affecting demand/supply, price conditions in which the Company operates, Government regulations, tax laws and other statutes and incidental factors.

**For Jattashankar Industries Limited
Jattashankar Poddar**

**Managing Director
DIN: 00335747**

ANNEXURE TO DIRECTORS REPORT

Annexure-2

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:

| | |
|--|--|
| i) CIN No. | L17110MH1988PLC048451 |
| ii) Registration Date | 11/08/1988 |
| iii) Name of the Company | Jattashankar Industries Limited |
| iv) Category/Sub-Category of the Company | Company Limited By Shares |
| | Indian Non-Government Company |
| v) Address of the registered office & contact details | 11, Parasrampuria Apartment, Film city Road, Gokuldham, Goregoan (East), Mumbai- 400 063 Phone: +91-22-28414262/4264/4266 Email id: jattashankarind@yahoo.com Website: www.jsil.in |
| vi) Whether Listed Company | Yes, Bombay Stock Exchange(BSE) |
| vii) Name, Address & Contact Details of the Registrar & Transfer Agent | Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Ind. Premises, 1 st Floor, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072 Phone: 28515606/5644 Fax: 28512885 Email: sharexindia@vsnl.com Website: www.sharexindia.com |

II. Principal Business Activities of the Company

All business activities contribution 10% or more of the total turnover of the Company shall be stated:

| S I . No. | Name and Description of main products/ services | NIC Code of the product/ Service | % of total turnover of the Company |
|-----------|---|----------------------------------|------------------------------------|
| 1 | Texturised , Twisted , Covered Yarns | 2030 | 88.70% |

III Particulars of Holding, Subsidiary & Associate Companies

| Sl. No | Name & Address of the Company | C I N / GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|-------------------------------|-------------|--------------------------------|------------------|--------------------|
| NIL | | | | | |

IV. Shareholding Pattern (Equity Share Capital break up as % to total equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change During The Year |
|--|---|------------|------------------|-------------------|---|------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 32,81,700 | 0 | 32,81,700 | 74.804 | 32,81,700 | 0 | 31,94,200 | 72.809 | (1.995) |
| b) Central Govt. or State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bank/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB TOTAL:(A) (1) | 32,81,700 | 0 | 32,81,700 | 74.804 | 32,81,700 | 0 | 31,94,200 | 72.809 | (1.995) |
| (2) Foreign | | | | | | | | | |
| a) NRI- Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Qualified Foreign Investor | | | | | | | | | |
| f) Any other Specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2) | 32,81,700 | 0 | 32,81,700 | 74.804 | 32,81,700 | 0 | 31,94,200 | 72.809 | (1.995) |
| B.PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks/FI | 0 | 300 | 300 | 0.007 | 0 | 300 | 300 | 0.007 | 0 |
| c) Central govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB TOTAL (B)(1): | 0 | 300 | 300 | 0.007 | 0 | 300 | 300 | 0.007 | 0 |

| | | | | | | | | | |
|---|------------------|-----------------|------------------|---------------|------------------|-----------------|------------------|---------------|--------------|
| (2) Non Institutions | | | | | | | | | |
| a) Bodies corporates | | | | | | | | | |
| i) Indian | 4,200 | 6,300 | 10,500 | 0.239 | 6,200 | 6,200 | 12,400 | 0.283 | 0.044 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs | 24,500 | 5,76,700 | 6,01,200 | 13.704 | 1,62,200 | 5,67,500 | 7,29,700 | 16.633 | 2.929 |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 3,92,800 | 33,200 | 4,26,000 | 9.710 | 3,83,300 | 0 | 3,83,300 | 8.737 | (0.973) |
| c) Others | | | | | | | | | |
| NRI | 0 | 67400 | 67400 | 1.536 | 0 | 67,200 | 67,200 | 1.532 | (0.004) |
| SUB TOTAL (B)(2): | 4,21,500 | 6,83,600 | 11,05,100 | 25.189 | 5,51,700 | 6,40,900 | 11,92,600 | 27.185 | 1.996 |
| Total Public Shareholding (B)= (B)(1)+(B)(2) | 4,21,500 | 6,83,900 | 11,05,400 | 25.196 | 5,51,700 | 64,12,00 | 11,92,900 | 27.192 | 1.996 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 37,03,200 | 6,83,900 | 43,87,100 | 100 | 37,45,900 | 6,41,200 | 43,87,100 | 100 | 0 |

IV) Shareholding Pattern of top ten shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| Sr. No. | Name | No. of Shares at the beginning/ end of the year | % of total shares of the Company | Date | Increase/ Decrease in shareholding | Reason | No of shares | % of total shares of the Company |
|---------|----------------------|---|----------------------------------|------------|------------------------------------|--------|--------------|----------------------------------|
| 1. | LATA SINGRODIA | 1,78,100 | 4.06 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 1,78,100 | 4.06 |
| 2. | LAXMIKANT SINGRODIA | 1,90,100 | 4.333 | 01-04-2017 | | | | |
| | | | | 11-08-2017 | (200) | SELL | 1,89,900 | 4.329 |
| | | | | 18-08-2017 | (14500) | SELL | 1,75,400 | 3.998 |
| | | | | 25-08-2017 | (11300) | SELL | 1,64,100 | 3.741 |
| | | | | 01-09-2017 | (2000) | SELL | 1,62,100 | 3.695 |
| | | | | 15-09-2017 | (6600) | SELL | 1,55,500 | 3.544 |
| | | | | 06-10-2017 | (5000) | SELL | 1,50,500 | 3.431 |
| | | | | 13-10-2017 | (5300) | SELL | 1,45,200 | 3.31 |
| | | | | 20-10-2017 | (600) | SELL | 1,44,600 | 3.296 |
| | | | | 31-03-2018 | | | 1,44,600 | 3.296 |
| 3. | NAWAL KISHORE GOENKA | 33,200 | 0.757 | 01-04-2017 | | | | |
| | | | | 16-03-2018 | 33200 | Demat | 33,200 | 0.757 |
| | | | | 31-03-2018 | | | 33,200 | 0.757 |
| 4. | V.D. HENRY | 0 | 0 | 01-04-2017 | | | | |
| | | | | 25-08-2017 | 8100 | BUY | 8,100 | 0.185 |
| | | | | 30-09-2017 | 100 | BUY | 8,200 | 0.187 |

| | | | | | | | | |
|-----|------------------------------|--------|-------|------------|---------|------|--------|-------|
| | | | | 06-10-2017 | 1600 | BUY | 9,800 | 0.223 |
| | | | | 13-10-2017 | 1500 | BUY | 11,300 | 0.258 |
| | | | | 20-10-2017 | 600 | BUY | 11,900 | 0.271 |
| | | | | 10-11-2017 | 6500 | BUY | 18,400 | 0.419 |
| | | | | 17-11-2017 | 300 | BUY | 18,700 | 0.426 |
| | | | | 01-12-2017 | 2300 | BUY | 21,000 | 0.479 |
| | | | | 08-12-2017 | 3800 | BUY | 24,800 | 0.565 |
| | | | | 15-12-2017 | 1200 | BUY | 26,000 | 0.593 |
| | | | | 22-12-2017 | 4000 | BUY | 30,000 | 0.684 |
| | | | | 29-12-2017 | 3000 | BUY | 33,000 | 0.752 |
| | | | | 05-01-2018 | 2300 | BUY | 35,300 | 0.805 |
| | | | | 23-02-2018 | (6000) | SELL | 29,300 | 0.668 |
| | | | | 02-03-2018 | (2200) | SELL | 27,100 | 0.618 |
| | | | | 31-03-2018 | 300 | BUY | 27,400 | 0.625 |
| 5. | BIPIN DHARAMSEY NENSEY | 15,000 | 0.342 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 15,000 | 0.342 |
| 6. | HARISH S. JOTWANI | 9,900 | 0.226 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 9,900 | 0.226 |
| 7. | JUGAL KISHORE AGARWAL | 7,200 | 0.164 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 7,200 | 0.164 |
| 8. | RAJENDRA DHIRAJLAL GANDHI | 0 | 0 | 01-04-2017 | | | 0 | 0 |
| | | | | 11-08-2017 | | BUY | 7,000 | 0.16 |
| | | | | 31-03-2018 | | | 7,000 | 0.16 |
| 9. | RASILA B SHAH | 0 | 0 | 01-04-2017 | | | | |
| | | | | 31-12-2017 | 3100 | BUY | 3,100 | 0.071 |
| | | | | 19-01-2018 | (700) | SELL | 2,400 | 0.055 |
| | | | | 09-02-2018 | (100) | SELL | 2,300 | 0.052 |
| | | | | 23-02-2018 | 100 | BUY | 2,400 | 0.055 |
| | | | | 31-03-2018 | 4100 | BUY | 6,500 | 0.148 |
| 10. | NISHITA ROHAN BHAT | 0 | 0 | 01-04-2017 | | | | |
| | | | | 05-01-2018 | 4200 | BUY | 4,200 | 0.096 |
| | | | | 12-01-2018 | 1300 | BUY | 5,500 | 0.125 |
| | | | | 19-01-2018 | 500 | BUY | 6,000 | 0.137 |
| | | | | 31-03-2018 | | | 6,000 | 0.137 |
| 11. | RAKSHA S. WALIA | 5,900 | 0.134 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 5,900 | 0.134 |
| 12. | NIKITA H. JOTWANI | 4,500 | 0.103 | 01-04-2017 | | | | |
| | | | | 31-03-2018 | | | 4,500 | 0.103 |
| 13. | RAGHAV SINGRODIA | 24,600 | 0.561 | 01-04-2017 | | | | |
| | | | | 11-08-2017 | (24600) | SELL | 0 | 0 |
| | | | | 31-03-2018 | | | 0 | 0 |
| 14. | PRANAV SINGRODIA | 4,300 | 0.098 | 01-04-2017 | | | | |
| | | | | 11-08-2017 | (4300) | SELL | 0 | 0 |
| | | | | 31-03-2018 | | | 0 | 0 |

II. SHAREHOLDING OF PROMOTERS

| Sr. No. | Shareholders 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 | JATTASHANKAR PODDAR | 14,21,100 | 32.393 | NIL | 14,21,100 | 32.393 | NIL | 0.00 |
| 2 | SHARAD PODDAR | 14,20,100 | 32.37 | NIL | 14,20,100 | 32.370 | NIL | 0.00 |
| 3 | SEEMA J PODDAR | 2,19,900 | 5.012 | NIL | 1,85,700 | 4.233 | NIL | (0.779) |
| 4 | SEEMA S PODDAR | 1,11,700 | 2.546 | NIL | 1,06,900 | 2.437 | NIL | (0.109) |
| 5 | SUBHASH PODDAR HUF | 1,05,900 | 2.414 | NIL | 58,400 | 1.331 | NIL | (1.083) |
| 6 | SHARAD PODDAR HUF | 3,000 | 0.068 | NIL | 2,000 | 0.046 | NIL | (0.022) |
| | Total | 32,81,700 | 74.803 | | 31,94,200 | 72.808 | | (1.995) |

III. CHANGE IN PROMOTERS SHAREHOLDING

| Sr. No. | Name of the Promoter | No. of Shares at the beginning/ end of the year | % of total shares of the Company | Date | Increase/ Decrease in shareholding | Reason | No of shares | % of total shares of the Company |
|------------|----------------------|---|----------------------------------|------------|------------------------------------|--------|--------------|----------------------------------|
| 1. | SEEMA J PODDAR | 2,19,900 | 5.012 | 01-04-2017 | | | | |
| | | | | 24-11-2017 | (400) | SELL | 2,19,500 | 5.003 |
| | | | | 01-12-2017 | (3700) | SELL | 2,15,800 | 4.919 |
| | | | | 15-12-2017 | (2100) | SELL | 2,13,700 | 4.871 |
| | | | | 22-12-2017 | (13200) | SELL | 2,00,500 | 4.57 |
| | | | | 29-12-2017 | (14800) | SELL | 1,85,700 | 4.233 |
| 2. | SEEMA S PODDAR | 1,11,700 | 2.546 | 31-03-2018 | | | 1,85,700 | 4.233 |
| | | | | 01-04-2017 | | | | |
| | | | | 15-12-2017 | (4800) | SELL | 1,06,900 | 2.437 |
| 3. | SUBHASH PODDAR HUF | 1,05,900 | 2.414 | 31-03-2018 | | | 1,06,900 | 2.437 |
| | | | | 01-04-2017 | | | | |
| | | | | 01-12-2017 | (7600) | SELL | 98,300 | 2.241 |
| | | | | 08-12-2017 | (3700) | SELL | 94,600 | 2.156 |
| | | | | 29-12-2017 | (4200) | SELL | 90,400 | 2.061 |
| | | | | 05-01-2018 | (29400) | SELL | 61,000 | 1.39 |
| | | | | 19-01-2018 | (900) | SELL | 60,100 | 1.37 |
| | | | | 02-02-2018 | (100) | SELL | 60,000 | 1.368 |
| | | | | 09-02-2018 | (200) | SELL | 59,800 | 1.363 |
| | | | | 02-03-2018 | (500) | SELL | 59,300 | 1.352 |
| | | | | 09-03-2018 | (200) | SELL | 59,100 | 1.347 |
| | | | | 16-03-2018 | (300) | SELL | 58,800 | 1.34 |
| | | | | 23-03-2018 | (300) | SELL | 58,500 | 1.333 |
| | | | | 31-03-2018 | (100) | SELL | 58,400 | 1.331 |
| | | | | 4. | SHARAD PODDAR HUF | 3,000 | 0.068 | 01-04-2017 |
| 29-12-2017 | (1000) | SELL | 2,000 | | | | | 0.046 |
| 31-03-2018 | | | 2,000 | | | | | 0.046 |

(V) SHAREHOLDING OF DIRECTORS & KMP

| Sr. No | For Each of the Directors & KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|-----------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No of shares | % of total shares of the company |
| 1 | Jattashankar Poddar | | | | |
| | At The Beginning of The Year | 14,21,100 | 32.393 | 1421100 | 32.393 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At The End of The Year | 14,21,100 | 32.393 | 1421100 | 32.393 |
| 2 | Sharad Poddar | | | | |
| | At the beginning of the year | 14,20,100 | | 1420100 | |
| | Increase/decrease during the year | No Change during the year | | | |
| | At the end of the year | 14,20,100 | | 14,20,100 | |
| 3 | Sandeep Kumar Modi | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 4 | Udit S. Master | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 5 | Seema S Poddar | | | | |
| | At the beginning of the year | 1,11,700 | 2.546 | 1,11,700 | 2.546 |
| | Increase/decrease during the year | (4800) | (0.109) | 1,06,900 | 2.437 |
| | At the end of the year | 1,06,900 | 2.437 | 1,06,900 | 2.437 |
| 6 | Richa Choudhary | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 7 | Ankur Poddar, CFO | | | | |
| | At The Beginning Of The Year | 0 | 0 | 0 | 0 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At The End Of The Year | 0 | 0 | 0 | 0 |
| 8 | Pradeep Kumar Vyas, CS* | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Increase/decrease during the year | No Change during the year | | | |
| | At the end of the year | 0 | 0 | 0 | 0 |

*Resigned with effect from 15th Feb 2018

(VI) INDEBTEDNESS

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

| | Unsecured Loans | Deposits | Total Indebtedness |
|--|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | |
| i) Principal Amount | 0 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 0 | 0 |
| Change in Indebtedness during the financial year | | | |
| Additions | 0 | 0 | 0 |
| Reduction | 0 | 0 | 0 |
| Net Change | 0 | 0 | 0 |
| Indebtedness at the end of the financial year | | | |
| i) Principal Amount | 0 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 0 | 0 |

(VII) Remuneration of Directors and Key Managerial Personnel

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

| Sr.No | Particulars of Remuneration | MANAGING DIRECTOR | WHOLE-TIME DIRECTOR |
|-------|--|----------------------------|----------------------|
| 1 | Gross salary | Jattashankar Poddar | Sharad Poddar |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | Rs. 60,00,000 | Rs. 60,00,000 |
| | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | NIL | NIL |
| 2 | Stock option | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL |
| 4 | Commission as % of profit others (specify) | NIL | NIL |
| 5 | Others, please specify | NIL | NIL |
| | Total (A) | Rs. 60,00,000 | Rs. 60,00,000 |
| | Ceiling as per the Act | Rs. 60,00,000 | Rs. 60,00,000 |

b. Remuneration to other directors:

| Sr.No | Particulars of Remuneration | Name of the Directors | | | |
|-------|--|-----------------------|--------------|-----------------|--------------|
| | | UDIT S MASTER | SANDEEP MODI | RICHA CHOUDHARY | SEEMA PODDAR |
| 1 | Independent Directors | | | | |
| | (a) Fee for attending board committee meetings | NIL | NIL | NIL | |
| | (b) Commission | NIL | NIL | NIL | |
| | (c) Others, please specify | NIL | NIL | NIL | |
| | Total (1) | | | | |
| 2 | Other Non-Executive Directors | | | | |
| | (a) Fee for attending board committee meetings | | | | NIL |
| | (b) Commission | | | | NIL |
| | (c) Others, please specify. | | | | NIL |
| | Total (2) | | | | |
| | Total (B)=(1+2) | NIL | | | |
| | Total Managerial Remuneration | | | | |
| | Overall Cieling as per the Act. | | | | |

c. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

| Sr. No. | Particulars of Remuneration | | |
|---------|--|--|---|
| 1 | Gross Salary | | |
| | | Pradeep Kumar Vyas* (Company Secretary) | Ankur Poddar** (Chief Financial Officer) |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | Rs. 3,33,508 | NIL |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | NIL | NIL |
| 2 | Stock Option | | NIL |
| 3 | Sweat Equity | | NIL |
| 4 | Commission as % of profit | | NIL |
| | others, specify | | NIL |
| 5 | Others, please specify | | NIL |
| | Total | Rs. 3,33,508 | NIL |

*Mr. Pradeep Vyas, Company Secretary resigned w.e.f. 15th February, 2018

**Mr. Ankur Poddar, Chief Financial Officer, has not drawn any remuneration from the Company for the FY 2017-18.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Jattashankar Industries Limited
11, Parasrampur Apartment, Film City Road,
Opp. Bank of India, Gokuldham
Goregaon (East) Mumbai-400063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Jattashankar Industries Limited (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 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:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') viz.:
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (v) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;
 - (vii) 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;
 - (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: and
 - (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- vi. Other laws specifically applicable to the company, namely::
 - 1) Factories Act, 1948
 - 2) Payment of Wages Act, 1936
 - 3) The Minimum Wages Act, 1948
 - 4) The Electricity Act, 2003

- 5) Energy Conservation Act, 2001
- 6) Environment Protection Act, 1986
- 7) The Air (Prevention & Control of Pollution) Act, 1981
- 8) The Water (Prevention & Control of Pollution) Act, 1974
- 9) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- 10) The Apprentices Act, 1961
- 11) The Employees' Compensation Act, 1923
- 12) The Maternity Benefit Act, 1961
- 13) Payment of Gratuity Act, 1972
- 14) The Payment of Bonus Act, 1965
- 15) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- 16) Employees' State Insurance Act, 1948
- 17) The Central Goods And Services Tax Act, 2017
- 18) Union Territory of Dadra and Nagar Haveli Goods and Services Tax Act, 2017

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

- (1) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (2) The Listing Agreement entered into by the Company with Bombay Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

- i. After resignation of the Internal Auditor of the Company with effect from 24th August, 2016, Internal Audit is being conducted in house. The Company is under process to find suitable professional candidate for internal audit as per provisions of the section 138 of Indian Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 and in accordance with the size and nature of operation of the Company.
- ii. Mr. Pradeep Kumar Vyas, the Company Secretary of the Company has resigned with effect from 15th February, 2018. The Company is under process to find suitable professional candidate for the post of Company Secretary and Compliance Officer of the Company as per provisions of the section 203 of Indian Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in accordance with the size and nature of operation of the Company.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and 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.

Majority of the decisions being carried through were captured and recorded as part of the minutes.

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

Date: 30/05/2018

Place: Mumbai

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Jattashankar Industries Limited
11, Parasrampur Apartment, Film City Road,
Opp. Bank of India, Gokuldham
Goregaon (East),
Mumbai-400063

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

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

Place: Mumbai
Date: 30/05/2018

Kala Agarwal
Practising Company Secretary
COP No.: 5356

INDEPENDENT AUDITORS' REPORT

To
The Members of
JATTASHANKAR INDUSTRIES LIMITED

Report on the standalone Ind. AS Financial Statements

We have audited the accompanying standalone Ind AS financial statement of **JATTASHANKAR INDUSTRIES LIMITED** (“the company”), which comprise the Balance Sheet as at **31ST MARCH 2018**, the statement of Profit & Loss Account (including other comprehensive income) and the cash flow statement of the Company and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as “Ind. AS Financial Statements”).

Management’s Responsibility for the Standalone Ind. AS Financial Statement.

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 and presentation of these Standalone Ind. AS financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income of the Company in accordance with the accounting principles generally accepted in India, including the Ind. AS Specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules,2015 as amended and other accounting principles generally accepted in India.

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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind. AS financial Statement

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 financial position of the Company as at 31 March 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in the standalone Ind. AS financial statements is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by us. The adjustments to these financial statement for the differences in the accounting principles adopted by the Company on transition to the Ind. AS have been audited by us.

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 subsection (11) of section 143 of the Act, we give in the 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 and the statement of profit & loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Ind. AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.
 - 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 31 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"; and
 - 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 Standalone Ind. AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or Ind. AS, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For and on behalf of
K.K.Jhunjunwala & Co.
Chartered Accountants**

**Place: Mumbai
Date: 30.05.2018**

**Surendra Sureka
Partner
M.No. 119433
F.R.No. 111852W**

Annexure “A” to the Auditors’ Report**Re: JATTASHANKAR INDUSTRIES LIMITED.**

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the Standalone Ind. AS financial statements for the year ended 31 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. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material 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 the Company.
- (ii) The Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As Informed, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a), (b) and (c) of the order are not applicable to the Company.
- (iv) Based on the Information and explanation given to us in respect of loans, investments guarantees, and security, the company has complied with the provisions of section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanation given to us, The Company has not accepted any deposits from the public within the provisions of Section 73 to 76 of the Act and the rules framed there under.
- (vi) It has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Act. Therefore, paragraph 3 (vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, In our opinion, the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and based on the books and records examined by us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues, wherever applicable, which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has no borrowing from any financial institution, bank or dues to debenture holders. Accordingly the paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly the paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind. AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For and on behalf of
K.K. Jhunhunwala & Co.
Chartered Accountants**

**Place: Mumbai
Date: 30.05.2018**

**Surendra Sureka
Partner
M.No. 119433
F.R.No. 111852W**

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of JATTASHANKAR INDUSTRIES LIMITED. ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone 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 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.

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 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 and on behalf of
K.K. Jhunjunwala & Co.
Chartered Accountants**

**Place: Mumbai
Date: 30.05.2018**

**Surendra Sureka
Partner
M.No. 119433
F.R.No. 111852W**

BALANCE SHEET AS AT 31ST MARCH, 2018

(In Rupees)

| Particulars | Note No. | 31-Mar-18 | 31-Mar-17 | 01-Apr-16 |
|--|----------|---------------------|---------------------|---------------------|
| (I) ASSETS | | | | |
| (1) Non-current assets | | | | |
| (a) Property, Plant and Equipment | 2 | 2,55,72,559 | 1,92,03,621 | 2,01,37,287 |
| (b) Capital work-in-progress | | - | - | - |
| (c) Other Intangible assets | | - | - | - |
| (d) Financial Assets | | - | - | - |
| (i) Investments | | - | - | - |
| (ii) Trade receivables | | - | - | - |
| (iii) Loans | 3 | 62,355 | 50,92,355 | 1,96,92,355 |
| (iv) Others (to be specified) | | - | - | - |
| (e) Deferred tax assets (net) | | - | - | - |
| (f) Other non-current assets | | - | - | - |
| (2) Current assets | | | | |
| (a) Inventories | 4 | 1,29,88,034 | 1,23,95,717 | 1,67,50,955 |
| (b) Financial Assets | | | | |
| (i) Investments | 5 | 5,59,48,995 | 3,77,34,952 | 1,24,67,963 |
| (ii) Trade receivables | 6 | 3,86,55,133 | 3,80,24,162 | 3,12,16,876 |
| (iii) Cash and cash equivalents | 7 | 50,73,049 | 57,56,694 | 59,42,809 |
| (iv) Bank balances other than (iii) above | | | | |
| (v) Loans | 8 | 64,07,410 | 51,10,791 | 81,38,848 |
| (vi) Others (to be specified) | | | | |
| (c) Current Tax Assets (Net) | | | | |
| (d) Other current assets | 9 | 1,30,091 | 1,94,051 | 1,96,573 |
| Total Assets | | 14,48,37,626 | 12,35,12,343 | 11,45,43,666 |
| (II) EQUITY AND LIABILITIES | | | | |
| (1) Equity | | | | |
| (a) Equity Share capital | 10 | 4,38,71,000 | 4,38,71,000 | 4,38,71,000 |
| (b) Other Equity | 11 | 6,89,99,098 | 4,89,79,298 | 3,14,09,980 |
| (2) Liabilities | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | - | - | - |
| (i) Borrowings | 12 | - | - | 1,20,00,000 |
| (iii) Other financial liabilities (other than those specified in item (b)) | | - | - | - |
| (b) Provisions | 13 | 97,80,225 | 92,06,322 | 84,30,228 |
| (c) Deferred tax liabilities (Net) | | - | - | - |
| (d) Other non-current liabilities | | - | - | - |
| Current liabilities | | | | |
| (a) Financial Liabilities | | - | - | - |
| (i) Borrowings | | - | - | - |
| (ii) Trade payables | 14 | 1,70,06,985 | 1,26,45,786 | 1,36,57,986 |
| (iii) Other financial liabilities (other than those specified in item (c)) | | - | - | - |
| (b) Other current liabilities | 15 | 26,40,957 | 58,25,394 | 31,47,198 |
| (c) Provisions | 16 | 25,39,361 | 29,84,543 | 20,27,274 |
| (d) Current Tax Liabilities (Net) | | - | - | - |
| Total Equity and Liabilities | | 14,48,37,626 | 12,35,12,343 | 11,45,43,666 |

(See accompanying notes to the financial statements)

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
JATTASHANKAR INDUSTRIES LIMITED

FOR K K JHUNJHUNWALA & CO.
CHARTERED ACCOUNTANTS
FIRM'S REG. NO. 111852W.

SURENDRA SUREKA
PARTNER
M. NO. 119433

JATTASHANKAR PODDAR
(Managing Director)
DIN : 00335747

SHARAD PODDAR
(Wholetime Director)
DIN : 00335806

PLACE : MUMBAI.
DATE : 30.05.2018

ANKUR S. PODDAR
CFO

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2018

(In Rupees)

| Particulars | Note No. | Figures for the current reporting period | Figures for the previous reporting period |
|---|----------|--|---|
| I Revenue From Operations | 17 | 26,60,87,392 | 37,81,93,703 |
| II Other Income | 18 | 62,19,979 | 22,80,834 |
| III Total Income (I+II) | | 27,23,07,371 | 38,04,74,537 |
| IV EXPENSES | | | |
| Cost of materials consumed | 19 | 1,58,535,414 | 17,04,29,925 |
| Purchases of Stock-in-Trade | | - | - |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress | 20 | 39,61,630 | 28,90,658 |
| Manufacturing and operating expense | 21 | 4,98,59,398 | 13,52,04,186 |
| Employee benefits expense | 22 | 2,28,24,177 | 23,319,887 |
| Finance costs | | 72,118 | 67,672 |
| Depreciation and amortization expense | | 13,87,970 | 13,71,980 |
| Other expenses | 23 | 88,45,519 | 2,15,37,067 |
| Total expenses (IV) | | 2,45,486,226 | 35,48,21,375 |
| V Profit/(loss) before exceptional items and Tax(I-IV) | | 2,68,21,145 | 2,56,53,162 |
| VI Exceptional Items | | - | - |
| VII Profit/(loss) before tax (V-VI) | | 2,68,21,145 | 2,56,53,162 |
| VIII Tax expense: | | | |
| (1) Current tax | | 67,70,971 | 80,83,844 |
| (2) Deferred tax | | - | - |
| (3) Income Tax For Earlier Year | | 30,374 | - |
| IX Profit (Loss) for the period from continuing operations (VII-VIII) | | 2,00,19,800 | 1,75,69,318 |
| X Profit/(loss) from discontinued operations | | - | - |
| XI Tax expense of discontinued operations | | - | - |
| XII Profit/(loss) from Discontinued operations (after tax) (X-XI) | | - | - |
| XIII Profit/(loss) for the period (IX+XII) | | 2,00,19,800 | 1,75,69,318 |
| XIV Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| 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 | | - | - |
| XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | | 2,00,19,800 | 1,75,69,318 |
| XVI Earnings per equity share (for continuing operation): | | | |
| (1) Basic | | 4.56 | 4.00 |
| (2) Diluted | | 4.56 | 4.00 |

(See accompanying notes to the financial statements)

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K K JHUNJHUNWALA & CO.
CHARTERED ACCOUNTANTS
FIRM'S REG. NO. 111852W.

SURENDRA SUREKA
PARTNER
M. NO. 119433

PLACE : MUMBAI.
DATE : 30.05.2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
JATTASHANKAR INDUSTRIES LIMITED

JATTASHANKAR PODDAR
(Managing Director)
DIN : 00335747

ANKUR S. PODDAR
CFO

SHARAD PODDAR
(Wholetime Director)
DIN : 00335806

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018.

INDIRECT METHOD

(In Rupees)

| Particulars | year ended 31.03.2018 | year ended 31.03.2017 |
|--|--------------------------|--------------------------|
| A. Cash Flow from Operating Services | | |
| Profit before taxation | 2,68,21,145 | 2,56,53,162 |
| Adjustment for: | | |
| Depreciation on Fixed Assets | 13,87,970 | 13,71,980 |
| Loss on sale of Fxed assets | 9,84,252 | 0 |
| Mark to Mark profit on mutual funds as per Ind As | -11,94,992 | -3,96,411 |
| Interest Income | -3,55,901 | -3,90,566 |
| Profit on sale of Investment | -18,80,203 | -13,67,842 |
| Operating Profit Before Working Capital Changes | 2,57,62,271 | 2,48,70,323 |
| Adjustment for: | | |
| Increase/(Decrease) in Trade Payables | 43,61,199 | -10,12,200 |
| Increase/(Decrease) in Other Current Liabilities | -31,84,437 | 26,78,196 |
| Increase/(Decrease) in Short Term Provisions | -7,24,309 | 5,01,969 |
| Increase/(Decrease) in Longterm provisions | 5,73,903 | 7,76,094 |
| (Increase)/Decrease in Trade Receivable | -6,30,971 | -68,07,286 |
| (Increase)/Decrease in Inventory | -5,92,317 | 43,55,238 |
| (Increase)/Decrease other Current Asset | 65,815 | 81,728 |
| (Increase)/Decrease in Short Term Loan & Advance | -25,99,068 | 93,775 |
| (Increase)/Decrease in Long Term Loan & Advance | 50,30,000 | 1,46,00,000 |
| CASH GENERATED FROM OPERATIONS | 2,80,62,086 | 40137837 |
| Income tax Paid | -52,19,772 | -46,94,261 |
| NET CASH FLOW FROM OPERATING ACTIVITIES - A | 2,28,42,314 | 3,54,43,575 |
| B. Cash Flow from Investing Activity | | |
| Purchase of Fixed Assets | -90,41,160 | -4,38,315 |
| Investment Made in mutual fund | -1,70,19,051 | -2,48,70,578 |
| Interest Received | 3,54,046 | 3,86,360 |
| Profit on sale of Mutual Funds | 18,80,203 | 13,67,842 |
| Proceeds from sale of Fixed asset | 3,00,000 | 0 |
| NET CASH FLOW USED IN INVESTING ACTIVITIES - B | -2,35,25,962 | -2,35,54,691 |
| C. Cash Flow from Financing Activity | | |
| Finance Cost paid | 0 | 0 |
| Proceeds From | | |
| -Longterm Borrowings | 0 | -1,20,00,000 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 0 | -1,20,00,000 |
| NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS - A+B+C | -6,83,648 | -1,11,115 |

JATTASHANKAR INDUSTRIES LIMITED**30th Annual Report 2017-18**

ADD : OPENING CASH AND CASH EQUIVALENTS

10,80,696 11,91,811

CLOSING CASH AND CASH EQUIVALENTS**3,97,048 10,80,696**

Note:

1. Components of Cash and Cash Equivalents:-

| Particulars | As at March 31,2018 | As at March 31,2017 |
|--|------------------------|------------------------|
| Cash On Hand | 3,43,471 | 3,07,635 |
| Balance With Schedule Banks | | |
| -On Current Account | 53,577 | 7,73,061 |
| -Bank Deposits due to mature after 12 month of original maturity of the reporting date | 46,76,000 | 46,76,000 |
| Cash & Bank Balance as per Note 7 | 50,73,048 | 57,56,696 |
| Less:- Fixed Deposit not considered as cash & Cash Equivalents | | |
| -Fixed Deposits (With Maturity more than 12 Months) | 46,76,000 | 46,76,000 |
| Net Cash & Cash Equivalents | 3,97,048 | 10,80,696 |

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
JATTASHANKAR INDUSTRIES LIMITEDFOR K K JHUNJHUNWALA & CO.
CHARTERED ACCOUNTANTS
FIRM'S REG. NO. 111852W.SURENDRA SUREKA
PARTNER
M. NO. 119433JATTASHANKAR PODDAR
(Managing Director)
DIN : 00335747SHARAD PODDAR
(Wholetime Director)
DIN : 00335806PLACE : MUMBAI.
DATE : 30.05.2018ANKUR S. PODDAR
CFO

**Statement of Changes In Equity
For the Year Ended March 31, 2018**

A. Equity Share Capital

| Particulars | Notes | Amount |
|------------------------------|-------|---------------------------|
| As at April 2016 | | 4,38,71,000 |
| Changes during the year | 10 | 0 |
| As at 31st March 2017 | | <u>4,38,71,000</u> |
| Changes during the year | 10 | 0 |
| As at 31st March 2018 | | <u>4,38,71,000</u> |

B. Total other Equity

| Particulars | Notes | Securities Premium | Capital Reserves | Retained Earnings | Total Other Equity |
|---|-------|---------------------------|------------------------|---------------------------|---------------------------|
| Balance at 01 April 2017 | | 4,18,06,500 | 2,26,500 | 69,46,298 | 4,89,79,298 |
| Profit/(loss) for the year | 11 | 0 | 0 | 2,00,19,799 | 2,00,19,799 |
| Other Comprehensive Income/(expense) [Net of Tax] | | 0 | 0 | 0 | 0 |
| Total Comprehensive Income for the year | | 0 | 0 | 2,00,19,799 | 2,00,19,799 |
| Issue of Equity shares and warrans | | 0 | 0 | 0 | 0 |
| Transfer within Equity | | 0 | 0 | 0 | 0 |
| Balance at 31st March 2018 | | <u>4,18,06,500</u> | <u>2,26,500</u> | <u>2,69,66,098</u> | <u>6,89,99,098</u> |

| Particulars | Notes | Securities Premium | Capital Reserves | Retained Earnings | Total Other Equity |
|---|-------|---------------------------|------------------------|-------------------------|---------------------------|
| Balance at 01 April 2016 | | 4,18,06,500 | 2,26,500 | -1,06,23,020 | 3,14,09,980 |
| Profit/(loss) for the year | 11 | 0 | 0 | 1,75,69,318 | 1,75,69,318 |
| Other Comprehensive Income/(expense) [Net of Tax] | | 0 | 0 | 0 | 0 |
| Total Comprehensive Income for the year | | 0 | 0 | 1,75,69,318 | 1,75,69,318 |
| Issue of Equity shares and warrans | | 0 | 0 | 0 | 0 |
| Transfer within Equity | | 0 | 0 | 0 | 0 |
| Balance at 31st March 2017 | | <u>4,18,06,500</u> | <u>2,26,500</u> | <u>69,46,298</u> | <u>4,89,79,298</u> |

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR K K JHUNJHUNWALA & CO.
CHARTERED ACCOUNTANTS
FIRM'S REG. NO. 111852W.

SURENDRA SUREKA
PARTNER
M. NO. 119433

PLACE : MUMBAI.
DATE : 30.05.2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
JATTASHANKAR INDUSTRIES LIMITED

JATTASHANKAR PODDAR
(Managing Director)
DIN : 00335747

ANKUR S. PODDAR
CFO

SHARAD PODDAR
(Wholetime Director)
DIN : 00335806

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE NO. 1 SUMMERY OF SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information :-

JATTASHANKAR INDUSTRIES LIMITED (The Company) was incorporated under the provision of Companies Act 1956 on 11th day of August 1988.

2. Basis of Preparation of Financial Statement:-

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1 April 2017. Up to the year ended 31 March 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with the related reconciliations detailed in Note 34(First time Adoption)

Use of Estimates:-

The preparation of Ind. AS financial statements in conformity with the Accounting Standard generally accepted in India requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are materialized.

3. Revenue Recognition:-

Revenue is recognized only when risk and rewards incidental to ownership are transferred to the customer/client it can be reliably measured and it is reasonable to expect ultimate collection.

4. Fixed Assets :

Fixed Assets are stated at cost net of Excise Duty Cenvat availed on capital goods less depreciation .All pre-operative expenses including financing cost till the commencement of commercial production are capitalized to fixed asset on appropriate basis.

5. Depreciation

Depreciation is provided on all depreciable assets on Straight Line Method at the rates and in the manner prescribed in schedule II of Companies Act,2013 based on useful life.

6. Inventories:

- i) Raw Material ,stores & spares are valued at cost .
- ii) Finished goods are valued at lower of cost or net realizable value.
- iii) Work in Progress are valued at estimated cost.

7. Financial assets measured at fair value

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments. Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).
INVESTMENTS

8. Financial assets measured at fair value

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments. Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).
INVESTMENTS

NOTE 2 A) FIXED ASSETS

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|----------------------|----------------|----------------------|-------------------------------|--------------------------|----------------------|--------------------------------|------------------------|-----------------------|--------------------|
| | Life of Assets | As at 1st April,2017 | Additions (Disposal) | As at 31st March,2018 | As at 1st April,2017 | On disposals March,2018 | As at 31st March, 2018 | As at 31st March,2017 | |
| TANGIBLE | | | | | | | | | |
| Freehold Land | - | 14,97,901 | - | 14,97,901 | 11,85,451 | - | 11,85,451 | 3,12,450 | |
| Factory Buildings | 30 | 2,55,24,320 | - | 2,55,24,320 | 2,44,07,852 | - | 2,44,07,852 | 11,16,468 | |
| Office Premises | 60 | 7,91,280 | - | 7,91,280 | 3,34,163 | 12,229 | 3,46,392 | 4,44,888 | |
| Plant and Machinery | 15 | 7,43,42,336 | 90,41,160 -1,23,97,113 | 7,09,86,383 | 5,92,78,569 | 10,60,628 - 1,11,12,861 | 4,92,26,336 | 2,17,60,047 | |
| Office equipment | 5 | 1,90,930 | - | 1,90,930 | 1,49,840 | 11,360 | 1,61,200 | 29,730 | |
| Computer Hardware | 3 | 25,36,165 | - | 25,36,165 | 18,55,146 | 42,606 | 18,97,752 | 6,38,413 | |
| Furniture & Fixtures | 10 | 24,77,818 | - | 24,77,818 | 23,04,151 | 7,190 | 23,11,341 | 1,66,477 | |
| Vehicles | 8 | 25,94,996 | - | 25,94,996 | 12,57,695 | 2,53,957 | 15,11,652 | 10,83,344 | |
| INTANGIBLE | | | | | | | | | |
| Computer Software | 3 | 4,14,856 | - | 4,14,856 | 3,94,114 | - | 3,94,114 | 20,742 | |
| Total | | 11,03,70,602 | 90,41,160 -1,23,97,113 | 10,70,14,649 | 9,11,66,981 | 13,87,970 - 1,11,12,861 | 8,14,42,090 | 2,55,72,559 | 1,92,03,621 |

NOTE B) 2 FIXED ASSETS

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | | | |
|----------------------|----------------|----------------------|----------------------|--------------------------|----------------------|----------------------------------|------------------|------------------------|-----------------------|--------------------|--------------------|
| | Life of Assets | As at 1st April,2016 | Additions (Disposal) | As at 31st March,2017 | As at 1st April,2016 | Depreciation charge for the year | On disposals | As at 31st March, 2017 | As at 31st March,2016 | | |
| TANGIBLE | | | | | | | | | | | |
| Freehold Land | - | 14,97,901 | 0 | 0 | 14,97,901 | 11,85,451 | 0 | 0 | 11,85,451 | 3,12,450 | 3,12,450 |
| Factory Buildings | 30 | 2,55,24,320 | 0 | 0 | 2,55,24,320 | 2,44,07,852 | 0 | 0 | 2,44,07,852 | 11,16,468 | 11,16,468 |
| Office Premises | 60 | 7,91,280 | 0 | 0 | 7,91,280 | 3,21,935 | 12,229 | 0 | 3,34,164 | 4,57,116 | 4,69,345 |
| Plant and Machinery | 15 | 7,39,46,043 | 3,96,293 | 0 | 7,43,42,336 | 5,82,31,329 | 10,47,240 | 0 | 5,92,78,569 | 1,50,63,767 | 1,57,14,714 |
| Office equipment | 5 | 1,90,930 | 0 | 0 | 1,90,930 | 1,40,054 | 9,786 | 0 | 1,49,840 | 41,090 | 50,876 |
| Computer Hardware | 3 | 25,36,165 | 0 | 0 | 25,36,165 | 18,12,538 | 42,608 | 0 | 18,55,146 | 6,81,019 | 7,23,627 |
| Furniture & Fixtures | 10 | 24,35,796 | 42,022 | 0 | 24,77,818 | 22,97,989 | 6,162 | 0 | 23,04,151 | 1,73,667 | 1,37,807 |
| Vehicles | 8 | 25,94,996 | 0 | 0 | 25,94,996 | 10,03,739 | 2,53,956 | 0 | 12,57,695 | 13,37,301 | 15,91,257 |
| INTANGIBLE | | | | | | | | | | | |
| Computer Software | 3 | 4,14,856 | 0 | 0 | 4,14,856 | 3,94,114 | 0 | 0 | 3,94,114 | 20,742 | 20,742 |
| Total | | 10,99,32,287 | 4,38,315 | 0 | 11,03,70,602 | 8,97,95,001 | 13,71,981 | 0 | 9,11,66,982 | 1,92,03,620 | 2,01,37,286 |

Notes Annexed And Forming Part of Balance Sheet

| Particulars | As at 31/3/18 | As at 31/03/17 | As at 01/04/16 |
|---|--------------------|--------------------|--------------------|
| Note 3 | | | |
| Financial Asset - Loans | | | |
| Unsecured, Considered good | | | |
| Related Party | 0 | 50,00,000 | 1,96,00,000 |
| Others | 62,355 | 92,355 | 92,355 |
| (Interest free deposit as per Job agreement with party) | | | |
| Total | 62,355 | 50,92,355 | 1,96,92,355 |
| Note 4 | | | |
| Inventories | | | |
| (As taken, valued & certified by management) | | | |
| Finished goods | 3,82,389 | 47,43,587 | 56,74,908 |
| Work-in-progress | 41,24,625 | 37,25,057 | 56,84,394 |
| Raw Materials | 83,56,515 | 30,60,123 | 39,46,081 |
| Stores and Packing Materials | 1,24,505 | 8,66,950 | 14,45,572 |
| Total | 1,29,88,034 | 1,23,95,717 | 1,67,50,955 |
| Note 5 | | | |
| Current Assets | | | |
| Investments | | | |
| In Mutual Fund | 5,59,48,995 | 3,77,34,952 | 1,24,67,963 |
| Total | 5,59,48,995 | 3,77,34,952 | 1,24,67,963 |
| Note 6 | | | |
| Trade Receivables | | | |
| Unsecured, considered good | | | |
| Outstanding for a period exceeding six months | 0 | 0 | 1,13,349 |
| Others | 3,86,55,133 | 3,80,24,162 | 3,11,03,527 |
| Total | 3,86,55,133 | 3,80,24,162 | 3,12,16,876 |
| Note 7 | | | |
| Cash and cash equivalents | | | |
| Balance with banks | | | |
| Cash in Hand | 3,43,472 | 3,07,633 | 5,96,730 |
| Balance with Banks | 53,577 | 7,73,061 | 5,95,079 |
| Fixed Deposits With Bank & Others | 46,76,000 | 46,76,000 | 47,51,000 |
| Total | 50,73,049 | 57,56,694 | 59,42,809 |
| Note 8 | | | |
| Short- Term Loans and Advances | | | |
| Unsecured, considered good | | | |
| Advances Recoverable in cash or in kind | 22,02,355 | 1,29,000 | 2,22,775 |
| MAT Credit Entitlement | 36,79,342 | 49,81,791 | 79,16,073 |
| GST Credit Receivable | 5,25,713 | 0 | 0 |
| Total | 64,07,410 | 51,10,791 | 81,38,848 |

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| Particulars | As at 31/3/18 | As at 31/03/17 | As at 01/04/16 | |
|--|--------------------|--------------------|--------------------|----------------|
| Note 9 | | | | |
| Other Current Assets | | | | |
| Prepaid Expense | 74,680 | 1,40,495 | 1,47,223 | |
| Interest Accrued But Not Due | 55,411 | 53,556 | 49,350 | |
| Total | 1,30,091 | 1,94,051 | 1,96,573 | |
| Note 10 | | | | |
| Equity Share Capital | | | | |
| Authorised | | | | |
| 10500000 (10500000) Equity Shares of Rs.10 each | 10,50,00,000 | 10,50,00,000 | 10,50,00,000 | |
| Issued,Subscribed & Paid up | | | | |
| 4387100 (4387100) Equity Shares of Rs.10 each fully paid up | 4,38,71,000 | 4,38,71,000 | 4,38,71,000 | |
| (Each share carrying 1 voting right.) | | | | |
| Total | 4,38,71,000 | 4,38,71,000 | 4,38,71,000 | |
| Details of shareholders holding more than 5% share in the company: | % of Holding | As at 31/3/18 | As at 31/03/17 | As at 01/04/16 |
| Shri Sharad Poddar | 32.37 (32.37) | 14,20,100 | 14,20,100 | 14,20,100 |
| Shri Jatta Shankar Poddar | 32.39 (32.39) | 14,21,100 | 14,21,100 | 14,21,100 |
| Smt. Seema J Poddar | 4.23 (5.01) | 1,85,700 | 2,19,900 | 2,19,900 |
| Note 11 | | | | |
| Other Equity | | | | |
| Reserves | | | | |
| Capital Reserves | | | | |
| Opening Balance | 2,26,500 | 2,26,500 | 2,26,500 | |
| Additions during the year | 0 | 0 | 0 | |
| | 2,26,500 | 2,26,500 | 2,26,500 | |
| Securities Premium | | | | |
| Opening Balance | 4,18,06,500 | 4,18,06,500 | 4,18,06,500 | |
| Additions during the year | 0 | 0 | 0 | |
| | 4,18,06,500 | 4,18,06,500 | 4,18,06,500 | |
| Surplus | | | | |
| Profit & Loss A/c | | | | |
| Opening Balance | 69,46,298 | -1,06,23,020 | -3,35,87,391 | |
| Add :Net Profit for the current year | 2,00,19,800 | 1,75,69,318 | 2,20,88,411 | |
| Add :Mark to Market Profit Loss on Mutual Fund as per Ind AS | 0 | 0 | 8,75,960 | |
| Closing Balance | 2,69,66,098 | 69,46,298 | -1,06,23,020 | |
| Total | 6,89,99,098 | 4,89,79,298 | 3,14,09,980 | |

Note 12

Long Term Borrowings

Unsecured Loans

| | | | |
|---|---|---|-------------|
| From Strategic Promoter (Related Party) | 0 | 0 | 1,20,00,000 |
| | 0 | 0 | 1,20,00,000 |

Note 13

Long Term Provision

| | | | |
|------------------------|-----------|-----------|-----------|
| Provision For Gratuity | 97,80,225 | 92,06,322 | 84,30,228 |
|------------------------|-----------|-----------|-----------|

| | | | |
|--------------|------------------|------------------|------------------|
| Total | 97,80,225 | 92,06,322 | 84,30,228 |
|--------------|------------------|------------------|------------------|

Note 14

Trade payables

| | | | |
|----------------|-------------|-------------|-------------|
| Trade payables | 1,70,06,985 | 1,26,45,786 | 1,36,57,986 |
|----------------|-------------|-------------|-------------|

| | | | |
|--------------|--------------------|--------------------|--------------------|
| Total | 1,70,06,985 | 1,26,45,786 | 1,36,57,986 |
|--------------|--------------------|--------------------|--------------------|

Note 15

Other Current Liabilities

| | | | |
|-----------------------|----------|----------|----------|
| Advance From Cutomers | 1,16,078 | 3,65,776 | 5,37,520 |
|-----------------------|----------|----------|----------|

| | | | |
|----------------|----------|-------|---|
| Bank Overdraft | 1,52,345 | 9,441 | 0 |
|----------------|----------|-------|---|

| | | | |
|-------------------------|-----------|-----------|-----------|
| Outstanding Liabilities | 20,66,907 | 48,16,140 | 19,48,841 |
|-------------------------|-----------|-----------|-----------|

| | | | |
|-------------|----------|----------|----------|
| TDS payable | 3,05,627 | 6,34,037 | 6,60,837 |
|-------------|----------|----------|----------|

| | | | |
|--------------|------------------|------------------|------------------|
| Total | 26,40,957 | 58,25,394 | 31,47,198 |
|--------------|------------------|------------------|------------------|

Note 16

Short Term Provision

| | | | |
|--|----------|----------|----------|
| Provision for income tax (Net of Advance Tax & Mat Credit utilised Rs.C.Y 97,03,290/- P.Y.1,36,17,816/.) | 9,14,794 | 6,35,667 | 1,80,367 |
|--|----------|----------|----------|

| | | | |
|----------------------------------|-----------|-----------|-----------|
| Provision For Employees Benefits | 16,24,567 | 23,48,876 | 18,46,907 |
|----------------------------------|-----------|-----------|-----------|

| | | | |
|--------------|------------------|------------------|------------------|
| Total | 25,39,361 | 29,84,543 | 20,27,274 |
|--------------|------------------|------------------|------------------|

| Particulars | Period Ended 31st March, 2018 | Year Ended 31st March, 2017 |
|--|----------------------------------|--------------------------------|
| Note 17 | | |
| Revenue From Operation | | |
| Sales | 26,60,87,392 | 37,81,93,703 |
| Total | <u>26,60,87,392</u> | <u>37,81,93,703</u> |
| Note 18 | | |
| Other Income | | |
| Interest -Other | 9,288 | 23,529 |
| Interest on Bank Deposit | 3,46,613 | 3,67,037 |
| Profit On Sale of Units of Mutual Fund | 18,80,203 | 13,67,842 |
| Mark to Market Profit on Mutual Fund as per New Ind AS | 11,94,992 | 3,96,411 |
| Excess Provision for Rebate Claim w/b | 24,59,046 | 0 |
| Sundry Balance Written Back | 1,40,718 | 97,044 |
| Miscellaneous Income | 1,89,119 | 28,971 |
| Total | <u>62,19,979</u> | <u>22,80,834</u> |
| Note 19 | | |
| Cost Of Material Consumed | | |
| Opening Stock | 30,60,123 | 39,46,081 |
| Add: Purchases | 16,38,31,806 | 16,95,43,967 |
| Less : Closing Stock | 83,56,515 | 30,60,123 |
| (Yarn Consumption C.Y. Rs. 15,60,27,679/- ,P.Y.14,18,79,373) | <u>15,85,35,414</u> | <u>17,04,29,925</u> |
| Note 20 | | |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | | |
| Opening Stock | | |
| Work In Progress | 37,25,057 | 56,84,394 |
| Finished Goods | 47,43,587 | 56,74,908 |
| | 84,68,644 | 1,13,59,302 |
| Less: Closing Stock | | |
| Work In Progress | 41,24,625 | 37,25,057 |
| Finished Goods | 3,82,389 | 47,43,587 |
| | 45,07,014 | 84,68,644 |
| Total | <u>39,61,630</u> | <u>28,90,658</u> |
| Note 21 | | |
| Other Manufacturing Expense | | |
| Processing charges | 2,74,21,630 | 8,34,80,267 |
| Power and Fuel | 74,22,262 | 98,42,157 |
| Stores & Spares Consumed* | 35,18,322 | 57,52,898 |
| Dyes & Chemical Consumed | 41,05,765 | 2,18,45,483 |
| Repairs to Building | 97,133 | 7,40,150 |
| Repairs to Machines | 58,306 | 1,26,100 |
| Packing Material Consumed | 72,35,980 | 1,34,17,131 |
| (*All Indigenous) | | |
| Total | <u>4,98,59,398</u> | <u>13,52,04,186</u> |

| Particulars | Year Ended 31st March , 2018 | Year Ended 31st March , 2017 |
|--|---------------------------------|---------------------------------|
| Note 22 | | |
| Employee Benefits Expense | | |
| Managerial Remunation | 1,20,00,000 | 1,20,00,000 |
| Salaries and Incentives | 98,62,890 | 95,34,052 |
| Contributions to Provident fund & Pension Fund | 1,61,090 | 1,77,903 |
| Gratuity fund contributions | 4,22,406 | 7,88,013 |
| Staff welfare expenses | 3,77,791 | 8,19,919 |
| Total | 2,28,24,177 | 2,33,19,887 |
| Note 23 | | |
| Adminstrative Expenses | | |
| Brokerage & Commission | 4,84,164 | 40,58,078 |
| Freight and Forwarding Expense | 13,80,423 | 35,31,755 |
| Professional Charges | 3,42,276 | 14,12,971 |
| Travelling & Conveyance | 9,30,062 | 12,50,672 |
| Business Promotion Expenses | 3,97,626 | 7,65,347 |
| Rent | 4,35,000 | 4,50,000 |
| Repairs to Others | 1,08,913 | 6,54,755 |
| Insurance Charges | 2,56,060 | 2,94,758 |
| Advertisement | 49,088 | 1,15,620 |
| Registrar and Transfer Agent Expenses | 1,06,585 | 1,02,901 |
| Registration & Filing Fees | 3,22,065 | 2,64,575 |
| Discount ,Rebate And Claims | 4,03,329 | 60,41,409 |
| Audit Fees | 1,16,900 | 1,11,426 |
| Other Professional Fees | 53,100 | 28,700 |
| Loss on Sale of Fixed Asset | 9,84,252 | 0 |
| Miscellaneous Expense | 24,75,676 | 24,54,100 |
| Total | 88,45,519 | 2,15,37,067 |

24. Contingent liabilities not provided in the accounts

There was no Contingent Liability as on 31.03.2018.

25. Balance of sundry debtors, Creditors and loans and advances are subject to confirmation, reconciliation and adjustment required, if any.

26. Disclosure required under Ind As-19 “Employee Benefits” are as under:-

- (i) The Company has recognized the expected liability of Gratuity as at 31st March, 2018 based on actuarial valuation carried out using the Project Unit Credit Method.
- (ii) The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with Ind AS-19 pertaining to the Defined Benefit Plan is as given below:-

| Assumptions (Current Period) | |
|-------------------------------------|---|
| Expected Return on Plan Assets | N.A. |
| Rate of Discounting | 7.78% |
| Rate of Salary Increase | 8.00% |
| Rate of Employee Turnover | For ages 40 Years and below 3.00% p.a. & For ages 41 years and above 1.00% p.a. |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate after Employment | N.A. |

| Table Showing Changes in the Present Value of Projected Benefit Obligation | |
|---|-------------|
| Present Value of Benefit Obligation at the Beginning of the period | 93,57,819 |
| Interest Cost | 6,80,313 |
| Current Service Cost | 3,54,136 |
| Past Service Cost- Non- Vested Benefit Incurred During the Period | - |
| Past Service Cost- Vested Benefit Incurred During the Period | - |
| Liability Transferred in / Acquisitions | - |
| (Liability Transferred Out / Divestment) | - |
| (Gains)/Losses on Curtailment | - |
| (Liabilities Extinguished on Settlement) | - |
| (Benefit Paid Directly by the Employer) | - |
| (Benefit Paid From the Fund) | - |
| The Effect of Changes in Foreign Exchange Rates | - |
| Actuarial (Gains)/ Losses on Obligations-Due to Change in Demographic Assumption | - |
| Actuarial (Gains)/ Losses on Obligations-Due to Change in Financial Assumptions | (2,81,537) |
| Actuarial (Gains)/Losses on Obligations- Due to Experience | (3,30,506) |
| Present Value of Benefit Obligation at the End of Period | 97,80,225 |
| Amount Recognized in the Balance Sheet | |
| (Present Value of Benefit Obligation at the end of the Period) | (97,80,225) |
| Fair Value of Plan Assets at the end of the Period | - |
| Funded Status (Surplus/(Deficit)) | (97,80,225) |
| Unrecognized Past Service Cost at the end of the Period | - |
| Net Liability/(Asset) at the Beginning | (97,80,225) |

| Expenses Recognized in the Statement of Profit or Loss for Current Period | |
|--|------------|
| Current Service Cost | 3,54,136 |
| Net Interest Cost | 6,80,313 |
| Actuarial (Gains)/ Losses | (6,12,043) |
| Past Service Cost-Non-Vested Benefit Recognized During the Period | - |
| Past Service Cost- Vested Benefit Recognized During the Period | - |
| (Expected Contributions by the Employees) | - |
| (Gains)/Losses on Curtailments and Settlements | - |
| Net Effect of Changes in Foreign Exchange Rates | - |
| Change in Asset Ceiling | - |
| Expenses Recognized in the Statement of Profit or Loss | 4,22,406 |

| Balance Sheet Reconciliation | |
|---|-----------|
| Opening Net Liability | 93,57,819 |
| Expense Recognized in Statement of Profit or Loss | 4,22,406 |

| | |
|---|-----------|
| Net Liability/(Asset) Transfer In | - |
| Net Liability/(Asset) Transfer Out | - |
| (Benefit Paid Directly by the Employer) | - |
| (Employer's Contribution) | - |
| Net Liability/(Asset) Recognized in the Balance Sheet | 97,80,225 |

27. In the opinion of management, sundry debtors, Loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions of all liabilities are adequate and not in excess of the amount reasonably necessary. There are no contingent liabilities other than those stated above.

28. Related Party Disclosures

As per Ind AS 24, the disclosures of transaction with the related parties are given below:

a) Related party relationship where transaction have taken place during the year Enterprise over which Key Managerial Personnel exercise significant influence/control

- (i) Sunrise Colours Limited
- (ii) Madhusudan Enterprises Private Limited
- (iii) Subhash Poddar HUF (Karta of Jattashankar Poddar & Sharad Poddar)
- (iv) Sharad Poddar HUF (Sharad Poddar is Karta of HUF)

b) Key Management Personnel

- (i) Jattashankar Poddar
- (ii) Sharad Poddar
- (iii) Ankur Poddar
- (iv) Pradeep Vyas

c) Disclosure in respect of material transactions with related parties during the year

| Nature of Transaction | 2017-18 | 2016-17 |
|---|--------------|-------------|
| (a) Key Management Personnel | | |
| Remuneration | 1,23,33,508 | 1,20,00,000 |
| Office Rent | Nil | Nil |
| (b) Relative of Key Management Personnel and their Enterprises where transaction have taken place | | |
| Processing Charges | 2,35,71,949 | 7,52,09,274 |
| Sale | 16,40,69,460 | 49,96,974 |
| Purchase | 4,94,581 | Nil |
| Receivable Sundry Debtors | 3,74,77,510 | Nil |
| Payable Sundry Creditors | Nil | 5,34,677 |
| Security Deposit (Given) | Nil | 50,00,000 |
| Office Rent | 3,60,000 | 3,60,000 |

29. The company mainly deals in Dyed yarns and Elastic tapes which are considered only one segment of Textile Products therefore, disclosure of segment reporting pursuant to Ind AS –108 is not required.

30. In view of the applicability of Ind AS –12 on “ Accounting for Taxes of Income” issued by the ICAI, Company does not have deferred tax liability due to carried forward losses.

31. No Dividend declared in the current year.

32. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT, 2006)

As required to be disclosed under Micro, Small & Medium Enterprises Development Act, 2006 and to the extent such parties are identified on the basis of information available with the company, there are no micro enterprises or small scale enterprises to whom the company owes any due which are outstanding for more than 45 days as at 31st March, 2018.

33. Details of auditors' remuneration and out-of-pocket expenses are as below:

Auditors remuneration and out-of-pocket expenses:

| | | |
|--|----------|----------|
| Audit Fees (including Limited Reviews) | 1,16,900 | 1,11,426 |
| Other Fees | Nil | 28,700 |

34. First time adoption of Ind AS:-

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1, have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has not adjusted any amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Reconciliations between Previous GAAP and Ind. AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of total Equity

(All amounts in lacs.)

| Description | Amount as at 31.03.2017 | Amount as at 01.04.2016 |
|--------------------------------------|-------------------------|-------------------------|
| Total Equity as per previous GAAP | 915.78 | 744.05 |
| Fair valuation of equity instruments | 12.72 | 8.75 |
| Total Equity as per Ind. AS | 928.50 | 752.80 |

ii. Reconciliations of total Comprehensive Income

(All amounts in lacs)

| Description | Amount as at 31.03.2017 |
|---|-------------------------|
| Net profit as per previous GAAP | 171.73 |
| Impact of fair valuation of derivatives | 3.96 |
| Net profit as per Ind. AS | 175.69 |

35. Earning Per Share

The Calculations of Earning per Share (EPS) (Basic and diluted) are based on the earning and number of shares as computed Below :

| Sr. No. | Particulars | 31st March 2018 | 31st March 2017 |
|---------|---|-----------------|-----------------|
| i) | Profit after tax | 2,00,19,800 | 1,75,69,318 |
| a) | Number of shares at the beginning of the period | 43,87,100 | 43,87,100 |
| b) | Number of shares at the end of the period | 43,87,100 | 43,87,100 |
| c) | Weighted average number of shares outstanding during the period | 43,87,100 | 43,87,100 |
| ii) | Basic Earning Per Share (In Rs.) | 4.56 | 4.00 |
| iii) | Diluted Earning Per Share (In Rs.) | 4.56 | 4.00 |
| iv) | Face Value per Equity Share (In Rs.) | 10 | 10 |

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

36. There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the Balance Sheet date.
37. Previous years figures have been regrouped / rearranged wherever is necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

**FOR K K JHUNJHUNWALA & CO.
CHARTERED ACCOUNTANTS
FIRM'S REG. NO. 111852W.**

**SURENDRA SUREKA
PARTNER
M. NO. 119433**

**PLACE : MUMBAI.
DATE : 30.05.2018**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
JATTASHANKAR INDUSTRIES LIMITED**

**JATTASHANKAR PODDAR
(Managing Director)
DIN : 00335747**

**ANKUR S. PODDAR
CFO**

**SHARAD PODDAR
(Wholetime Director)
DIN : 00335806**

FORM MGT -11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

JATTASHANKAR INDUSTRIES LIMITED

CIN: L17110MH1988PLC048451

Regd. Office: 11, Parasrampuria Apartment, Filmcity Road, Gokuldham, Goregoan (East),
Mumbai- 400 063 Tel. No. 28414262/64/66 Fax-28414269
Email: jattashankarind@yahoo.com Website: www.jsil.in

Name of the Member(s): _____

Registered Address: _____

E-mail id: _____

Folio No/*Client Id: _____

*DP Id: _____

I/We being the member (s) of _____ shares of Jattashankar Industries Limited, hereby appoint:

1. _____ of _____ having e-mail id _____ or failing him

2. _____ of _____ having e-mail id _____ or failing him

3. _____ of _____ having e-mail id _____

as my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 30th Annual General Meeting of the Company to be held on Saturday, 22nd September, 2018 at 9.30 a.m. at 11, Parasrampuria Apartment, Filmcity Road, Gokuldham, Goregoan (East), Mumbai- 400 063 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions | For | Against |
|--------------------------|---|-----|---------|
| Ordinary Business | | | |
| 1. | Adoption of the Audited Financial Statements for the financial year ended March 31, 2018. | | |
| 2. | Reappointment of Mrs. Seema Poddar (DIN: 07157093), who retires by rotation. | | |
| 3. | Ratification of the appointment of Statutory Auditors of the Company. | | |
| Special Business | | | |
| 4. | Reappointment of Mr. Jattashankar Poddar (DIN 00335747), as Managing Director. | | |
| 5. | Re-appointment of Dr. Sharad Poddar (DIN 00335806), as Whole Time Director. | | |
| 6. | Appointment of Mr. Ankur Poddar (DIN 03102299), as Director of the Company | | |
| 7. | Ratification & approval of Related Party Transactions with Sunrise Colours Ltd. | | |

*Applicable for investors holding shares in electronic form.

Signed this _____ day of _____ 2018.

Affix a
Revenue
Stamp

Signature of Shareholder

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Notes:

This proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.

AGM Venue Route Map

