

37TH
ANNUAL REPORT
2017-2018



J. J. AUTOMOTIVE LIMITED



J. J. AUTOMOTIVE LIMITED

37TH ANNUAL REPORT 2017 -18

BOARD OF DIRECTORS :

Mr. K.P. Jhunjhunwala, Director
Mr. Anil Jhunjhunwala, Managing Director
Mr. Kamal Nain Saraf, Independent Director
Mr. S.P. Mukherjee, Independent Director
Mr. Surjit Singh, Independent Director
Mrs. Hilla Eruch Bhatthena, Independent Woman Director

MANAGEMENT EXECUTIVES :

Mr. Partha Dutta, Chief Executive Officer
Mr. Ramesh Kumar Chitlangia, Chief Financial Officer

REGISTERED OFFICE :

25B, Park Street
Kolkata – 700 016

STATUTORY AUDITOR :

M/s. Agrawal Subodh & Co.
Chartered Accountants
301, Victoria House, 3rd Floor
1, Ganesh Chandra Avenue
Kolkata – 700 013

INTERNAL AUDITOR :

M/S. Guha & Matilal
Chartered Accountants
20, Strand Road
Kolkata-700 001

SECRETARIAL AUDITOR :

Mr. Ashok Kumar Daga
Practicing Company Secretary
Avani Oxford, Phase – II
136, Jessore Road
Kolkata – 700 055

BANKER :

Indian Overseas Bank

SHARE TRANSFER AGENT :

M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market
71, B.R.B. Basu Road
Kolkata – 700 001

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Annual General Meeting

Date: September 25, 2018 at 05:00 P.M
Venue: At Registered Office



DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty Seventh (37th) Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended 31st March, 2018.

FINANCIAL RESULTS

Attention of the Members is drawn to the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs relating to the Companies (Indian Accounting Standards) Rules, 2015. Pursuant to the said notification, the Company has adopted Indian Accounting Standards (Ind AS) with effect from this year under review. The Company's financial performance during the year 2017-18 as compared to the previous year 2016-17 is summarized below :

(₹ In Lakhs)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Revenue from Operations	10377.31	14959.68
Other Income	786.29	86.09
Profit before exceptional items and Tax	5.94	(47.93)
Exceptional Items	310.00	–
Profit Before Tax (PBT)	315.94	(47.93)
Tax Expenses		
(i) Current Tax	59.51	31.00
(ii) Deferred Tax	8.82	5.32
Profit/(Loss) After Tax (PAT)	247.61	(84.25)

The financial statements for 2016 – 17 have been redrawn as per Ind AS. Accordingly, the figures stated above for 2016 – 17 may not be comparable with financials for 2016 – 17 approved by the Board of Directors vide Report dated 21st July, 2017.

SUMMARY OF OPERATIONS

During the year under review, the revenue from operations has been ₹ 10377.31 lakh as against ₹ 14959.68 lakh in the previous year 2016-17. Profit before tax (PBT) was ₹ 315.94 lakh this year against a loss of ₹ 47.93 lakh in the previous year and profit after tax stood at ₹ 247.61 lakh against loss after tax of ₹ 84.25 lakh in the previous year. During the year under review, finance cost has increased to ₹ 546.57 lakh from ₹ 366.48 lakh.

FINANCIAL STATEMENTS

Full version of the Annual Report 2017-18 containing complete Financial Statements, i.e., Balance Sheet, Statement of Profit & Loss, other statements and Notes thereto prepared under Ind AS (Indian Accounting Standards) for the first time by the Company along with the Directors' Report (including Management Discussion & Analysis and Corporate Governance Report) is available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website at <http://www.jjautomotive.co.in>.

SHARE CAPITAL

During the year, the Company did not allot any shares nor did grant any stock options or sweat equity. Your Company has redeemed 85 lakh, 6% Non Cumulative Redeemable Preference Shares of ₹ 10/- each on 14th September, 2017.



Pursuant to the above redemption the issued, subscribed and paid up share capital of your Company stood at 1.10 crore comprising 11 lakh equity shares of ₹ 10/- each as on 31st March, 2018. None of the Directors of the Company hold any instruments convertible into equity shares of the Company.

RESERVES

The Company has not transferred any amount to the General Reserve of the Company for the financial year ended March 31, 2018.

DIVIDEND

In order to consolidate the position of the Company, your Directors do not recommend any Dividend during the year under review.

SUBSIDIARY, ASSOCIATES AND JOINT VENTURES

Your Company does not have any Subsidiary, Associate Companies or Joint Ventures. Accordingly, the disclosure of the financial statement of subsidiaries/associate companies/joint ventures as required pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is not applicable. However, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on determination of Material Subsidiaries. The policy has been uploaded on the website of the Company at <http://www.jjautomotive.co.in>.

PUBLIC DEPOSITS

During the year under review your Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed there under and as such no amount of interest and principal on deposit was outstanding as on the balance sheet date.

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 the Annual Return in Form MGT-9 is appended as **Annexure A**.

DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS

In terms of the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. K. P. Jhunjhunwala, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

A brief resume of the Director proposed to be re-appointed, the nature of his expertise in specific functional areas, names of Companies in which he holds Directorships, Committee Membership/Chairmanships, his shareholding, etc. are furnished in the Annexure to the notice of the ensuing AGM. The Directors recommend his re-appointment in the ensuing AGM.

During the year, no new Director was appointed in the Company and none of the existing Directors have resigned from the Board, hence the composition of the Board remains the same.

KEY MANAGERIAL PERSONNEL

Mr. Abhijit Das, Company Secretary and Compliance Officer of the Company, resigned w.e.f., 31st October, 2017. There were no other changes in the Key Managerial Personnel of the Company during the year.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. S. P. Mukherjee, Mr. Surjit Singh, Mr. Kamal Nain Saraf and Mrs. Hilla Eruch Bhatena are Independent Directors on the Board of your Company. These Non-Executive Independent Directors have given declaration to the company stating that they fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and the same have been placed and noted in the meeting of the Board of Directors held on 29th May, 2017. A format of letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at <http://www.jjautomotive.co.in>.



FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to enable them to familiarize with the working of the Company, and to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company, the industry in which the Company operates, business model etc. The initiatives undertaken by the Company in this respect have been disclosed in the Corporate Governance Report and are also available on the Company's website <http://www.jjautomotive.co.in>.

PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance and that of its committees and individual directors, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, contribution towards development of the strategy, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board in consultation with Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee Meetings like preparedness on the issues to be discussed, contribution at the meetings and otherwise, independent judgment, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole was evaluated, taking into account the views of Executive Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice of each Board Meeting along with the agenda is given in writing to each Director separately. This ensures timely and informed decisions by the Board. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, Twelve (12) Board Meetings were held; the details of Board and Committee Meetings are given in the Corporate Governance Report as **Annexure D** to this report.

NOMINATION AND REMUNERATION POLICY

In accordance with Section 178 of the Companies Act, 2013, the Board of Directors has in place a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration policy for Key Managerial Personnel and others. The Policy of Nomination and Remuneration Committee has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonably sufficient to attract, retain and motivate them to successfully run the Company. The Details of Remuneration paid by the Company is given in MGT-9 of the Annual Report.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the Company other than sitting fees for attending the meeting of the Board. Remuneration paid to the Managing Director is governed by the relevant provisions of the Act.



The policy has been uploaded on the website of the Company at <http://www.jjautomotive.co.in> and enclosed with this report as **Annexure E**.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained, in terms of Section 134 of the Companies Act, 2013, your Directors state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;
- b) Such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Internal financial controls were followed by the Company and they are adequate and were operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

STATUTORY AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the recommendation of the Board of Directors and the Audit Committee the members in the 36th Annual General Meeting held on 14th September, 2017 had appointed M/s. Agrawal Subodh & Co., Chartered Accountants (ICAI Firm Registration Number 319260E) as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 36th Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the calendar year 2022, on such remuneration as may be decided by the Audit Committee of the Board, subject to annual ratification by members at every Annual General Meeting.

Member's attention is drawn to Item No. 3 of the Notice convening the 37th Annual General Meeting proposing ratification of the appointment of M/s Agrawal Subodh & Co., Chartered Accountants as the Statutory Auditors of the Company.

The Report given by the Statutory Auditors on the financial statements of the Company for the financial year 2017-18, forms a part of the Annual Report 2017-18. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Report that may call for any explanation from the Directors.

SECRETARIAL AUDITOR & THEIR REPORT

In terms of Section 204 of the Act and Rules made there under, Mr. Ashok Kumar Daga, Practicing Company Secretary, had been appointed Secretarial Auditor of the Company for the financial year 2017 - 18. The Secretarial Audit Report in Form MR-3, enclosed as **Annexure B** has no observations (including any qualification, reservation, adverse remark or disclaimer) and hence does not call for any explanation from the Directors.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as **Annexure C** to this Report.



INTERNAL CONTROL SYSTEMS

• INTERNAL AUDIT AND THEIR ADEQUACY

The Internal Auditors maintain their objectivity and independence. The scope and authority of the Internal Auditors includes evaluation of efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures. The Internal Audit framework is reviewed regularly by the management and tested by M/s. Guha & Matilal, Internal Auditors and presented to the Audit Committee. Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Internal Auditors' Reports have no observations (including any qualification, reservation, adverse remark or disclaimer) and hence does not call for any explanation from the Directors.

• INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR)

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the operations was observed. The Company has policies and procedures 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.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, your Company has not given any loans or provided any guarantees or made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

The detail of the investments made by the Company is given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has in place a Policy on Related Party Transactions which is also available on Company's website at <http://www.jjautomotive.co.in>. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. The Company obtains prior omnibus approvals, if required, for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length basis. The provisions of Section 188(1) do not attract as all Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 are given in the notes to the Financial Statements.

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

Your Company had no significant and material changes 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.

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 and read with Companies (Accounts) Rules, 2014 are as follows:



- **CONSERVATION OF ENERGY**

Considering the nature of business of the Company, energy does not form a significant portion of the cost for the Company. Yet wherever possible, and feasible, continuous efforts are being put for conservation of energy and minimizing power cost.

- **TECHNOLOGY ABSORPTION**

We are all aware of latest technology being available in our field of operation. Necessary training is imparted to the relevant people, from time to time, to make them well acquainted with the latest technology.

- **FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, there was no inflow or outgo of Foreign Exchange.

Particulars	31st March, 2018	31st March, 2017
Foreign Exchange earned in terms of actual inflows	Nil	Nil
Foreign Exchange outgo in terms of actual outflows	Nil	Nil

SLUMP SALE OF AUTO-COMPONENTS DIVISION OF THE COMPANY

Your Company had been running and operating two separate and independent business undertakings viz. (i) Vehicle Division and (ii) Auto Components Division. Since the operations of the said two business undertakings of the Company had considerably grown and the market was getting very competitive it was decided that it is better for the Company to focus its attention on the Vehicle Division and to sell, transfer, or dispose of the Auto Components Division.

The Auto Components Division as termed 'substantial' in terms of Section 180(1)(a) of the Companies Act, 2013 required members' approval by way of Special Resolution for its disposal, which was obtained by means of Extra-Ordinary General Meeting dated 14th August, 2017. On 24th August, 2017, the Company entered into an agreement with TVS JJ Distribution Private Limited to dispose of its Auto Components Division as a going concern on slump sale basis. Subsequently, both the parties mutually agreed upon 07th November, 2017 being the closing date for the purpose of the agreement.

AMENDMENT OF THE MEMORANDUM OF ASSOCIATION

During the year under review, the Company, pursuant to provisions of section 13 of the Companies Act, 2013 and the Special Resolution passed by members of the Company vide means of Extra-Ordinary General Meeting dated 15th March, 2018 has altered the Memorandum of Association of the Company by way of insertion of sub-clause (4) after sub-clause (3) of the clause III (A) of the Memorandum of Association for the purpose of **"carrying on distribution and servicing of Motor Insurance policies including add-ons"**.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, rules made thereunder and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) as constituted by the Central Government.

Accordingly, the Company has transferred the unclaimed and unpaid dividends. The details of the unpaid/unclaimed dividend due to be transferred to the IEPF, are also uploaded as per the requirements, on the website of the Company i.e. <http://www.jjautomotive.co.in>.

CORPORATE SOCIAL RESPONSIBILITY

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision of section 134(3)(o) of the Companies Act, 2013 is not applicable and hence no disclosure is required by the Board.



RISK MANAGEMENT POLICY

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy inter alia provides for review of the risk assessment and minimization procedure, laying down procedure to inform the Board in the matter and for periodical review of the procedure to ensure that management controls the risks through properly defined framework.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to Members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered Office during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. There are no employees drawing salaries in excess of the limit prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company affirms that remuneration is as per the Remuneration Policy of the Company.

DISCLOSURE ON REMUNERATION TO EMPLOYEES EXCEEDING SPECIFIED LIMITS

The Company had no employees who were in receipt of remuneration in excess of ₹ 102 lakh per annum during the year ended 31st March, 2018 or of more than ₹ 8.5 lakh per month during any part thereof, hence no information under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.

CORPORATE GOVERNANCE

Corporate Governance refers to a set of systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders, i.e., shareholders, employees, suppliers, customers and society in general. We strive to attain high standards of corporate governance and adhere to the requirements set out by Securities Exchange Board of India (SEBI). The report on Corporate Governance forms an integral part of this report and is set out as **Annexure D**.

Further, the requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is also appended with this report as **Annexure G**.

COMMITTEES OF THE BOARD

For details of composition of the Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee of the Board, please refer to the Corporate Governance Report as **Annexure D** to this report.

VIGIL MECHANISM

Pursuant to the requirement of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a vigil mechanism policy to report genuine concerns or grievances. The Vigil Mechanism Policy has been posted on the website of the Company at <http://www.jjautomotive.co.in>.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to improve productivity across organization.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace. During the Financial Year 2017-18, no complaints of sexual harassment were reported.

**ACKNOWLEDGEMENT**

Your Directors thank the customers and vendors for their continued support to your Company's growth. Your Directors place on record their appreciation for the support given by the bankers of the Company for meeting the long term and working capital needs of the Company.

Your Directors are grateful to the State Government for their continued support to the Company's activities.

Your Directors are thankful to the esteemed Shareholders for their support and encouragement. They also wish to place on record their appreciation of the contribution made by employees at all levels.

For and on behalf of the Board

Place : Kolkata
Dated : 13.08.2018

Anil Jhunjhunwala
Managing Director
DIN - 00128717

S. P. Mukherjee
Director
DIN - 00108225



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

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

I. REGISTRATION AND OTHER DETAILS :

- (i) CIN : L34103WB1981PLC033996
- (ii) Registration Date : 19th August, 1981
- (iii) Name of the Company : J. J. Automotive Limited
- (iv) Category/Sub-Category of the Company : Company Limited by Shares
Indian Non Government Company
- (v) Address of the Registered Office and contact details : 25-B Park Street, Kolkata-700 016
Phone No. +91-33-2229-6000
- (vi) Whether listed Company (Yes/No) : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market
71, B. R. B. Basu Road
Kolkata - 700 001
Phone No. +91-33-2235-7271/70

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of Motor Vehicles, parts and accessories of Motor Vehicles and Motor Cycles	4510/30/40*	96.21

*The NIC code of the Product or Service has been mentioned as per the Ministry of Statistics and Product Implementation Link: https://udyogaadhaar.gov.in/UA/Document/nic_2008_17apr09.pdf

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
Company does not have any Holding, Subsidiary or Associate Companies					


VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Sl. No.	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	442150	0	442150	40.195	442350	0	442350	40.214	0.019
	b) Central Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) State Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Bodies Corporate	242850	0	242850	22.077	242850	0	242850	22.077	0.000
	e) Banks / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (A)(1)	685000	0	685000	62.273	685200	0	685200	62.291	0.018
(2)	Foreign									
	a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Banks / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
	Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	685000	0	685000	62.273	685200	0	685200	62.291	0.018
B.	PUBLIC SHAREHOLDING									
(1)	Institutions									
	a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Banks / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Central Governments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) State Governments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	g) Foreign Institutional Investors (FII)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (B)(1)	0	0	0	0.000	0	0	0	0.000	0.000



Sl. No.	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	
(2)	Non-Institutions									
	a) Bodies Corporate									
	i) Indian	62800	148100	210900	19.173	62800	148100	210900	19.173	0.000
	ii) Overseas									
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs 1 lakh	13650	37450	51100	4.645	13650	36450	50100	4.555	-0.090
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	153000	0	153000	13.909	153000	800	153800	13.982	0.073
	c) Others Specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	1. NRI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2. Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	3. Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	4. Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	5. Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	6. Foreign Bodies - D.R.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (B)(2)	229450	185550	415000	37.727	229450	185350	414800	37.709	-0.018
	Total Public Shareholding (B) = (B)(1) + (B)(2)	229450	185550	415000	37.727	229450	185350	414800	37.709	-0.018
	C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A + B + C)	914450	185550	1100000	100.000	914650	185350	1100000	100.000	0.000

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	A. K. JHUNJHUNWALA	59400	5.400	0.000	59400	5.400	0.000	0.000
2	ANIL JHUNJHUNWALA	127850	11.623	0.000	128050	11.641	0.000	0.018
3	ANITA KANOI	38900	3.536	0.000	38900	3.536	0.000	0.000
4	J. J. FINANCE CORPORATION LTD.	17900	1.627	0.000	17900	1.627	0.000	0.000
5	J.J. PROJECTS PVT. LTD	136700	12.427	0.000	136700	12.427	0.000	0.000
6	K P JHUNJHUNWALA	31200	2.836	0.000	31200	2.836	0.000	0.000
7	K. P. JHUNJHUNWALA	41300	3.755	0.000	41300	3.755	0.000	0.000
8	KANAKLATA JHUNJHUNWALA	74800	6.800	0.000	74800	6.800	0.000	0.000
9	KOHINOOR STOCK BROKING PVT LTD	88250	8.023	0.000	88250	8.023	0.000	0.000
10	VEDIKA JHUNJHUNWALA	44800	4.073	0.000	44800	4.073	0.000	0.000
11	VIDHI BERI	23900	2.173	0.000	23900	2.173	0.000	0.000
	Total	685000	62.273	0.000	685200	62.291	0.000	0.018



(iii) Change in Promoter's Shareholding

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	A. K. JHUNJHUNWALA				
	a) At the Beginning of the Year	59400	5.400		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			59400	5.400
2	ANIL JHUNJHUNWALA				
	a) At the Beginning of the Year	127850	11.623		
	b) Changes during the year				
	Date Reason				
	26/05/2017 Transfer	200	0.018	128050	11.641
	c) At the End of the Year			128050	11.641
3	ANITA KANOI				
	a) At the Beginning of the Year	38900	3.536		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			38900	3.536
4	J. J. FINANCE CORPORATION LTD.				
	a) At the Beginning of the Year	17900	1.627		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			17900	1.627
5	J.J. PROJECTS PVT. LTD				
	a) At the Beginning of the Year	136700	12.427		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			136700	12.427
6	K. P. JHUNJHUNWALA				
	a) At the Beginning of the Year	31200	2.836		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			31200	2.836
7	K. P. JHUNJHUNWALA				
	a) At the Beginning of the Year	41300	3.755		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			41300	3.755
8	KANAKLATA JHUNJHUNWALA				
	a) At the Beginning of the Year	74800	6.800		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			74800	6.800



SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	KOHINOOR STOCK BROKING PVT LTD				
	a) At the Beginning of the Year	88250	8.023		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			88250	8.023
10	VEDIKA JHUNJHUNWALA				
	a) At the Beginning of the Year	44800	4.073		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			44800	4.073
11	VIDHI BERI				
	a) At the Beginning of the Year	23900	2.173		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			23900	2.173
	TOTAL	685000	62.273	685200	62.291

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ABHINANDAN DISTRIBUTORS PVT. LTD.				
	a) At the Beginning of the Year	50000	4.545		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	4.545
2	MANORMA ALMAL				
	a) At the Beginning of the Year	10600	0.964		
	b) Changes during the year				
	Date Reason				
	22/04/2017 Transfer	600	0.055	11200	1.018
	17/05/2017 Transfer	200	0.018	11400	1.036
	c) At the End of the Year			11400	1.036
3	MRIDUHARI TRADE & INDUSTRIES LTD.				
	a) At the Beginning of the Year	40500	3.682		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			40500	3.682
4	NIKHIL CHHAWCHHARIA				
	a) At the Beginning of the Year	142400	12.945		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			142400	12.945



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	NITIN FINVEST PRIVATE LIMITED				
	a) At the Beginning of the Year	5600	0.509		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5600	0.509
6	RAINBOW SECURITIES PRIVATE LIMITED				
	a) At the Beginning of the Year	57000	5.182		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			57000	5.182
7	SAMBHAV COMMERCIAL PVT. LTD.				
	a) At the Beginning of the Year	31500	2.864		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			31500	2.864
8	SANJAY KUMAR MODAK				
	a) At the Beginning of the Year	6100	0.555		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6100	0.555
9	VINOD KUMAR R SARAF				
	a) At the Beginning of the Year	3200	0.291		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			3200	0.291
10	WAHEGURU COMMERCE PVT. LTD.				
	a) At the Beginning of the Year	25100	2.282		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			25100	2.282
	TOTAL	372000	33.818	372800	33.891



(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANIL JHUNJHUNWALA				
	a) At the Beginning of the Year	127850	11.623		
	b) Changes during the year				
	Date Reason				
	26/05/2017 Transfer	200	0.018	128050	11.641
	c) At the End of the Year			128050	11.641
2	K. P. JHUNJHUNWALA				
	a) At the Beginning of the Year	31200	2.836		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			31200	2.836
3	SURJIT SINGH				
	a) At the Beginning of the Year	200	1.182		
	b) Changes during the year				
	Date Reason				
	26/05/2017 Transfer	200	1.182		
	c) At the End of the Year			0	0.00
	TOTAL	159250	15.641	159250	14.477

V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year				
i) Principal Amount	392539751	226300000	0	618839751
ii) Interest due but not paid	0	2890689	0	2890689
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	392539751	229190689	0	621730440
Change in Indebtedness during the financial year				
Additions	0	281158426	0	
Reduction	125570476	174699115	0	
Net Change	(125570476)	106459311	0	(5563578.00)
Indebtedness at the end of the financial year				
i) Principal Amount	266969275	335650000	0	602619275
ii) Interest due but not paid	0	13171623	0	13171623
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	266969275	348821623	0	615790898



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Mr. Anil Jhunjunwala (Managing Director)	Total Amount
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	₹ 12,12,000	₹ 12,12,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	As % of profit	-	-
	Others, specify	-	-
5	Others, please specify	-	-
	Total (A)	₹ 12,12,000	₹ 12,12,000
	Ceiling as per the Act	As provided in Part II of Schedule V of Companies Act, 2013	

B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Names of Directors				Total Amount
1	Independent Directors	Mr. S. P. Mukherjee	Mr. Kamal Nain Saraf	Mr. Surjit Singh	Mrs. Hilla Eruch Bhathena	
	● Fee for attending board committee meetings	₹ 12,000	₹ 12,000	₹ 12,000	₹ 12,000	
	● Commission	-	-	-	-	-
	● Others, please specify	-	-	-	-	-
	Total (1)	₹ 12,000	₹ 12,000	₹ 12,000	₹ 12,000	₹ 48,000
2	Other Non-Executive Directors	Mr. K. P. Jhunjunwala				
	● Fee for attending board committee meetings	₹ 11,000	-	-	-	
	● Commission	-	-	-	-	-
	● Others, please specify	-	-	-	-	-
	Total (2)	₹ 11,000	-	-	-	₹ 11,000
	Total (B) = (1)+(2)	23,000	12,000	12,000	12,000	₹ 59,000
	Total Managerial Remuneration	-				₹ 59,000
	Overall Ceiling as per the Act	As provided in Part II of Schedule V of Companies Act, 2013				

**C. Remuneration to Key Managerial Personnel, other than MD/Manager/WTD :**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Partha Dutta (Chief Executive Officer)	Mr. Abhijit Das (Company Secretary)	Mr. Ramesh Kumar Chitlangia (Chief Financial Officer)	Total Amount
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	₹ 8,64,000	₹ 1,50,500	₹ 6,72,000	₹ 16,86,500
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	TOTAL	₹ 8,64,000	₹ 1,50,500	₹ 6,72,000	₹ 16,86,500

Note: Mr. Abhijit Das, Company Secretary and Compliance Officer resigned w.e.f. 31st October, 2017

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					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

There were no cases of penalties, punishments or compounding of offences during the year



FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

TO,
THE MEMBERS,
J. J. AUTOMOTIVE LTD.
25B PARK STREET
KOLKATA WB – 700016.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by J. J. AUTOMOTIVE LTD. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by J. J. AUTOMOTIVE LTD. ("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) The Depositories Act, 1996 and the Regulations and Byelaws framed there under:
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI 'Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,-2009; **The Company has not issued any shares during the year.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
Not applicable, since the Company has not raised any such scheme as per (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 during the year.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not applicable, since the company has not issued any debt securities during the year (Issue and Listing of Debt Securities Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable, since the company has not applied for delisting of shares during the year; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **not applicable, since the Company has not bought back of shares during the year.**
- (vi) other specifically applicable laws to the Company.
 - (a) Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.
 - (b) Factories License under Factories Act, 1948 for its units situated in different places.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Company has complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes has occurred in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has disposed off its Auto Component Division to TVS JJ Distribution Pvt. Ltd. as a going concern on a slump sale basis during the year and has obtained the approval of the members by special majority in the EGM duly convened as per provisions of Companies Act, 2013 and the Company has also complied with other applicable laws.

I/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.

Place : Kolkata

Date : 03th August, 2018

ASHOK KUMAR DAGA

Practicing Company Secretary

FCS No. 2699, C P No: 2948



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Financial Year 2017-18 marked a significant economic measure by the Government as the wheels of change continued to roll in the Country with the implement of the Goods and Services Tax (GST) from July, 2017 shifting the nation to a 'One nation - One tax' regime. While GST would be a long term positive, the overall economy bore the brunt of the changes with traders and Medium and Small Scale Enterprises (MSME) getting adversely affected. The Indian economy continued to grow strongly, as the economy recovered in the second half post stabilization of the GST regime. Gross Domestic Product growth rate in FY 2017 – 18 was 6.7%, supported by consumption growth and government spending. Strong vehicle sales growth and improvement in road freight transport following stabilization of GST are further signs for continuing demand growth. The growth of the auto industry is expected to continue in 2018 across all vehicle categories.

OPPORTUNITIES & THREATS

OPPORTUNITIES

- Factors like continuous thrust of Government on strengthening infrastructure development, Make in India, Skill India, and launch of new models by vehicle manufacturers, changing buying pattern, replacement demand etc. and overall improvement in economic fundamentals will be the positive drivers for automobile industries in the medium to long term.
- Vehicle safety norms-mandatory crash tests for passenger cars, mandatory airbags in cars as well as increasing sophistication means higher value added components are likely to be demanded from auto component suppliers.
- Greater thrust of auto OEM's on localization and increased replacement market demand shall increase demand for auto components.
- Auto component manufacturers' gain as more complex components mean greater value realization per part sold.

THREATS

- Shrinkage in product lifecycles and managing a wide portfolio of auto components, due to need for providing spare parts for current as well as discontinued models.

SEGMENT-WISE PERFORMANCE

As the Company's business activities fall within a single primary business segment, i.e., dealer of vehicle and motor parts, the results for the year under review pertain to the same under a single segment. However, your Company had been running and operating two separate and independent business undertakings viz. (i) Vehicle Division and (ii) Auto Components Division. Since the operations of the said two business undertakings of the Company had considerably grown and the market was getting very competitive it was decided that it was better for the Company to focus its attention on the Vehicle Division and to sell, transfer, or dispose of the Auto Components Division.

The Auto Components Division as termed 'substantial' in terms of Section 180(1)(a) of the Companies Act, 2013 required members' approval by way of Special Resolution for its disposal, which was obtained by means of Extra-Ordinary General Meeting dated 14th August, 2017.

OUTLOOK

With the Automall Project at Rajarhat becoming fully functional, we are confident that this will definitely usher a new era in the business endeavors of the Company.

In the years ahead we expect a more stable economy and a growing auto market.

Your Company aims to continue its enduring relationship with existing customers, even as it strives to develop and increase business with new customers, by exceeding their expectations. This will be based on an increased focus on the operational efficiency, agility and flexibility.

**RISKS & CONCERNS****RISKS**

- The economic environment, pricing pressure could negatively affect our revenues and operating results.
- Our revenues and expenses are difficult to predict and we may not be able to sustain our previous profit margins or levels of profitability.
- Our inability to manage our growth can disrupt our business and reduce profitability.

CONCERNS

- Emergence of spurious spare parts.
- Competition from imports from China.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. Information provided to management is reliable and timely and statutory obligations are adhered to. The Internal Control System is supplemented by an extensive programme of internal audits, reviews by management, and documented policies, guidelines and procedures.

The internal control system is supplemented by well-documented policies, guidelines and procedures and reviews carried out by the Company's Internal Auditor.

FINANCIAL AND OPERATIONAL PERFORMANCE

During the financial year 2017-18, your Company achieved total revenue from operations of ₹ 10377.31 lakh in comparison to the previous year figure of ₹ 14959.68 lakh. Profit before Taxes is ₹ 315.94 lakh this year.

A summary of the financial figures for the year is given in the Directors' Report.

Operationally, the Company had a sale of vehicles as 2045 units as compared to 1852 units in the previous year showing an increase of 10.42 per cent.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Your Company follows cogent Human Resources policy with an integrated approach that combines employee recognition, training and mentoring. The Company maintains open communication channels with workforce and keeps them engaged with its objectives towards attainment of healthy employer-employee relationship.

Industrial relations were cordial throughout the year under review.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describes the Company's objectives, and uses projections, estimates and expectations that may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect J. J. Automotive Limited's operations includes a downslide in the automobile industry-global or domestic or both, cogent changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relation and interest costs.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 13.08.2018

Anil Jhunjhunwala
Managing Director
DIN-00128717

S. P. Mukherjee
Director
DIN-00108225



CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company believes in ensuring corporate fairness, transparency, professionalism accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and spirit, is the foundation on which the Company's ethical standards are built. The Company would constantly endeavor to improve on these aspects:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

J. J. Automotive Limited (JJ) is fully committed to practicing sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organization, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

DISCLOSURES TO THE CORPORATE GOVERNANCE REPORT

COMPOSITION OF THE BOARD

The existing composition of the Company's Board is fully in conformity with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company has six (6) Directors consisting of one (1) Managing Director, one (1) Non-Executive Director and four (4) Independent Directors as on 31st March, 2018.

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements), 2015, a Company shall have at least one Woman Director on its Board. Mrs. Hilla Eruch Bhatena is the Woman Director on the Board who is an Independent Director.

Except Mr. K. P. Jhunjhunwala and Mr. Anil Jhunjhunwala who are related to each other, none of the Directors are related to any other Director. All Independent Directors bring a wide range of expertise and experience to the Board thereby ensuring the best interests of stakeholders and the Company.

OTHER DIRECTORSHIPS ETC.

None of the Directors hold directorship in more than 10 public limited companies nor are a member of more than 10 committees or Chairman of more than 5 committees across all listed public limited companies in which they are Directors.

BOARD MEETING DATES AND ATTENDANCE

The Board of Directors met Twelve (12) times during the financial year 2017-18 on 29th May, 2017, 21st June, 2017, 15th July, 2017, 21st July, 2017, 24th August, 2017, 13th September, 2017, 14th September, 2017, 30th October, 2017, 12th December, 2017 and 06th February, 2018, 13th February, 2018 and 15th February, 2018. The Board meets at least four times a year with a maximum gap of one hundred and twenty days between any two meetings. Table 1 gives the attendance record of the Directors at the Board Meetings as well as the last Annual General Meeting (AGM).

TABLE 1 : BOARD MEETING AND AGM ATTENDANCE RECORD OF THE DIRECTORS IN 2017-18

Name	Attendance		Directorships in other Companies as on 31.03.2018			Total no. of Membership of Committees in other Companies as on 31.03.2018		Total no. of Chairmanship of Committees in other Companies as on 31.03.2018	
	Board Meeting	Last AGM	Listed	Public	Private	Audit Committee	SRC	Audit Committee	SRC
Mr. K. P. Jhunjhunwala (NED)	11	No	–	–	5	–	–	–	–
Mr. Anil Jhunjhunwala (MD)	12	Yes	1	–	6	1	1	–	1
Mrs. Hilla Eruch Bhatena (NEID)	12	Yes	1	–	–	1	–	1	–
Mr. Kamal Nain Saraf (NEID)	12	Yes	–	–	–	–	–	–	–
Mr. S. P. Mukherjee (NEID)	12	Yes	–	–	–	–	–	–	–
Mr. Surjit Singh (NEID)	12	Yes	–	–	–	–	–	–	–

**MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their view to the Chairman and Managing Director of the Company.

Sl. No.	Name of Independent Director	No of meetings held	No. of meetings attended
1	Mrs. Hilla Eruch Bhathena	1	1
2	Mr. Kamal Nain Saraf	1	1
3	Mr. S. P. Mukherjee	1	1
4	Mr. Surjit Singh	1	1

During the year, a meeting of Independent Directors was held on 27th November, 2017. All Independent Directors were present in the meeting.

INFORMATION SUPPLIED TO THE BOARD AND THE COMMITTEES

The Directors of the Company have complete access to all information of the Company and are informed about the Agenda of the Board Meeting and Committee Meetings, containing relevant information / supporting data, as required well in advance, to enable them to take informed decisions. Matters discussed at Board Meeting are generally related to Company's performance, approval of related party transactions, general notice of interest of Directors, review of the meeting of Committees of the Board and compliance with their recommendation, suggestion, compliance of any regulatory, statutory or listing regulations, etc., any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, proposal for investments, brief on statutory developments, change in Government or Regulatory Policies, etc.

COMMITTEES OF THE BOARD**AUDIT COMMITTEE**

The Audit Committee's composition and terms of reference are in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, 2015.

Terms of reference of the Committee inter alia, include the following:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Examination of the financial statement and the auditors' report thereon;
3. Approval or any subsequent modification of transactions of the company with related parties;
4. Scrutiny of inter-corporate loans and investments;
5. Valuation of undertakings or assets of the company, wherever it is necessary;
6. Evaluation of internal financial controls and risk management systems;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Responsibilities as may be given time to time by the Board of the Company.

POWERS OF AUDIT COMMITTEE

The Audit Committee has the following powers :

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



ROLE OF AUDIT COMMITTEE

The role of Audit Committee includes the following :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and reliable.
2. To recommend to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
3. To approve payment to statutory auditors for any other services rendered by the statutory auditors.
4. To review with the management, the annual financial statements, and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Boards' Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. To review with the management, the quarterly financial statements before submission to the board for approval.
6. To review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. To review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. To approve or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. To discuss with internal auditors any significant findings and follow up thereon.
15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower Mechanism.



19. Approval of appointment of CFO (i.e., the whole time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also mandatorily reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions, submitted by management;
3. Managements letters / letters of internal control weaknesses issued by the Statutory Auditors, if any;
4. Internal Audit Reports relating to internal control weaknesses;
5. Review by the Committee the appointment, removal and terms of remuneration of the Internal Auditor;
6. Statement of deviations, if any.

COMPOSITION OF AUDIT COMMITTEE AND MEETINGS

Table 2 shows the composition of the Audit Committee and the details of attendance. The Audit Committee met Twelve (12) times during the year under review 29th May, 2017, 21st June, 2017, 15th July, 2017, 21st July, 2017, 24th August, 2017, 13th September, 2017, 14th September, 2017, 30th October, 2017, 12th December, 2017 and 06th February, 2018, 13th February, 2018 and 15th February, 2018. All the members of the Audit Committee are financially literate and Mr. S. P. Mukherjee, the Chairman, has expertise in accounting and financial management. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the shareholders' queries.

TABLE 2 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2017-18 (Total meetings held: 12)
Mr. S. P. Mukherjee	Independent	Chairman	12
Mr. Kamal Nain Saraf	Independent	Member	12
Mr. Surjit Singh	Independent	Member	12

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, 2015.

Terms of Reference of the Committee inter alia, include the following :

- a) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- c) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE

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



Table 3 shows the composition of the Nomination and Remuneration Committee and the details of attendance. The Committee met twice during the year under review on 27th May, 2017 and 27th October, 2017. The Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company.

TABLE 3 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2017-18 (Total meetings held: 2)
Mrs. Hilla Eruch Bhathena	Independent	Chairperson	2
Mr. S. P. Mukherjee	Independent	Member	2
Mr. K. P. Jhunjhunwala	Non – Executive Director	Member	2

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Evaluation is carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Code for Independent Directors as outlined under Schedule IV of the Companies Act, 2013. Additionally, such evaluation factors are set against a range of criteria including contribution to the development of business strategy and performance of the Company, domain expertise, industry knowledge, and participation in discussions, understanding the major risks affecting the Company, clear direction to the Management and contribution to the board cohesion.

REMUNERATION OF DIRECTORS

Table 4 gives details of the remuneration for the financial year ended 31st March, 2018. The Company did not advance any loans to any of its Directors in the year under review.

TABLE 4 : DETAILS OF REMUNERATION OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

Remuneration to Directors :

- (a) The Non-Executive Directors are paid sitting fees of ₹ 1000/- per meeting for attending the Board meetings.

The details of remuneration and sitting fees paid to each of the Directors during the year ended on 31st March, 2018 are given below:

Name of the Director	Remuneration (₹) p.a.	Sitting Fees (₹)	No. of shares held
Mr. K. P. Jhunjhunwala	Nil	11,000/-	31200
Mr. Anil Jhunjhunwala	12,00,000/-	12,000/-	128050
Mrs. Hilla Eruch Bhathena	Nil	12,000/-	Nil
Mr. Kamal Nain Saraf	Nil	12,000/-	Nil
Mr. S. P. Mukherjee	Nil	12,000/-	Nil
Mr. Surjit Singh	Nil	12,000/-	Nil

Apart from the above, there were no pecuniary transactions between the Company and Directors.

The performance criteria for the purpose of payment of remuneration to the Directors are in accordance with Nomination and Remuneration Policy. No employee of the Company is related to any director of the Company.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

The Non-Executive Directors shall be entitled to receive remuneration as detailed hereunder:

SITTING FEE

Such Director(s) may receive remuneration by way of fee for attending meetings of the Board or any other meeting as required by the



Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board;

REIMBURSEMENT OF ACTUAL EXPENSES INCURRED :

Non-Executive Directors may also be paid /reimbursed such sums either as fixed allowance and /or actual for travel, incidental and /or actual out of pocket expenses incurred by such Director /Member for attending Board /Committee Meetings.

COMMISSION:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its Non-Executive Directors either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has Managing Director or whole-time director or Manager, then a maximum of 1% of its net profits can be paid as remuneration to its Non-Executive Directors. In case there is no Managing Director or Whole-Time Director or Manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the Non-Executive Directors is the net profit of the Company.

The Company is however not obligated to remunerate its Non-Executive Directors.

REFUND OF EXCESS REMUNERATION PAID :

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it.

PAYMENT TO INDEPENDENT DIRECTORS :

An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as may be permissible under the applicable law.

The above criteria and policy are subject to review by the Nomination and Remuneration Committee and the Board of Directors of the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders' Relationship Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of Listing Regulations, 2015.

Terms of Reference of the Committee inter alia, include the following:

The main agenda of the committee would be to address, consider and resolve to the requests and grievances of the stakeholders / security holders of the company.

Table 5 shows the composition of the Stakeholders' Relationship Committee and the details of attendance. The Committee met four times during the year under review on 22nd April, 2017, 20th May, 2017, 03rd November, 2017 and 05th February, 2018. The Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting of the Company.

TABLE 5 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2017-18 (Total meetings held: 4)
Mr. Surjit Singh	Independent	Chairman	4
Mr. Partha Dutta	Chief Executive Officer	Member	4

INVESTOR GRIEVANCE REDRESSAL

Details of complaints received and resolved by the Company during the financial year 2017-18 are given below:



Nature of Complaint	Pending as on 31.03.2017	Received during the year	Disposed of during the year	Pending as on 31.03.2018
Non receipt of certificates lodged for Transfer/ Transmission, issue of Duplicate shares	NIL	NIL	NIL	NIL
Non-receipt of Dividend	NIL	NIL	NIL	NIL
Dematerialization/Rematerialization of shares	NIL	NIL	NIL	NIL
Others (Non-receipt of bonus shares/POA/change of signatures/address etc.)	NIL	NIL	NIL	NIL

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETING

The information relating to the location and time of last three Annual General Meetings and the special resolutions passed there at is as under:

TABLE 6 : DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY

Financial Year	Location	Date	Time	Whether any special resolution passed
2014-15	25B Park Street, Kolkata - 700016	29/08/2015	12:00 P.M.	Yes
2015-16	25B Park Street, Kolkata - 700016	14/09/2016	12:00 P.M.	Yes
2016-17	25B Park Street, Kolkata - 700016	14/09/2017	12:00 P.M.	No

The Company has passed six special resolutions in the previous three Annual General Meetings. No special resolutions were required to be put through postal ballot last year.

EXTRA-ORDINARY GENERAL MEETING

During the year under review, Two (2) Extra- Ordinary General Meetings were held. The details of the location, time and resolutions passed is as under:

TABLE 7 : DETAILS OF THE EXTRA-ORDINARY GENERAL MEETINGS OF THE COMPANY HELD DURING THE YEAR

Date	Time	Location	Special Resolution Passed	Voting Details
14/08/2017	11:00 A.M	25B, Park Street Kolkata-700 016	Transfer or sell or otherwise dispose of Auto Components Division to NKPG Auto Parts Private Limited [CIN: U52609TN2017PTC116744], a subsidiary of TVS Automobile Solutions Private Limited as a going concern on a slump sale basis.	5,19,000 votes were cast in favour of the resolution comprising 100% of the members attending and voting. No member voted against the resolution.
15/03/2018	11:00 A.M	25B, Park Street Kolkata-700 016	Alteration of Object Clause in the Memorandum of Association of the Company.	5,19,800 votes were cast in favour of the resolution comprising 100% of the members attending and voting. No member voted against the resolution.

MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are published in The Arthik Lipi and The Echo of India.

These results are simultaneously posted on the website of the Company at <http://www.jjautomotive.co.in/> and also uploaded on the website of The Calcutta Stock Exchange Ltd.

**GENERAL SHAREHOLDER INFORMATION****ANNUAL GENERAL MEETING :**

1. Day & Date: Tuesday, 25th September, 2018.
2. Time: 05:00 PM.
3. Venue: 25B, Park Street, Kolkata – 700016.
4. Financial Year: 01st April, 2017 to 31st March, 2018.
5. Dividend payment: Nil.
6. a. Name and address of the Stock Exchange at which the Company's Securities are listed:
The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata 700001
- b. Confirmation about Annual Listing fees: Listing fees for the year 2018-19 has been paid.
7. Debentures : There are no outstanding debentures.
8. Registrar to an Issue and Share Transfer Agent : M/s Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata - 700 001
Tel : 033-22357270/7271
Fax : 033-22156823
Email : nichetechpl@nichetechpl.com
URL : www.nichetechpl.com
9. Share Transfer System: Shares sent for transfer in physical form are registered and returned by our Registrar and Share Transfer Agent within 15 days of receipt of the documents, provided the documents are found to be in order. Shares under objection are returned within two week. The Stakeholders' Relationship Committee considers the share transfer proposals.

Distribution of Equity Shares :

Table 8 lists the Distribution Schedule of Equity Shares of the Company as on 31st March, 2018.

Table 8 : DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018

Sl. No.	No. of equity shares held (range)	No. of Shareholders	% to Total	Total Shares	% to Total
1.	1 to 500	93	68.3824	21,100	1.9182
2.	501 to 1,000	17	12.5000	12,800	1.1636
3.	1,001 to 5,000	6	4.4118	11,300	1.0273
4.	5,001 to 10,000	2	1.4706	11,700	1.0636
5.	10,001 to 50,000	11	8.0882	3,56,500	32.4091
6.	50,001 to 1,00,000	4	2.9412	2,79,450	25.4045
7.	1,00,001 and above	3	2.2059	4,07,150	37.0136
	Total	136	100.00	11,00,000	100.00



Shareholding Pattern as on 31st March 2018 :

Table 9 lists the shareholding pattern of equity shares of the Company as on 31st March 2018.

Table 9 : SHAREHOLDING PATTERN AS ON 31ST MARCH 2018

Category	No. of Shares	% holding
Shareholding of Promoter and Promoter Group		
Indian Individuals/Hindu Undivided Family	4,42,350	40.214
Indian Bodies Corporate	2,42,850	22.077
Foreign Bodies Corporate	Nil	Nil
Public Shareholding		
Individual/Hindu Undivided Family	2,03,900	18.536
Financial Institutions/Banks	Nil	Nil
Non institutional Body Corporate	2,10,900	19.173
Non-Resident Indians	Nil	Nil
Clearing Members	Nil	Nil
TOTAL	11,00,000	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are available for trading in both the depository systems, namely, National Securities Depository Limited and Central Depository Services (India) Limited.

Table 10 lists the dematerialization of equity shares of the Company as on 31st March 2018.

Table 10 : DEMATERIALIZATION OF SHARES AS ON 31ST MARCH, 2018

Category	No. of Shares	% holding
Dematerialized Form	914650	83.15
Physical Form	185350	16.85
Total	1100000	100.00

RECONCILIATION OF SHARE CAPITAL AUDIT

A qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

I. DISCLOSURES

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interests. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report. The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website at: <http://www.jjautomotive.co.in/> The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.



No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

During the year ended 31st March, 2018 the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16(1)(c) of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16(1)(c) of the Listing Regulations and the same is disclosed on the Company's website: <http://www.jjautomotive.co.in/>

The Company does not have any exposure towards commodity price risks and commodity hedging activities.

II. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/Whistle Blower Policy and has established the necessary Vigil mechanism for employees and directors to report concerns about unethical behavior. The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of establishment of Vigil Mechanism/Whistle Blower Policy have been disclosed on the Company's website at the link: <http://www.jjautomotive.co.in/>

The Company affirms that no employee/director of the Company has been denied access to the Audit Committee.

III. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. As per Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has laid down a comprehensive Code of Conduct for prevention of Insider Trading for its designated employees. This can be viewed at <http://www.jjautomotive.co.in>.

IV. COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under Regulation 27(2) of the Listing Regulations.

V. ADOPTION OF THE NON-MANDATORY REQUIREMENTS

SEPARATE POSTS OF CHAIRMAN AND CEO

During the period under review, in every Board Meeting of the Company, the Board elected the Chairman of the Meeting and his position is separate from that of the Chief Executive Officer.

SHAREHOLDER RIGHTS

The quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website <http://www.jjautomotive.co.in>.

AUDIT QUALIFICATIONS

During the financial year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

INTERNAL AUDITOR

The internal auditor reports directly to the Audit Committee.

VI. CODE OF CONDUCT

The Company's Board has laid down a well-defined Code of Ethics & Conduct (the "Code") to be followed by Board Members and employees of the Company for ethical professional conduct. The Code is available on the website of the Company <http://www.jjautomotive.co.in/>. All Board Members and Senior Management Personnel have affirmed compliance with this Code.

VII. CEO / CFO CERTIFICATION

The Chief Executive Officer and Chief Financial Officer have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed as **Annexure – F** and forms part of the Annual Report.



NOMINATION AND REMUNERATION POLICY

The Board of Directors of **J. J. AUTOMOTIVE LIMITED** (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on November 13, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which majority are Independent Directors

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the Key Objectives of the Committee would be :

- 1.1. To recommend the Board regarding the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for their further evaluation.
- 1.3. To recommend to the Board a policy relating Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy in respect of Board diversity.
- 1.7. To develop a successive plan for the Board and to regularly review the same.

2. DEFINITIONS

- 2.1. **Act** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
 - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. such other officer as may be prescribed.

Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including the personnel holding designation of General Manager and above.

3. ROLE OF COMMITTEE

- 3.1 **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall :

- 3.1.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.



3.1.2 Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3 Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2 Policy for appointment and removal of Director, KMP and Senior Management

3.2.1 Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2 Term / Tenure

a) Managing Director/Whole-time Director :

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director :

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. *However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.*
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).



3.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

a) Minimum Remuneration :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

b) Provisions for excess remuneration :

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.2.6 Remuneration to Non- Executive / Independent Director :

a) Remuneration / Commission :

The remuneration / commission shall be fixed by the Committee and approved by the Board wherever necessary.

b) Sitting Fees :

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission :

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options :

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.



5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- 7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company, if any, shall act as Secretary of the Committee.

9. VOTING

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- 10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation;
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;



- 10.10 Recommend any necessary changes to the Board; and
- 10.11 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include :

- 11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.



ANNEXURE-F

COMPLIANCE CERTIFICATE FROM CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER PURSUANT TO REGULATION 17(8) AND PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We have reviewed the Financial Statements and the Cash Flow Statement of J. J. Automotive Limited for the year ended March 31, 2018 and that to the best of their knowledge and belief:

- A) (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) These are, to the best of our knowledge and belief, no transactions entered into by the listed entity's during the year which are fraudulent, illegal or violative of the listed entity's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee :
- (1) there are no significant changes in internal control over financial reporting during the year;
- (2) there are no significant changes in accounting policies made during the year; and
- (3) there are no instances of fraud involving the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For J. J. Automotive Limited

Place : Kolkata
Date : 13th August, 2018

Partha Dutta
Chief Executive Officer

Ramesh Kumar Chitlangia
Chief Financial Officer

DECLARATION UNDER REGULATION 26(3) AND PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 26(3) and Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that the members of the Board of Directors and Senior Management Personnel of J. J. Automotive Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2018.

For J. J. Automotive Limited

Place: Kolkata
Date: 13th August, 2018

Partha Dutta
Chief Executive Officer

**ANNEXURE-G****CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of J. J. Automotive Limited,

We have examined the compliance of conditions of Corporate Governance by J. J. Automotive Limited, for the year ended March 31, 2018 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that in respect of investor grievances received during the year ended 31st March, 2018, no investor grievances are pending against the Company as on 03.08.2018 as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata

Date : 03rd August, 2018

ASHOK KUMAR DAGA

Practicing Company Secretary

FCS No. 2699, C P No: 2948



INDEPENDENT AUDITORS' REPORT

To The Members of J. J. Automotive Limited

1. Report on the IndAS Financial Statements

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

2. Management's Responsibility for the IndAS Financial Statements

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

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

3. Auditor's Responsibility

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

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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;

- a. In the case of Balance Sheet of the Company as at 31st March, 2018;
- b. In the case of the Statement of Profit or Loss and Total Comprehensive Income for the year ended on that date; and
- c. In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.
- d. In the case of Statement of Changes in Equity for the year ended on that date.



5. Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening Balance Sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the previous auditors whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 29th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

6. Report on other Legal and Regulatory Requirements

- i) As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
- ii) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Mohammad Kothawala
Partner
Membership No. – 309995

Place : Kolkata

Date : 30th May, 2018.



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ Section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **M/s J.J. Automotive Limited** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

**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 **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Place : Kolkata
Date : 30th May, 2018.

Mohammad Kothawala
Partner
Membership No. – 309995

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

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.
- ii. According to the information and explanations given to us, the inventory has been physically verified during the year by the management. In our opinion, no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have been informed, that the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues to the appropriate authorities during the year. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable
 - (b) Details of dues of Income tax, Central Sales Tax, Service Tax, Excise Duty, Entry Tax and Value Added Tax, Goods and Service tax which have not been deposited as on 31st March, 2018 on account of disputes are given below:

SI No.	Nature of Statute	Nature of Dues	Period to which it Pertain	Demand	Forum where the Dispute Pending
1	West Bengal Sales Tax Act, 1994	Central Sales Tax	2002-03	95,856.00	Addl. Commissioner of Sales Tax, Kolkata
2	West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	2003-04	1,04,11,699.00	Special Commissioner of Sales Tax, Kolkata
3	West Bengal Sales Tax Act, 1994	Central Sales Tax	2003-04	14,506.00	Special Commissioner of Sales Tax, Kolkata
4	West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	2004-05	1,30,59,745.00	Appellate Revision Board of Sales Tax, Kolkata



Sl No.	Nature of Statute	Nature of Dues	Period to which it Pertain	Demand	Forum where the Dispute Pending
5	West Bengal Value added Tax Act, 2003	VAT	2005-06	6,28,295.00	Appellate Revision Board of Sales Tax, Kolkata
6	Income Tax Act	Income Tax	2014-15	4,89,910.00	CIT(A)
7	Income Tax Act	Income Tax	2015-16	1,55,690.00	CIT(A)

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to financial institutions, bankers and the government. The Company did not have any outstanding debentures during the year.
- ix. The Company did not raise any money by way of initial public offer and further public offer (including debt instrument). To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were applied for the purpose for which the loans were obtained.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the company has paid/ provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 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 Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, 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 them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- xvi. According to 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. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

For **Agrawal Subodh & Co.**
Chartered Accountants
Firm's Registration No – 319260E

Place : Kolkata
Date : 30th May, 2018.

Mohammad Kothawala
Partner
Membership No. – 309995

**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Notes	As at 31st March 2018 ₹	As at 31st March 2017 ₹	As at 1st April 2016 ₹
ASSETS				
Non-current assets				
Property, plant and equipment	4	7,21,15,231	4,39,46,316	4,45,16,021
Capital work-in-progress	5	—	47,61,51,039	39,20,23,794
Investment Property	6	40,67,34,373	—	—
Financial assets				
- Investment in Shares & Securities	7.1	2,77,63,547	92,78,618	83,40,956
- Deposit with Banks	7.2	25,29,372	54,05,000	1,00,000
- Other non-current financial assets	7.3	73,07,326	91,08,124	42,48,132
Deferred tax Assets (Net)	8	1,70,31,023	1,79,12,710	1,84,44,836
Other non-current assets	9	45,15,595	45,15,595	45,15,595
		53,79,96,467	56,63,17,402	47,21,89,334
Current assets				
Inventories	10	25,06,56,937	29,77,92,918	26,95,38,348
Financial assets				
- Trade receivables	11.1	2,65,14,845	12,23,85,799	11,31,96,500
- Cash and cash equivalents	11.2	72,61,336	42,70,696	1,12,86,518
- Other Current Financial Assets	11.3	73,40,582	3,51,86,294	3,69,40,629
Current Tax Assets (Net)	12	52,90,879	32,95,730	27,78,923
Other current assets	13	4,96,85,457	1,74,89,713	98,92,846
		34,67,50,036	48,04,21,150	44,36,33,764
Total Assets		88,47,46,503	1,04,67,38,552	91,58,23,098
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	14	1,10,00,000	1,10,00,000	1,10,00,000
Other Equity	15	16,61,56,475	14,98,98,134	15,80,15,599
		17,71,56,475	16,08,98,134	16,90,15,599
LIABILITIES				
Non-current liabilities				
Financial liabilities				
- Borrowings	16	—	18,32,06,641	21,65,87,779
- Others	17	50,71,617	64,35,133	65,46,905
		50,71,617	18,96,41,774	22,31,34,684
Current liabilities				
Financial liabilities				
- Borrowings	18.1	61,57,90,898	50,37,19,055	33,74,05,739
- Trade payables	18.2	4,25,26,932	6,37,56,721	5,46,47,141
- Other financial liabilities	18.3	3,44,29,987	4,98,72,342	6,31,95,744
Other current liabilities	19	97,70,594	7,88,50,526	6,84,24,190
		70,25,18,411	69,61,98,644	52,36,72,814
Total Equity and Liabilities		88,47,46,503	1,04,67,38,552	91,58,23,098
Corporate Information & Significant Accounting Policies	1 & 2			
First Time adoption of Ind AS	3			
Accompanying notes to the financial statements	4 to 35			

As per our report of even date attached

For **Agrawal Subodh & Co.**
Chartered Accountants
(Firm Regn. No. 319260E)

Mohammad Kothawala
Partner
(Mem. No. 309995)

Place : Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

Anil Jhunjhunwala
Managing Director
DIN - 00128717

Hilla Eruch Bhatena
Director
DIN - 06909249

K.P. Jhunjhunwala
Director
DIN - 00108065

Ramesh Kumar Chitlangia
Chief Financial Officer



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

Particulars	Notes	2017-18 ₹	2016-17 ₹
Income			
Revenue from Operations	20	1,03,77,30,988	1,49,59,67,791
Other Income	21	7,86,28,843	86,08,846
Total Revenue		1,11,63,59,831	1,50,45,76,637
Expenses			
Purchase of traded goods	22.1	98,87,49,148	1,37,76,70,472
Changes in Inventories	22.2	(4,90,15,368)	(2,82,54,570)
Employee Benefits Expense	22.3	5,27,37,896	5,13,52,950
Finance Costs	22.4	5,46,57,179	3,66,48,476
Depreciation & Amortization Expenses	22.5	1,29,24,826	18,46,572
Other Expenses	22.6	5,57,11,753	7,01,06,086
Total Expenses		1,11,57,65,434	1,50,93,69,986
Profit before exceptional items and tax		5,94,397	(47,93,349)
Exceptional items		3,10,00,000	-
Profit before tax		3,15,94,397	(47,93,349)
Tax Expense:	8		
Current Tax		59,51,583	31,00,000
Deferred Tax		8,81,687	5,32,126
		68,33,270	36,32,126
Profit/(Loss) for the year from continuing operations		2,47,61,127	(84,25,475)
Profit/(Loss) from Discontinued operations		(1,06,38,746)	-
Profit/(Loss) for the year		1,41,22,381	(84,25,475)
Other comprehensive income			
A) Items that will not be reclassified to profit or loss			
- Changes in fair value of Equity Instruments		19,53,043	10,04,434
- Remeasurement of net defined benefit liabilities		(1,77,185)	(6,96,425)
- Tax Expense relating to above items			
Other comprehensive income/(loss) for the year		17,75,858	3,08,009
Total comprehensive income/(loss) for the year <i>(Profit + other comprehensive income)</i>		1,58,98,239	(81,17,466)
Earnings per equity share (continued operations) Basic & Diluted	24	22.51	(7.66)
Earnings per equity share (for discontinued operations) Basic & Diluted		(9.67)	-
Earnings per equity share (for discontinued & continuing operations) Basic & Diluted		12.84	(7.66)
Corporate Information & Significant Accounting Policies	1 & 2		
First Time adoption of Ind AS	3		
Accompanying notes to the financial statements	4 to 35		

As per our report of even date attached

For **Agrawal Subodh & Co.**
Chartered Accountants
(Firm Regn. No. 319260E)

Mohammad Kothawala
Partner
(Mem. No. 309995)

Place : Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

Anil Jhunjunwala
Managing Director
DIN - 00128717

Hilla Eruch Bhatena
Director
DIN - 06909249

K.P. Jhunjunwala
Director
DIN - 00108065

Ramesh Kumar Chitlangia
Chief Financial Officer



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

Equity Share Capital

Particulars	Notes	As at 1st April 2016 ₹	Changes during 2016-2017 ₹	As at 31st March 2017 ₹	Changes during 2017-2018 ₹	As at 31st March, 2018 ₹
Authorized						
2000000 Equity shares of ₹ 10/- each		2,00,00,000	-	2,00,00,000	-	2,00,00,000
Issued, subscribed and paid up						
11,00,000 Equity shares of ₹ 10/- each fully paid up	13	1,10,00,000	-	1,10,00,000	-	1,10,00,000

Other Equity

Particulars	Notes	Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings		Equity Investment Reserve (upon fair value through other comprehensive income)	OCI Reserve	Total
				General Reserve	Surplus in the statement of Profit and Loss			
Balance as at 31.03.2016		₹	₹	₹	₹	₹	₹	₹
Fair Value Adjustment on Redeemable Preference Shares	14	-	2,45,00,000	1,10,28,166	12,44,90,877	-	-	16,00,19,043
Deferred tax on opening Ind AS recognised through retained earning		-	-	-	(1,66,42,445)	-	-	(1,66,42,445)
Investment in equity shares recognised through OCI		-	-	1,38,26,657	1,38,26,657	-	-	1,38,26,657
Reversal of Provision for Diminution in Value of Investments (Net)		-	-	-	8,55,153.00	-	-	(42,809)
Balance as at 01.04.2016		-	2,45,00,000	1,10,28,166	12,25,30,242	(42,809)	-	15,80,15,599
Profit for the year		-	-	-	(84,25,475)	-	-	(84,25,475)
Other comprehensive income for the year		-	-	-	-	10,04,434	(6,96,425)	3,08,009
Balance as at 31.03.2017		-	2,45,00,000	1,10,28,166	11,41,04,768	9,61,625	(6,96,425)	14,98,98,134
Profit for the year		-	-	-	1,41,22,381	-	-	1,41,22,381
Transfer from Statement of Profit & Loss		8,50,00,000	(2,45,00,000)	-	(95,00,000)	-	-	8,50,00,000
Paid for Premium on Non Cumulative Preference Shares		-	-	-	-	-	-	(3,40,00,000)
Profit on Sale of Investment transfer to equity investmnet reserve		-	-	-	-	3,60,102	-	3,60,102
Other comprehensive income for the year		-	-	-	-	19,53,043	(1,77,185)	17,75,858
Total		8,50,00,000	-	1,10,28,166	11,87,27,149	32,74,770	(8,73,610)	21,71,56,475
Transfer from Capital Redemption Reserve		-	-	-	(8,50,00,000)	-	-	(8,50,00,000)
Redemption on Preference Shares		-	-	-	3,40,00,000	-	-	3,40,00,000
Balance as at 31.03.2018		8,50,00,000	-	1,10,28,166	6,77,27,149	32,74,770	(8,73,610)	16,61,56,475


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

	2017-2018 ₹	2016-2017 ₹
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax from		
Continuing Operations	3,15,94,397	(47,93,349)
Discontinued Operations	(1,06,38,746)	-
Profit before income tax including Discontinued Operations	2,09,55,651	(47,93,349)
Adjusted for :		
Depreciation and amortisation expense	1,29,24,826	18,46,572
Dividend Income	(32,600)	(33,975)
Finance Cost	5,46,57,179	3,66,48,476
Interest Income	(10,58,152)	(5,83,102)
Liabilities no longer required written back	(38,40,802)	(61,22,701)
Extra Ordinary items	(3,10,00,000)	-
Loss/(Profit) on sale of Property, Plant and Equipment	(7,01,69,040)	(66,261)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(1,75,62,938)	2,68,95,661
Adjusted for :		
Increase/(decrease) in trade payables	(2,12,29,789)	91,09,580
Increase/(decrease) in other current & long term liabilities	(8,45,22,287)	(28,97,066)
Increase/(decrease) in inventories	4,71,35,981	(2,82,54,570)
Increase/(decrease) in trade receivables	9,58,70,954	(91,89,299)
Increase/(decrease) in long term and short term loans and advances and other current assets	(66,39,924)	(54,35,223)
CASH GENERATED FROM OPERATIONS	1,30,51,997	(97,70,917)
Direct Taxes paid / adjusted	(79,46,732)	(36,16,807)
Cash flow before extra ordinary items	51,05,265	(1,33,87,724)
Extra Ordinary items	3,10,00,000	-
Net cash from Operating activities (A)	3,61,05,265	(1,33,87,724)
CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to Property, Plant and Equipment	(7,52,24,896)	(13,29,563)
Additions to Capital Work in Progress	(6,67,63,429)	(8,39,01,499)
Sale of Property, Plant and Equipment	34,60,62,813	1,18,957
Interest Received	10,58,152	5,83,102
Dividend Received	32,600	33,975
Net Cash from investing activities (B)	20,51,65,240	(8,44,95,028)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

	2017-2018 ₹	2016-2017 ₹
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds/(repayment) of Borrowings-	(7,24,98,314)	13,28,20,406
Finance Cost paid	(5,46,57,179)	(3,66,48,476)
Preference Share Redemption	(11,40,00,000)	-
Net Cash from Financing activities (C)	(24,11,55,493)	9,61,71,930
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)	1,15,012	(17,10,822)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	96,75,696	1,13,86,518
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	97,90,708	96,75,696
01. Proceeds from long term and other borrowings are shown net of repayment.		
02. Cash and Cash equivalents represent		
Balances with Banks :		
'- In Current Accounts		
'- In Unpaid Dividend Account		
'- In Fixed Deposit Account		
Cash-in-hand		

As per our report of even date attached

For **Agrawal Subodh & Co.**
Chartered Accountants
(Firm Regn. No. 319260E)

Mohammad Kothawala
Partner
(Mem. No. 309995)

Place : Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

Anil Jhunjunwala
Managing Director
DIN - 00128717

Hilla Eruch Bhatena
Director
DIN - 06909249

K.P. Jhunjunwala
Director
DIN - 00108065

Ramesh Kumar Chitlangia
Chief Financial Officer



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

J.J. Automotive Limited ("the Company") is a public limited company domiciled and incorporated in India and its shares are listed with the Calcutta Stock Exchange ("CSE"), India. The registered office of the company is situated at 25B, Park Street, Kolkata – 700016.

The company is carrying on the business of i) Automobile Dealership for sale and service of Hyundai vehicles and ii) Distribution and sale of automobile parts and components through retail stores at different places in Eastern India. During the financial year 2017-18, the company sold the business as referred to in point (ii) by way of slump sale (Refer Note 31).

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 30th May, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP). These financial statements for the year ended 31st March 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 3 for an explanation of how the transition from previous GAAP to Ind AS has effected presentation of company's financial position, financial performance and cash flows.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest lacs, except as stated otherwise.

2.2 Estimates and Judgements

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

2.3 Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Property, Plant and Equipment

Freehold land and capital work-in-progress are carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind-AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment is calculated using the written down value basis to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of property, plant and equipment are as follows :

Class of property, plant and equipment	Useful life (in years)
Buildings	60
Plant & Machineries	5-15
Furniture & Fixtures	10
Vehicles	8
Electrical Installations	10
Office Equipments	5
Data Processing Machines	3

The useful lives have been determined based on technical evaluation done by the management's experts, which in some cases may differ from the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of acquisition of the asset including the assets as on the date of transition. The asset' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit and loss when the asset is derecognised.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****2.5 Investment Property**

Investment properties are measured initially at cost, including transaction costs and borrowing costs, wherever applicable. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

The building component of the investment properties are depreciated using the straight-line method over 60 years from the date of original purchase, being their useful life as estimated by the management. The estimated useful life of the building is same as that prescribed in Schedule II to the Companies Act, 2013.

The company discloses the fair value of investment properties as at the end of the year, which is determined by registered accredited independent valuers.

Investment properties are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of investment properties are included in profit and loss in the period of de-recognition.

2.6 Discontinued Operations

A discontinued operation is a component of an entity that has either been disposed of or that is classified as held for sale, which represents a separate major line of business or geographical area of operations and is part of a single coordinated plan to dispose of a separate line of business or geographical area of operations. In accordance with the rules regarding the presentation of discontinued operations, the assets, liabilities and activity of Auto component division business have been reclassified as a discontinued operation for the period upto 7th November 2017.

2.7 Inventories***Automobile Segment***

Traded Goods are valued at lower of cost and net realizable value. Cost is determined on FIFO basis. The cost of inventories includes freight and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits maturing within twelve months from the date of balance Sheet, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under borrowings in the balance sheet.

2.9 Financial Instruments**A. *Financial Instruments - Initial recognition and measurement***

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B.1. *Financial assets –Subsequent measurement*

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****b. Financial assets measured at amortised cost**

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

B.2. Financial assets –Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

C.1. Financial liabilities –Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

Interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

C.2. Financial liabilities –Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or expires.

D. Offsetting financial instruments

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

E. Fair value measurement

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018** (Contd.)

The principal or the most advantageous market must be accessible to the company.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.10 Revenue Recognition

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

The specific recognition criteria for the various types of the company's activities are described below:

Sale of Goods & Real Estate Units

Revenue from sale of goods & real estate units are recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods and the amount of revenue can be measured reliably.

Sale of Services

Revenue from sale of services is recognised as per the terms of the contract with buyer based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage of completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Other Operating Income

Commission/Discount related to operations is recognised in the statement of profit & loss on accrual basis subject to certainty of realisation.

Interest income

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

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

Other Income

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

2.11 Employee benefits***Short Term employee benefits***

Liabilities for wages, salaries and other employee benefits that are expected to be settled within twelve months of rendering the service by the employees are classified as short term employee benefits. Such short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled.

Post employment benefits**(a) Defined contribution plans**

The company pays provident fund contribution to publicly administered provident funds as per the local

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

regulations. The contributions are accounted for as defined contribution plans and are recognised as employee benefit expense when they are due.

(b) Defined benefit plans

The liabilities recognised in the balance sheet in respect of defined benefit plan, namely gratuity, are the present value of the defined benefit obligation at the end of the year less the fair value of plan assets, if any. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the balance sheet.

2.12 Leases

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

A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation.

2.13 Finance Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

2.14 Taxes***Current Tax***

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018** (Contd.)

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.15 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the company has present determined obligations as a result of past events an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

2.16 Earnings per share

The Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.18 Exceptional items

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

2.19 Impairment of assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

2.20 Critical accounting estimates***Property, plant and equipment***

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Recoverability of Trade Receivable and provision for the same

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. The provision for debtors is done for those debtors which are outstanding for more than three years.

3 FIRST TIME ADOPTION OF Ind AS

These separate financial statements of J.J. Automotive Limited for the year ended March, 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with 1st April, 2016 as the transition date and Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the separate financial statements for the year ended 31st March, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has effected the Company's Balance Sheet, Statement of Profit and Loss is explained in Note 3.2. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in Note 3.1.

3.1 Exemptions availed on first time adoption

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Estimates

Ind AS 101 provides that an entity's estimates as per Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" at the date of transition shall be consistent with the estimates made for same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Accordingly, the company has made Ind AS estimates as at the transition date i.e. 1st April 2016 which are consistent with estimates made by it under the previous GAAP for the same date. The company made estimates for following items in accordance with Ind AS at the date of transition since these were not required under previous GAAP :

- i) Redeemable Preference Shares designated as 'Borrowings' at Fair Value.
- ii) Investment in equity instruments designated at Fair Value through OCI.

(b) Deemed Cost

Ind AS 101 provides an option under Ind AS 16 "Property, Plant and Equipment", to continue with the carrying value of all its property, plant and equipment as recognised in financial statements as on transition date,


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

measured as per the previous GAAP and use that as its deemed cost after making necessary adjustments for de-commissioning liabilities instead of measuring at fair value on the transition date.

The company has elected to measure all of its property, plant and equipments as on the transition date at their previous GAAP carrying value.

3.2 Reconciliations between previous GAAP and Ind AS

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101 :

- a) Equity as at 1st April, 2016 and as at 31st March, 2017
- b) Total comprehensive income for the year ended 31st March, 2017.

a) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.

Particulars	As at 1st April, 2016			As at 31st March, 2017		
	Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	4,45,16,021		4,45,16,021	4,39,46,316		4,39,46,316
Capital work-in-progress	39,25,25,515	-5,01,721	39,20,23,794	47,64,27,014	-2,75,975	47,61,51,039
Investment Property	-		-	-		-
Financial assets						
- Investment in Shares & Securities	23,90,223	59,50,733	83,40,956	24,88,625	67,89,993	92,78,618
- Deposit with Banks	1,00,000		1,00,000	54,05,000	-	54,05,000
- Other non-current financial assets	42,48,132	-	42,48,132	91,08,124	-	91,08,124
Deferred tax Assets (Net)	46,18,178	1,38,26,658	1,84,44,836	40,10,391	1,39,02,319	1,79,12,710
Other non-current assets	45,15,595	-	45,15,595	45,15,595	-	45,15,595
Current assets						
Inventories	26,95,38,348	-	26,95,38,348	29,77,92,918	-	29,77,92,918
Financial assets						
- Trade receivables	11,31,96,500		11,31,96,500	12,23,85,799	-	12,23,85,799
- Cash and cash equivalents	1,12,86,518	-	1,12,86,518	42,70,696	-	42,70,696
- Other Current Financial Assets	3,69,40,629	-	3,69,40,629	3,51,86,294	-	3,51,86,294
Current Tax Assets (Net)	27,78,923	-	27,78,923	32,95,730	-	32,95,730
Other current assets	98,92,846	-	98,92,846	1,74,89,714	-1	1,74,89,713
Total Assets	89,65,47,428	1,92,75,670	91,58,23,098	1,02,63,22,216	2,04,16,336	1,04,67,38,552
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	1,10,00,000	-	1,10,00,000	9,60,00,000	-8,50,00,000	1,10,00,000
Other Equity	16,00,19,043	-20,03,444	15,80,15,599	15,66,59,360	-67,61,226	14,98,98,134
LIABILITIES						
Non-current liabilities						
Financial liabilities						
- Borrowings	20,04,47,055	1,61,40,724	21,65,87,779	7,61,00,696	10,71,05,945	18,32,06,641
- Others	14,08,516	51,38,389	65,46,905	13,63,516	50,71,617	64,35,133
Current liabilities						
Financial liabilities						
- Borrowings	33,74,05,739	-	33,74,05,739	50,37,19,055	-	50,37,19,055
- Trade payables	5,46,47,141	-	5,46,47,141	6,37,56,721	-	6,37,56,721
- Other financial liabilities	6,31,95,744	-	6,31,95,744		4,98,72,342	4,98,72,342
Other current liabilities	6,84,24,190	-	6,84,24,190	12,87,22,868	-4,98,72,342	7,88,50,526
Total Equity and Liabilities	89,65,47,428	1,92,75,670	91,58,23,098	1,02,63,22,216	2,04,16,336	1,04,67,38,552

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****b) Reconciliation of Total comprehensive Income for the year ended 31st March, 2017**

	Particulars	Previous GAAP	Adjustment	Ind AS
	Income			
I.	Revenue from operations	1,49,59,67,791.00	-	1,49,59,67,791.00
II.	Other Income	85,10,444.00	98,402.00	86,08,846.00
III.	Total Income (I + II)	1,50,44,78,235.00	98,402.00	1,50,45,76,637.00
IV.	Expenses			
	Purchases of traded goods	1,37,76,70,472.00	-	1,37,76,70,472.00
	Changes in inventories of stock in trade	-2,82,54,570.00	-	-2,82,54,570.00
	Employee benefits expense	6,10,06,053.00	-96,53,103.00	5,13,52,950.00
	Finance costs	3,09,09,001.00	57,39,475.30	3,66,48,476.30
	Depreciation and amortization expense	18,46,572.00	-	18,46,572.00
	Other expenses	6,09,52,603.44	91,53,482.06	7,01,06,085.50
	Total Expenses	1,50,41,30,131.44	52,39,854.36	1,50,93,69,985.80
V.	Profit/(loss) before exceptional items and tax (III - IV)	3,48,103.56	-51,41,452.36	-47,93,348.80
VI.	Exceptional Items			
VII.	Profit/ (loss) before tax (V - VI)	3,48,103.56	-51,41,452.36	-47,93,348.80
VIII.	Tax Expenses			
	(a) Current Tax	31,00,000.00	-	31,00,000.00
	(b) Deferred Tax	6,07,787.00	-75,661.28	5,32,125.72
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	-33,59,683.44	-50,65,791.07	-84,25,474.51
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)	-33,59,683.44	-50,65,791.07	-84,25,474.51
XIV	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	Investment in Equity Instruments through other comprehensive income		10,04,434.00	10,04,434.00
	Actuarial Gain		-6,96,425.00	-6,96,425.00
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	-33,59,683.44	-47,57,782.07	-81,17,465.51

c) There are no material adjustments to the statements of cash flows as reported under the previous GAAP.

d) Notes to first time adoption**Note 1 : Change in Fair valuation of Financial Instruments**

Under the previous GAAP, investments in equity instruments were classified as long term investments based on the intended holding period and realisation. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value at each reporting period. Fair value changes with respect to investments in equity instrument designated fair value through OCI have been recognised in Equity Investment Reserve as at the date of transition and subsequently in other comprehensive income for the year ended 31st March 2017.

Note 2 : Recognition of Redeemable Preference Shares

Under the previous GAAP, redeemable preference shares were classified as equity and disclosed as preference share capital at their face value. Ind AS 109 requires redeemable preference shares to be classified as a financial liability under the head 'Borrowings' and subsequently, to be measured at fair value. The company has measured such redeemable preference shares at amortised cost through effective interest rate method.

Note 3 : Deferred Tax Adjustments

Tax adjustments relating to above adjustments are recognised and adjusted in retained earnings on the date of transition. Deferred tax adjustments relating to the year ended 31st March, 2017 have been adjusted in the statement of profit and loss for the said year.

Note 4 : Actuarial Gain or Loss

As per Ind AS 1 actuarial gain or loss are reclassified from employee benefit expense to other comprehensive income



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

4. PROPERTY, PLANT & EQUIPMENT

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As at 01.04.2016 (Deemed Cost) ₹	Additions / (Deductions) ₹	As at 31.03.2017 ₹	As at 31.03.2018 ₹	For the year 2016-17 ₹	Total Up to 31.03.2017 ₹	For the year 2017-18 ₹	Up to 31.03.2018 ₹	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
LAND - Freehold	3,86,54,517	-	3,86,54,517	32,68,704	-	-	-	-	32,68,704	3,86,54,517	3,86,54,517
PREMISES											
- Freehold	39,777	-	39,777	5,56,96,037	1,938	1,938	27,12,466	27,14,404	5,29,81,633	37,839	39,777
- Leasehold	1,16,701	-	1,16,701	1,16,701	5,745	5,745	5,462	11,207	1,05,494	1,10,956	1,16,701
PLANT & MACHINERY	14,27,381	-	14,27,381	13,87,384	2,58,408	2,58,408	2,11,626	4,50,772	9,36,612	11,68,973	14,27,381
					(39,997)		(19,262)		1,18,37,504	12,60,024	16,30,525
FURNITURE & FIXTURES	16,30,525	23,501	16,54,026	1,63,05,137	3,94,002	3,94,002	41,71,879	44,67,633	1,00,266	8,08,053	6,07,359
					(3,84,268)		(9,96,062)		52,438	1,99,386	3,78,409
VEHICLES	6,07,359	5,58,815	11,13,479	1,17,417	3,05,426	3,05,426	1,29,754	17,151	1,00,266	1,99,386	3,78,409
		(52,695)		2,98,314	1,79,023	1,79,023	(4,18,029)		52,438	1,99,386	3,78,409
ELECTRICAL INSTALLATIONS	3,78,409	-	3,78,409	18,12,024	2,83,100	2,83,100	76,960	2,45,876	10,78,323	9,19,740	9,85,208
					57,400		(10,107)		10,78,323	9,19,740	9,85,208
OFFICE EQUIPMENTS	9,85,208	2,17,632	12,02,840	18,12,024	2,83,100	2,83,100	4,63,618	7,33,701	10,78,323	9,19,740	9,85,208
					(39,280)		(13,017)		10,78,323	9,19,740	9,85,208
DATA PROCESSING MACHINES	6,76,144	5,29,615	12,05,759	47,15,626	4,18,930	4,18,930	27,03,155	29,61,369	17,54,257	7,86,829	6,76,144
					(3,17,526)		(1,60,716)		17,54,257	7,86,829	6,76,144
TOTAL	4,45,16,021	13,29,563	4,57,92,889	8,37,17,344	18,46,572	18,46,572	1,04,74,920	1,16,02,113	7,21,15,231	4,39,46,316	4,45,16,021
		(52,695)		8,37,17,344	(3,73,00,441)		(7,19,379)		7,21,15,231	4,39,46,316	4,45,16,021

5. CAPITAL WORK IN PROGRESS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As at 01.04.2016 ₹	Additions / (Deductions) ₹	As at 31.03.2017 ₹	As at 31.03.2018 ₹	Provided during 16-17 ₹	Total Up to 31.03.2017 ₹	Provided during 17-18 ₹	Up to 31.03.2018 ₹	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
COMMERCIAL BUILDING	39,25,25,515	8,39,01,499	47,61,51,039	-	-	-	-	-	-	47,61,51,039	39,20,23,794
		(2,75,975)		-	-	-	-	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

6. INVESTMENT PROPERTY

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.2016 ₹	Additions / (Deductions) ₹	As at 31.03.2018 ₹	For the year 2016-17 ₹	Total Up to 31.03.2017 ₹	For the year 2017-18 ₹	Up to 31.03.2018 ₹	As at 31.03.2018 ₹	As at 01.04.2016 ₹
COMMERCIAL									
- Land	-	-	3,53,85,813 (*) (67,07,854)	-	-	-	-	2,86,77,959	-
- Building	-	-	48,75,34,183 (*) (10,69,85,086)	-	24,92,683	26,66,650 (1,73,967)	24,92,683	37,80,56,414	-
TOTAL	-	-	52,29,19,996 (11,36,92,940)	-	24,92,683	26,66,650 (1,73,967)	24,92,683	40,67,34,373	-

(*) Transferred from Property, Plant & Equipment/Capital Work In Progress as on 01.11.2017.

(i) **Information regarding income and expenditure of Investment properties**

Rental income derived from investment properties	31.03.2018	31.03.2017
Direct operating expenses (including repairs and maintenance) that generated rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation	-	-
Less : Depreciation	26,66,650	-
Profit arising from investment properties	(26,66,650)	-

(ii) **Fair Values of investment properties**

Commercial	31.03.2018	31.03.2017	01.04.2016
	48,88,63,823	-	-
Total	48,88,63,823	-	-

(iii) **Estimation of Fair Value**

The company obtains independent valuations for its properties annually. These valuations are based on valuations performed by a registered accredited independent valuer. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an evidence of market evidence

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

(iv) The Company has no restrictions on the realisability of its investment properties.

(v) The company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
7	FINANCIAL ASSETS - NON CURRENT	₹	₹	₹
7.1	INVESTMENT IN SHARES & SECURITIES	Face Value		
	Others	₹		
a.	Investment in Equity Instruments (fully paid-up) :			
i.	Quoted			
	Jullundur Motor (Agencies) Limited [NIL (31.03.2017 - 300, 31.03.2016 - 300) Nos.]	10	—	53,670
	Maruti Suzuki India Limited [150 (31.03.2017 - 200, 31.03.2016 - 200) Nos.]	5	13,29,165	12,03,140
	Federal Mogul Goetzes (India) Limited [800 (31.03.2017 - 1000, 31.03.2016 - 1000) Nos.]	10	3,35,240	5,47,850
	J.J. Finance Corporation Limited [27,100 Nos.]	10	12,47,955	3,92,950
	Reliance Communications Limited [500 Nos.]	5	10,875	19,150
	Reliance Industries Limited [NIL (31.03.2017 - 200, 31.03.2016 - 200) Nos.]	10	—	1,31,920
	IFCI Limited [2000 Nos.]	10	39,100	59,300
	Century Textiles and Industries Limited [NIL (31.03.2017 - 300, 31.03.2016 - 300) Nos.]	10	—	3,15,990
	Noida Toll Bridge Company Limited [5000 Nos.]	10	60,250	56,250
	Peninsula Land Limited [1000 Nos.]	2	20,300	18,750
	Larson and Toubro Limited [1250 (31.03.2017 - 900, 31.03.2016 - 900) Nos.]	2	16,38,625	9,46,611
			46,81,510	37,45,581
ii.	Unquoted			
	Narbheram & Co. Limited [1800 Nos.]	10	82,387	82,387
	J.J. Projects Private Limited [20,698 Nos.]	10	14,76,456	14,76,456
	Kohinoor Stockbroking Private Limited [10,000 Nos.]	10	3,47,608	3,47,608
	KPJ Estates Private Limited [10,000 Nos.]	10	12,20,006	12,20,006
	Bengal Motor Services Private Limited [3,500 Nos.]	10	24,01,581	24,01,581
	TVS JJ Distribution Private Limited [17,55,000 (31.03.2017 - NIL, 31.03.2016 - NIL) Nos.]	10	1,75,50,000	—
			2,30,78,037	55,28,037
b.	In Post Office National Saving Certificates (Unquoted)			
	(Deposited with Sales Tax Authorities)		4,000	5,000
			2,77,63,547	92,78,618
	Aggregate amount of Quoted Investments and Market Value thereof		46,81,510	37,45,581
	Aggregate amount of Unquoted Investments		2,30,82,037	55,33,037
7.2	DEPOSIT WITH BANKS			
	With a Scheduled Bank - Pledged		25,29,372	54,05,000
7.3	OTHER NON-CURRENT FINANCIAL ASSETS			
	Security Deposits		73,07,326	91,08,124
				42,48,132

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****8 INCOME TAXES**

(i) The major components of tax expense for the years ended 31 March 2018 and 31 March 2017 are :

	2017 - 2018	2016 - 2017
Current Tax :		
Current tax expenses for current year	67,10,000	31,00,000
Current tax expenses pertaining to prior periods	(7,58,417)	-
	59,51,583	31,00,000
Deferred tax obligations		5,32,126
	8,81,687	
Total tax expense reported in the statement of profit or loss	68,33,270	36,32,126

(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expenses reported in statement of profit and loss is as follows :

	2017 - 2018	2016 - 2017
Profit before income taxes	2,09,55,651	(47,93,349)
At statutory income tax rate	20.39%	30.90%
Expected Income Tax expenses	42,73,000	-
Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense		
Income exempt from tax	23,62,146	(10,498)
Non deductible expenses for tax purposes	11,852	27,24,430
Tax expenses pertaining to prior periods	(7,58,417)	
Rounding Off	63,002	3,86,068
Total Income Tax expenses	59,51,583	31,00,000

(iii) Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2018 is as follows :

	Opening Balance	Recognised/ reversed through Profit and Loss	Recognised/ reversed in other comprehensive income	Closing Balance
Deferred Tax Assets/Liabilities in relation to:				
Property, plant and equipment and investment property	12,48,300	20,78,623	-	33,26,923
Land	1,39,02,319	(3,08,752)	-	1,35,93,567
Entry tax payable	26,86,832	(26,86,832)	-	-
Investment in listed equity shares	-	(1,43,273)	-	(1,43,273)
Bonus payable	75,259	1,78,546	-	2,53,805
Net Deferred Tax Assets/(Liabilities)	1,79,12,710	(8,81,687)	-	1,70,31,023

Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2017 is as follows :

	Opening Balance	Recognised/ reversed through Profit and Loss	Recognised/ reversed in other comprehensive income	Closing Balance
Deferred Tax Assets/Liabilities in relation to:				
Property, plant and equipment and investment property	13,46,223	(97,923)	-	12,48,300
Land	1,38,26,657	75,661	-	1,39,02,319
Entry tax payable	31,91,435	(5,04,603)	-	26,86,832
Bonus payable	80,520	(5,261)	-	75,259
Net Deferred Tax Assets/(Liabilities)	1,84,44,836	(5,32,126)	-	1,79,12,710


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
9 OTHER NON-CURRENT ASSETS			
(Unsecured, considered good)			
Capital Advances	45,15,595	45,15,595	45,15,595
10 INVENTORIES			
Stock-in-trade			
Vehicles	23,95,66,058	19,17,94,699	15,76,26,966
Parts & accessories (*)	1,10,90,879	10,59,98,219	11,19,11,382
	25,06,56,937	29,77,92,918	26,95,38,348
(*) Includes Goods in transit	-	4,62,530	10,78,602
11 FINANCIAL ASSETS-CURRENT			
11.1 TRADE RECEIVABLES			
(Unsecured, Considered Good)			
Due for more than six months	45,000	86,53,309	73,58,527
Others	2,64,69,845	11,37,32,490	10,58,37,973
	2,65,14,845	12,23,85,799	11,31,96,500
11.2 CASH AND CASH EQUIVALENTS			
Balances with Banks :			
- In Current Accounts	33,66,057	23,56,830	11,29,780
- In Unpaid Dividend Account	86,126	1,88,469	2,54,028
- In Fixed Deposit Account (*)	34,05,000	1,00,000	65,00,000
Cash-on-hand	4,04,153	16,25,397	34,02,710
	72,61,336	42,70,696	1,12,86,518
(*) Pledged	9,05,000	-	65,00,000
11.3 OTHER CURRENT FINANCIAL ASSETS			
(Unsecured, Considered Good)			
Interest accrued and due on deposits	6,50,506	5,00,940	3,87,467
Claims and other receivable from suppliers	29,62,874	3,04,55,925	1,55,41,272
Incentive Receivable	37,27,202	42,29,429	2,10,11,890
	73,40,582	3,51,86,294	3,69,40,629
12 CURRENT TAX ASSETS (NET)			
Taxation Advances	4,41,00,879	4,81,95,730	4,45,78,923
Less: Provision for Income Tax	3,88,10,000	4,49,00,000	4,18,00,000
	52,90,879	32,95,730	27,78,923
13 OTHER CURRENT ASSETS			
(Unsecured, considered good)			
Advance to suppliers	6,02,608	1,17,36,678	49,36,325
Balances with Govt. Authorities	4,54,65,575	25,11,343	25,44,447
Gratuity Fund	2,69,186	4,90,253	5,62,302
Advance recoverable in kind	13,20,639	14,68,923	9,45,421
Prepaid Expenses	20,27,449	12,82,516	9,04,351
	4,96,85,457	1,74,89,713	98,92,846

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
14 EQUITY SHARE CAPITAL			
Authorised :			
2000000 Equity shares of ₹ 10/- each	2,00,00,000	2,00,00,000	2,00,00,000
Issued, Subscribed and Paid up :			
1100000 Equity shares of ₹ 10/- each fully paid up	1,10,00,000	1,10,00,000	1,10,00,000

a) Details of shareholders holding more than 5% of the Equity Shares in the company :

Name of Shareholder	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
J.J. Projects Private Limited	1,36,700	12.43	1,36,700	12.43	1,36,700	12.43
Anil Jhunjunwala	1,28,050	11.64	1,27,850	11.62	79,350	7.21
A.K. Jhunjunwala (HUF)	59,400	5.40	59,400	5.40	59,400	5.40
Kanaklata Jhunjunwala	74,800	6.80	74,800	6.80	74,800	6.80
Rainbow Securities Private Limited (Formerly known as Brand Equity Private Limited)	57,000	5.18	57,000	5.18	57,000	5.18
Nikhil Chhawchharia	1,42,400	12.95	1,42,400	12.95	–	–
Kohinoor Stock Broking Private Limited	88,250	8.02	88,250	8.02	88,250	8.02

b) Term/Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The holder of equity shares is entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts and payment to Preferential shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders.

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
15 OTHER EQUITY			
a) Securities Premium Reserve	–	2,45,00,000	2,45,00,000
b) Retained Earnings			
General Reserve	1,10,28,166	1,10,28,166	1,10,28,166
Surplus in the statement of Profit and Loss			
Balance as per last Account	11,41,04,768	12,25,30,242	12,44,90,877
Add: Profit/(loss) for the year	1,41,22,381	(84,25,475)	–
Reversal of Provision for Diminution in Value of Investments (Net)	–	–	8,55,153
Paid for NCRP premium	(95,00,000)	–	–
Transfer to Capital Redemption Reserve	(8,50,00,000)	–	–
Deferred tax on opening Ind AS recognised through retained earning	–	–	1,38,26,657
Redemption of Preference Shares	3,40,00,000	–	–
Amortisation of preference shares as per Ind AS	–	–	(1,66,42,445)
Remeasurement of net defined benefit liabilities	–	–	–
	6,77,27,149	11,41,04,768	12,25,30,242
Total Retained Earnings	7,87,55,315	12,51,32,934	13,35,58,408


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
15 OTHER EQUITY (Contd.)			
c) Capital Redemption Reserve			
As per last Account	-	-	-
Add : Transfer from Statement of Profit & Loss	8,50,00,000	-	-
	8,50,00,000	-	-
d) OCI Reserve			
As per last Account	(6,96,425)	-	-
Actuarial Loss	(1,77,185)	(6,96,425)	-
Total	(8,73,610)	(6,96,425)	-
e) Equity Investment Reserve			
As per last Account	9,61,625	(42,809)	-
Changes in fair value of equity instruments	19,53,043	10,04,434	(42,809)
Profit or loss on sale on transfer to Retained Earnings upon realisation	3,60,102	-	-
	32,74,770	9,61,625	(42,809)
TOTAL	16,61,56,475	14,98,98,134	15,80,15,599

Nature of Reserves :
General Reserve

General reserve is used from time to time transfer of profits form surplus in statement of Profit and Loss for appropriation purposes.

Capital Redemption Reserve

Capital redemption reserve is created form retained earnings upon redemption of share capital.

Equity Investment Reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net off amounts reclassified to retained earnings when those assets have been disposed off.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
FINANCIAL LIABILITIES - NON CURRENT			
16 BORROWINGS			
Secured			
Term Loans :	–	–	–
(i) From Bank:			
Indian Overseas Bank			
Term Loan-I	–	1,89,06,956	2,36,86,269
i) Secured by equitable mortgage of Land & Building and hypothecation of entire project (Project at Rajarhat, Kolkata) assets by way of exclusive first charge and,			
ii) Collaterally secured by equitable mortgage of Flat at 92/F, Ground Floor, Alipore Road, Kolkata and pledge of fixed deposits receipts and,			
iii) Personal guarantee of two directors of the Company.			
Terms of Repayment: In 60 monthly installments of ₹ 28,35,000/- each starting from February, 2015.			
Term Loan-II	–	9,59,37,765	13,02,79,065
i) Secured by equitable mortgage of Land & Building and hypothecation of entire project (Project at Rajarhat, Kolkata) assets by way of exclusive first charge and,			
ii) Collaterally secured by equitable mortgage of Flat at 92/F, Ground Floor, Alipore Road, Kolkata and,			
iii) Personal guarantee of two directors of the Company.			
Terms of Repayment :			
i) In 8 quarterly installments of ₹ 12,50,000/- each starting from April, 2016 till March, 2018			
ii) In 8 quarterly installments of ₹ 37,50,000/- each starting from April, 2018 till March, 2020			
iii) In 4 quarterly installments of ₹ 50,00,000/- each starting from April, 2020 till March, 2021			
Unsecured			
Redeemable Preference Shares			
8500000 6% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up *	–	10,73,81,920	10,16,42,445
Terms & Rights:			
The Preference Shares confer on the holders thereof, the right to a fixed preferential dividend @ 6% per annum from the date of allotment, on the capital for the time being allotted, as and when declared. Such Preference Shares shall carry preferential right of repayment on the winding of the company, in priority to the equity shares of the company, but shall not confer any further or other right to participate either in profits or assets. The Preference Share Holders shall not have the right to vote at any meeting of the company save to the extent and in the manner provided in Section 47 of the Companies Act, 2013, whenever applicable. The Shares are redeemable at the option of the company at any time within 20 years from the date of allotment alongwith a premium of ₹ 1/- per share for each completed year from the date of allotment.			
	–	22,22,26,641	25,56,07,779
Less: Current Maturity (Refer Note No. 17.3)	–	3,90,20,000	3,90,20,000
	–	18,32,06,641	21,65,87,779

* By Board Resolution dated 14.09.2017, 8500000 6% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up were redeemed by the Company as per the terms of agreement with a premium of ₹ 4/- per share amounting to ₹ 340 lacs total redemption amounting to ₹ 1190 lacs.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
17 OTHER FINANCIAL LIABILITIES			
Deferred Gain on Unquoted Investments	50,71,616.80	50,71,616.80	51,38,389.00
Trade Deposits	—	13,63,516	14,08,516.00
	50,71,617	64,35,133	65,46,905
18 FINANCIAL LIABILITIES - CURRENT			
18.1 BORROWINGS			
Secured			
Cash Credit			
- From Indian Overseas Bank	21,53,51,381	24,66,55,136	18,57,05,739
i) Secured by hypothecation of stocks, book debts and other current assets, both present and future, of the company by way of exclusive first charge and,			
ii) Collaterally secured by equitable mortgage of Flat at 92/F, Ground Floor, Alipore Road, Kolkata and,			
iii) Personal guarantee of two directors of the Company.			
- From State Bank of India	14,86,205	—	—
Secured by hypothecation of stocks.			
Dealer Funding			
- From HDFC Bank	1,42,76,808	1,40,20,972	—
Secured by hypothecation of stocks.			
- From ICICI Bank	62,48,236	1,45,09,840	—
Secured by hypothecation of stocks.			
- From IndusInd Bank	54,37,313	9,85,196	—
Secured by hypothecation of stocks.			
- From Kotak Mahindra Bank	61,28,529	12,47,911	—
Secured by hypothecation of stocks.			
- From Yes Bank	5,866	—	—
Secured by hypothecation of stocks.			
- From State Bank of India	1,80,34,937	—	—
Secured by hypothecation of stocks.			
Unsecured			
Loan Repayable on Demand			
- from related parties	34,88,21,623	22,63,00,000	14,87,00,000
- from others	—	—	30,00,000
	61,57,90,898	50,37,19,055	33,74,05,739

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

	AS AT 31.03.2018 ₹	AS AT 31.03.2017 ₹	AS AT 01.04.2016 ₹
18 FINANCIAL LIABILITIES - CURRENT (Contd.)			
18.2 TRADE PAYABLES			
- Dues of Micro and Small Enterprises	—	—	—
- Others	4,25,26,932	6,37,56,721	5,46,47,141
	4,25,26,932	6,37,56,721	5,46,47,141
The Company has not received any information from its suppliers regarding registration under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information required to be given in accordance with section 22 of the said Act and Schedule III to the Companies Act, 2013 is considered Nil (Previous Year Nil).			
18.3 OTHER FINANCIAL LIABILITIES			
Current maturities of long-term borrowings (Refer Note No.15)	—	3,90,20,000	3,90,20,000
Interest accrued and due on borrowings	3,75,964	30,23,356	1,59,32,314
Unclaimed Dividends	73,650	1,70,675	2,31,375
Trade Deposits	10,000	30,000	30,000
Other Liabilities	3,39,70,373	76,28,311	79,82,055
	3,44,29,987	4,98,72,342	6,31,95,744
19 OTHER CURRENT LIABILITIES			
Advance from customers	18,71,246	3,50,87,822	3,70,13,180
Statutory liabilities	78,99,348	4,37,62,704	3,14,11,010
	97,70,594	7,88,50,526	6,84,24,190
		For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
20 REVENUE FROM OPERATIONS			
Sale of Traded Goods			
- Vehicles		88,96,28,506	83,06,40,307
- Parts & Accessories		10,88,26,543	64,55,80,065
Sale of Services			
- Service Charges		4,38,53,726	3,62,59,755
Less : Discount / TOD Paid		(21,34,312)	(90,22,274)
Less : Cash Discount Paid		(24,43,476)	(79,94,069)
- Other Income		0	5,04,007
		1,03,77,30,988	1,49,59,67,791
21 OTHER INCOME			
Interest		10,58,152	5,83,102
Dividend		32,600	33,975
Liabilities Written Back		38,40,802	61,22,701
Investments written back		—	—
Provision for Diminution w/back		—	98,402
Profit On Sale of Investment		6,96,88,548	66,261
Miscellaneous Income		40,08,741	17,04,405
		7,86,28,843	86,08,846


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
22.1 PURCHASES		
Vehicles	94,18,09,444	87,10,67,296
Parts & Accessories	9,83,18,306	58,75,51,849
Freight & Entry Tax	29,69,442	1,00,99,518
Less : Commission Received	(3,79,47,573)	(4,48,12,425)
Less : Discount Received	(1,62,35,145)	(3,74,80,218)
Less : Cash Discount Received	(1,65,326)	(87,55,548)
	98,87,49,148	1,37,76,70,472
22.2 CHANGES IN INVENTORIES		
Opening Stock :		
Vehicles	19,17,94,699	15,76,26,966
Parts & Accessories (Includes Goods In Transit ₹ 4,62,530/- (P.Y. ₹ 10,78,602/-)	98,46,870	11,19,11,382
	20,16,41,569	26,95,38,348
Less: Closing Stock:		
Vehicles	23,95,66,058	19,17,94,699
Parts & Accessories (Includes Goods In Transit NIL (P.Y. ₹ 4,62,530/-)	1,10,90,879	10,59,98,219
	25,06,56,937	29,77,92,918
	(4,90,15,368)	(28,254,570)
22.3 EMPLOYEE BENEFITS EXPENSE		
Salary, wages and other allowances	4,90,98,565	4,67,37,352
Contribution to Provident & Other Funds	26,66,224	22,58,070
Staff welfare expenses	9,73,107	23,57,528
	5,27,37,896	5,13,52,950
22.4 FINANCE COSTS		
Interest	4,30,39,099	3,04,72,199
Interest on Preference shares as per Ind AS	1,16,18,080	57,39,475
Other Borrowing costs	-	4,36,802
	5,46,57,179	3,66,48,476
22.5 DEPRECIATION		
On Fixed Assets	1,02,58,176	18,46,572
On Investments - Immovable Properties	26,66,650	-
	1,29,24,826	18,46,572

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
22.6 OTHER EXPENSES		
Rent	67,51,555	1,00,94,538
Rates and Taxes	62,529	3,44,287
Insurance	18,27,075	14,62,929
Travelling and Conveyance	11,91,250	54,05,213
Legal & Professional Charges	20,65,869	12,29,062
Repairs and Maintenance :		
To Building	1,91,730	4,70,901
To Others	67,04,131	49,35,456
Electricity Expenses	48,87,841	37,74,598
Advertisement & Sales Promotion	55,47,573	51,29,569
Vehicle Registration Charges	32,32,877	26,73,871
Demonstration Charges	46,06,847	31,50,059
Service Charges	68,48,199	52,51,237
Auditors Remuneration		
- For Statutory Audit	55,000	1,09,300
- For Tax Audit	13,000	32,500
- For Other Services	52,000	1,74,800
Provision for Diminution as per Ind AS	—	98,402
Miscellaneous Expenses	1,16,74,277	2,57,69,363
	5,57,11,753	7,01,06,085

	31.03.2018 ₹	31.03.2017 ₹	01.04.2016 ₹
23 AUTHORISED CAPITAL			
The total authorised capital of the company is as follows :			
20,00,000 Equity Shares of ₹ 10/- each	2,00,00,000	2,00,00,000	2,00,00,000
1,30,00,000 Preference Shares of ₹ 10/- each	13,00,00,000	13,00,00,000	13,00,00,000
	15,00,00,000	15,00,00,000	15,00,00,000

24 EARNINGS PER SHARE

The earnings per share has been calculated as specified in Ind-AS 33 on "Earnings Per Share" prescribed by Companies (Accounting Standards) Rules, 2015 and related disclosures are as below :

	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
For Calculating Basic and Diluted earnings per share		
a) Profits attributable to equity holders of the company (₹ in Lacs)	247.61	(84.25)
Profit/(Loss) from Discontinued operations	(106.39)	—
Profit/(Loss) for the year	141.22	(84.25)
b) Weighted average number of equity shares used as the denominator in calculating EPS (Nos.)	11.00	11.00
c) Earnings per equity share (continued operations) Basic & Diluted	22.51	(7.66)
d) Earnings per equity share (for discontinued operations) Basic & Diluted	(9.67)	—
e) Earnings per equity share (for discontinued & continuing operations) Basic & Diluted	12.84	(7.66)


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)
25 COMMITMENTS AND CONTINGENCIES
a. Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to ₹ 48.29 lacs (P.Y. ₹ 200.80 lacs); against which the company has given advance of ₹ 45.15 lacs (P.Y. ₹ 45.15 Lacs).

b. Gurantees

The contingencies in respect of various gurantees at the end of the reporting period are as follows :

	31.03.2018 (₹ in lacs)	31.03.2017 (₹ in lacs)
Bank Gurantees	36.12	36.12

c. Contingent liabilities

Contingent Liability (not provided for) in respect of the following claims/demands :

	2017-2018 (₹ in lacs)	2016-2017 (₹ in lacs)
Sales Tax	242.10	242.10
Income Tax	41.19	35.98

26 FINANCIAL INSTRUMENTS
26.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31st March, 2018 are as follows:

(₹ in Lacs)

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total carrying value	Total Fair Value
Financial Assets						
Investments						
- Equity Instruments	7.1	-	277.60	-	277.60	277.60
- Government Securities	7.1	-	-	0.04	0.04	0.04
Non Current Deposits with Banks	7.2	-	-	25.29	25.29	25.29
Non Current Deposits with Others	7.3	-	-	73.07	73.07	73.07
Trade Receivables	11.1	-	-	265.15	265.15	265.15
Cash & Cash Equivalents	11.2	-	-	72.61	72.61	72.61
Other financial assets	11.3	-	-	73.41	73.41	73.41
Total Financial Assets		-	277.60	509.57	787.17	
Financial Liabilities						
Borrowings	16 & 18.1	-	-	6,157.91	6,157.91	6,157.91
Trade Payables	18.2	-	-	425.27	425.27	425.27
Other financial liabilities	18.3	-	-	344.30	344.30	344.30
Total Financial Liabilities		-	-	6,927.48	6,927.48	

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)**

The carrying value of financial instruments by categories as on 31st March, 2017 are as follows : (₹ in Lacs)

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total carrying value	Total Fair Value
Financial Assets						
Investments						
– Equity Instruments	7.1	–	92.74	–	92.74	92.74
– Government Securities	7.1	–	–	0.05	0.05	0.05
Non Current Deposits with Banks	7.2	–	–	54.05	54.05	54.05
Non Current Deposits with Others	7.3	–	–	91.08	91.08	91.08
Trade Receivables	11.1	–	–	1,223.86	1,223.86	1,223.86
Cash & Cash Equivalents	11.2	–	–	42.71	42.71	42.71
Other financial assets	11.3	–	–	351.86	351.86	351.86
Total Financial Assets		–	92.74	1,763.61	1,856.35	
Financial Liabilities						
Borrowings	16 & 18.1	1073.82	–	5,795.44	6,869.26	6,869.26
Trade Payables	18.2	–	–	637.57	637.57	637.57
Deposits	17	–	–	64.35	64.35	64.35
Other financial liabilities	18.3	–	–	498.72	498.72	498.72
Total Financial Liabilities		1073.82	–	6,996.08	8,069.90	

The carrying value of financial instruments by categories as on 1st April, 2016 are as follows : (₹ in Lacs)

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total carrying value	Total Fair Value
Financial Assets						
Investments						
– Equity Instruments	7.1	–	83.36	–	83.36	83.36
– Government Securities	7.1	–	–	0.05	0.05	0.05
Non Current Deposits with Banks	7.2	–	–	1.00	1.00	1.00
Non Current Deposits with Others	7.3	–	–	42.48	42.48	42.48
Trade Receivables	11.1	–	–	1,131.97	1,131.97	1,131.97
Cash & Cash Equivalents	11.2	–	–	112.87	112.87	112.87
Other financial assets	11.3	–	–	369.41	369.41	369.41
Total Financial Assets		–	83.36	1,657.77	1,741.13	
Financial Liabilities						
Borrowings	16 & 18.1	1,016.42	–	4,523.51	5,539.94	5,539.94
Trade Payables	18.2	–	–	546.47	546.47	546.47
Deposits	17	–	–	65.47	65.47	65.47
Other financial liabilities	18.3	–	–	631.96	631.96	631.96
Total Financial Liabilities		1,016.42	–	5,767.41	6,783.83	



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

Management estimations and assumptions

- a) The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:
 - (i) The fair values of the quoted shares are based on price quotations at the reporting date.
 - (ii) The fair values of the unquoted equity shares have been determined based on certifications from valuers who have used Net Asset Value approach for determining the fair values.

26.2 Fair value hierarchy

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

(₹ in Lacs)

Particulars	Note Reference	Fair value measurement at end of the reporting period/year using			
		Level 1	Level 2	Level 3	Total
As on 31st March, 2018					
Financial Assets					
Equity Instruments	7.1	46.82	–	230.82	277.64
As on 31st March, 2017					
Financial Assets					
Equity Instruments	7.1	37.46	–	55.28	92.74
As on 1st April, 2016					
Financial Assets					
Equity Instruments	7.1	27.41	–	55.95	83.36

Level 1 : Quoted Prices in active markets for identical assets or liabilities.

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

Level 3 : Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company's policy is to recognize transfers into and the transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 during the end of the reported periods.

26.3 Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to various financial risks: market risk, credit risk and liquidity risk. The company tries to foresee the unpredictable nature of financial markets and seek to minimise potential adverse impact on its financial performance. The senior management of the company oversees the management of these risks. The Audit Committee has additional oversight in the area of financial risks and controls. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

27 CAPITAL MANAGEMENT

The following are the objectives of Capital management policy of the company :

- (i) Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce the cost of capital

As a part of capital management strategy, the company may adjust the amount of dividends paid to shareholders, issue new shares, raise debt capital or sell assets to reduce debt. The company monitors capital basis a gearing ratio which is calculated by dividing the total borrowings by total equity. The company's strategy is to maintain a gearing ratio as possible as lower. In order to achieve this overall objective, the company ensures to meet its financial covenants attached to the interest bearing loans and borrowings. There have never been any breaches in financial covenants of any interest bearing loans and borrowings in the past and also in the current period.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****28 SEGMENT INFORMATION**

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segments as a single segment of Trading of Motor Vehicles and its parts. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

29 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

a) Related Parties**Particulars****(i) Key management personnel and their relatives**

	Relationship
Mr. K.P. Jhunjhunwala	Director
Mr. Anil Jhunjhunwala	Managing Director
Mr. Ramesh Kumar Chitlangia	Chief Financial Officer
Mr. Partha Dutta	Chief Executive Officer
Mr. Abhijit Das	Company Secretary

(ii) Enterprises over which Key Managerial Person and relatives of such person are able to exercise significant influence

	Country
J.J. Finance Corporation Limited	India
J.J. Projects Private Limited	India
KPJ Estates Private Limited	India
Bengal Motor Services Private Limited	India
Matador Services	India
K.P. Jhunjhunwala Family Trust	India
J.J. Motors Private Limited	India
J.J. Motors Parts LLP	India
Auto Enterprises	India



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)

(₹ in Lacs)

Nature of Transactions	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Key Management Personnel & their relatives	Enterprises over which Key Managerial Person and their relatives are able to exercise significant influence	Key Management Personnel & their relatives	Enterprises over which Key Managerial Person and their relatives are able to exercise significant influence
Income				
Sale of Vehicle, Parts & Accessories	–	670.97	–	526.43
Expenses				
Pre Delivery Inspection, Goodwill and Other Services Paid	–	3.29	–	23.85
Purchase of Parts & Accessories	–	71.09	–	64.63
Rent Paid	–	23.51	–	23.09
Directors' Fees Paid	0.23	–	0.15	–
Directors' Remuneration Paid	12.00	–	12.00	–
KMP Remuneration Paid	16.87	–	17.94	–
Interest on Loans from Related Parties	99.47	340.30	0.43	276.73
Year End Receivable				
Sale of Vehicle Parts and Accessories	–	6.97	–	0.08
Year End Payable				
Pre Delivery Inspection, Goodwill and Other Services Paid	–	1.70	–	0.01
Purchase of Parts & Accessories	–	15.72	–	0.62
Loans	1,107.00	3,573.50	530.00	1,733.00
Interest Accrued on Loans	89.52	306.27	0.39	249.06
Sale of Vehicle Parts and Accessories	–	12.98	–	30.60

b) The table below describes the compensation to key managerial personnel :

Particulars	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Short term employee benefits	12.23	12.15
	12.23	12.15

c) No amount has been written back/written off during the year in respect of due to/from related parties.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018 (Contd.)****30 ASSETS SECURED FOR BORROWINGS**

The carrying amounts of assets secured for current and non current borrowings is given in the following table :

₹ in lacs				
Particulars	Notes	31st March, 2018	31st March, 2017	1st April, 2016
Non Current Assets				
Property, Plant and Equipments		–	386.92	386.94
Capital Work In Progress		–	4,761.51	3,920.24
Deposits with Banks		25.29	54.05	1.00
Total		25.29	5,202.48	4,308.18
Current Assets				
Trade Receivables		265.15	1,223.86	1,131.97
Cash and Cash Equivalents		46.75	39.82	110.32
Inventories		2,506.57	2,977.93	2,695.38
Other Financial Assets		73.41	351.86	369.41
Total		2,891.88	4,593.47	4,307.08

31 DISCONTINUED OPERATION

The carrying amounts of assets secured for current and non current borrowings is given in the following table :

(a) Description

In terms of Agreement dated 24th August, 2017, the company has sold its 'Auto Components Division' by way of slump sale to M/s. TVS JJ Distribution Private Limited (Purchaser) for a lumpsum consideration of ₹ 2100.00 lacs, revised to ₹ 2134.78 lacs for the additional assets of ₹ 34.78 lacs over and above the minimum assets of ₹ 1580.00 lacs transferred to the Purchaser as on the Closing date i.e. 7th November, 2017 at book value. Out of the total lumpsum consideration ₹ 2134.78 lacs, as per the terms of the agreement, the Purchaser has retained a sum of ₹ 210.00 lacs towards Receivables over 180 days and Inventory over 1 year, which the Purchaser is liable to pay only on realisation against these. In view of uncertainty of the recovery of the same, this differential amount will be accounted for on realisation.

(b) Financial performance

Contingent Liability (not provided for) in respect of the following claims/demands :	(₹ in lacs)	
	Period ended 07.11.2017	2016-2017 31.03.2017
Revenue	2422.24	5708.74
Expenses	2528.63	5611.58
Profit / (Loss) for the period from Discontinued operation	(106.39)	97.16

(c) The carrying amounts of Assets & Liabilities as at the date of Sale (07.11.2017) were as follows :

(₹ in lacs)	
	As on 07.11.2017
Property, plant and equipment	11,95,246
Financial assets	1,04,55,469
Inventories	8,06,19,956
Trade & other receivable	11,77,50,415
Other current assets	22,32,535
Total Assets	21,22,53,622
Trade payable	4,62,45,122
Other current liabilities	45,30,423
Total Liabilities	5,07,75,545
Net Assets	16,14,78,077

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2018** (Contd.)

- 32** During the financial year 2017-18, the company completed the construction of its ongoing commercial project at Rajarhat, Kolkata. The Board of Directors vide its resolution dated 30th October, 2017 had decided to hold it to earn rentals or for capital appreciation or both, after keeping a showroom and some offices for its self use. Accordingly, the capital work in progress and land related to units held for earning rentals or capital appreciation or both have been transferred to 'Investment Property' on 01st November, 2017.
- 33** Balance of Trade Receivables, Trade Payables and Other Advances are subject to confirmation.
- 34** On the basis of physical verification of assets, as specified in Ind AS - 36 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the balance sheet as on 31.03.2018.
- 35** Previous years figures have been regrouped/rearranged, wherever found necessary.

As per our report of even date attached

For **Agrawal Subodh & Co.**
Chartered Accountants
(Firm Regn. No. 319260E)

Mohammad Kothawala
Partner
(Mem. No. 309995)

Place : Kolkata

Date : 30th May, 2018

For and on behalf of the Board of Directors

Anil Jhunjunwala
Managing Director
DIN - 00128717

Hilla Eruch Bhatena
Director
DIN - 06909249

K.P. Jhunjunwala
Director
DIN - 00108065

Ramesh Kumar Chitlangia
Chief Financial Officer

