

36TH
ANNUAL REPORT
2016-2017



J. J. AUTOMOTIVE LIMITED



J. J. AUTOMOTIVE LIMITED

36TH ANNUAL REPORT

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 Bhathena, Independent Woman Director

SENIOR MANAGEMENT PERSONNEL :

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

COMPANY SECRETARY :

Mr. Abhijit Das

REGISTERED OFFICE :

25B, Park Street, Kolkata - 700 016

BRANCH OFFICE :

1. Rahman Complex, Exhibition Road, Patna – 800 001, Bihar
2. Das Auto Bazar Complex, Kedar Road, (Near Rly. Gate No. 5), Guwahati - 781 001, Assam
3. Near Utkal Apartment, Plot No – 145, Kalyaninagar, Cuttack - 753 013, Odisha
4. Bank Colony Road, Piska More, Ratu Road, Ranchi - 834 005, Jharkhand
5. 17, Master Da Lane, Ashram Para, Siliguri - 734 401, West Bengal
6. 8 & 9 Tiljala Road, C/O Kothari Metals, Kolkata - 700 046, West Bengal
7. 2/2B, Tiljala Road, Kolkata - 700 046, West Bengal

STATUTORY AUDITOR :

M/S. G. P. Agrawal & Co., Chartered Accountants
7A, Kiran Shankar Ray Road, Kolkata - 700 001

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 14, 2017 at 12:00 P.M.
Venue : At Registered Office



DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty Sixth Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL RESULTS

The Company's financial performance during the year 2016-17 as compared to the previous year 2015-16 is summarized below :

(₹ In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Gross income	16127.03	17227.11
Profit before interest, depreciation, tax and amortization (PBIDTA)	331.04	401.53
Finance Cost	309.09	275.75
Depreciation	18.47	25.68
Profit before exceptional & extraordinary items and Tax	3.48	100.10
Exceptional & Extraordinary Items	-	-
Profit Before Tax (PBT)	3.48	100.10
Tax Expenses		
(i) Current Tax	31.00	67.00
(ii) Deferred Tax	6.08	(10.95)
Profit /(Loss) After Tax (PAT)	(33.60)	44.05
Add: Balance brought forward from last year	1244.91	1201.86
Profit available for appropriation	1211.31	1245.91
Appropriations :		
General Reserve	Nil	1.00
Proposed Dividend	Nil	Nil
Corporate Dividend Tax	Nil	Nil
Balance carried to Balance Sheet	1211.31	1244.91

There is no material change in the state of affairs of the Company particularly nature of business being carried out. During the year under review, the gross income has been ₹ 16127.03 lakhs as against ₹ 17227.11 lakhs in the previous year 2015-16, showing a decrease of 6.39 per cent on a year to year basis. Profit before Tax (PBT) was ₹ 3.48 lakhs against ₹ 100.10 lakhs in the previous year showing a decrease of 96.52 per cent and Loss after Tax stood at ₹ 33.60 lakhs against Profit after tax of ₹ 44.05 lakhs in the previous year. During the year under review, finance cost has been increased to ₹ 309.09 lakhs from ₹ 275.75 lakhs showing an increase of 12.09 percent.

FINANCIAL STATEMENTS

Full version of the Annual Report 2016-17 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013, 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 www.jjautomotive.org.

OPERATIONAL REVIEW

The operations are exhaustively discussed in 'Management Discussion and Analysis Report' forming part of the Annual Report.

**SHARE CAPITAL**

The Company has not issued any shares or debentures during the year. There is no change in the status of the Company or the accounting year. As on 31st March, 2017, issued, subscribed and paid up share capital of your Company stood at ₹ 9.6 crore, comprising 11 lakh equity shares of ₹ 10/- each and 85 lakh Non-Cumulative Redeemable Preference Shares of ₹ 10 each.

RESERVES

The Company has not transferred any amount to the General Reserve of the Company for the financial year ended March 31, 2017.

DIVIDEND

With a view to conserve resources for the future requirements, 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/>.

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, has offered himself for re-appointment in accordance with provisions of the Companies Act, 2013.

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 explanatory statement to the notice of the ensuing AGM.

The Directors recommend his re-appointment at the ensuing AGM.

During the year, no new Directors have been appointed in the Company. None of the Directors have resigned hence, the composition of the Board remains the same.

A Statement on Declaration Given By Independent Directors under Sub-Section (6) Of Section 149

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. The Declaration under Section 149(7) confirming that they meet the criteria of independence pursuant to section 149(6) of Companies Act, 2013 and Regulation 16(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given by Independent Directors.

A format of letter of appointment to Independent Directors 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 of the Board, its Committees and Individual Directors, including Independent Directors

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 same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed.

The Directors expressed their satisfaction with the evaluation process.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows :

Mr. Anil Jhunjunwala, Managing Director

Mr. Partha Dutta, Chief Executive Officer

Mr. Ramesh Kumar Chitlangia, Chief Financial Officer

Mr. Abhijit Das, Company Secretary cum Compliance Officer

During the year there was no change (appointment or cessation) in the offices of KMP.

NUMBER OF MEETINGS OF THE BOARD

During the year, eight (8) 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

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of director, Senior Management and their remuneration.

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 Whole Time Director is governed by the relevant provisions of the Act.

Based on the recommendations of the Nomination and Remuneration Committee, the Board approved a Nomination and Remuneration Policy which is attached 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.

AUDITORS

STATUTORY AUDITOR

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. Accordingly, the tenure of current auditors -M/s G. P. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company shall come to an end at the conclusion of the ensuing 36th Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s G. P. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors and the Audit Committee have recommended on July 21, 2017, the appointment of M/s. Agrawal Subodh & Co., Chartered Accountants (Firm Registration Number 319260E), Kolkata as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013, for a term of five consecutive years, to hold office from the conclusion of the ensuing 36th Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee of the Board. M/s Agrawal Subodh & Co., Chartered Accountants (Firm Registration Number 319260E) being eligible have consented and offered themselves for appointment as statutory auditors for conducting audit of accounts for five consecutive financial years starting from 2017-18.

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

Members' attention is drawn to a Resolution proposing the appointment of M/s. Agrawal Subodh & Co. as Statutory Auditors of the Company which is included at Item No. 3 of the Notice convening the Annual General Meeting.

The current Statutory Auditor M/s G. P. Agrawal & Co., Chartered Accountants, have submitted their Report on the financial statements of the Company for the FY 2016-17, which forms part of the Annual Report 2016-17. There are no observations (including any qualification, reservation or adverse remark) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

Mr. Ashok Kumar Daga, Practicing Company Secretary, was appointed as Secretarial Auditor of the Company for the financial year 2016-17 pursuant to Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditor in Form MR-3 is annexed to this report as **Annexure B**. The Secretarial Auditor's Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remarks.

Mr. Ashok Kumar Daga, Practicing Company Secretary has been re-appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18. They have confirmed that they are eligible for the said appointment.

**Details in respect of frauds reported by auditors other than those which are reportable to the Central Government**

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

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 at all locations of the Company. 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.

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 PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were done on arm's length basis and were in the ordinary course of business. Related Party Transactions were placed before the Audit Committee for its prior approval. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial personnel and other designated persons, which may have a potential conflict with the interest of the Company.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in Form AOC-2 pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014; hence said Form does not form part of this report.

However, the details of the transactions with Related Party are provided in the Company's financial statements as at the end of the Financial Year 2016-17 in accordance with the Accounting Standards.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and /or commitments affecting the financial position of the Company occurred after end of financial year till date of this 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 :

A. 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.

B. 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.

C. Foreign Exchange Earnings and Outgo

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

Particulars	31st March, 2017	31st March, 2016
Foreign Exchange earned in terms of actual inflows	Nil	Nil
Foreign Exchange outgo in terms of actual outflows	Nil	Nil

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**.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been claimed or encashed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further, the corresponding shares will be transferred as per the requirements of the IEPF rules, details of which are provided on our website, at <http://www.jjautomotive.co.in/investor.php>.

CORPORATE SOCIAL RESPONSIBILITY

Since your Company does not fall under the thresholds laid down under Section 135 of the Companies Act, 2013, the provision of Section 134(3)(o) of the Companies Act, 2013 is not applicable and no disclosure is, therefore, required in this regard.

RISK MANAGEMENT POLICY

The Company has developed a Risk Management Policy and identified risks and taken appropriate steps for their mitigation. The Audit Committee of the Board reviews the same periodically. For more details, please refer to the Management Discussion and Analysis Report set out in **Annexure C** to this report.

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 thereunder and as such no amount of interest and principal on deposit was outstanding as on the balance sheet date.

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 of the Company during business hours on working days of the Company upto 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.

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.

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 while interacting with all our stakeholders. The "Report on Corporate Governance" forms an integral part of this report and is set out as **Annexure D** to this report.

AUDIT COMMITTEE

For composition of the Audit Committee, please refer to the Corporate Governance Report as **Annexure D** to this report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, instances of any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and for providing safeguards against victimization of employees. Vigil Mechanism Policy is available on the Company's website at <http://www.jjautomotive.co.in/>.

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

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. There are no 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.

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

Your Company reckons all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, social origin, sexual orientation or age.



During the year under review, no complaints were received or registered under the legislation The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 : 21.07.2017

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, 2017

[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. +91-33-2229-1083 / 84 / 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*	92.54

*The NIC code of the Product or Service has been mentioned as per the Ministry of Statistics and Product Implementation
 Link : http://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	393650	–	393650	35.786	442150	–	442150	40.195	4.409
	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	–	242850	22.077	242850	–	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)	636500	–	636500	57.864	685000	–	685000	62.273	4.409
(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)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	636500	–	636500	57.864	685000	–	685000	62.273	4.409
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)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



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	205200	196600	401800	36.527	62800	148100	210900	19.173	-17.354
	ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs 1 lakh	13650	37450	51100	4.645	13650	37450	51100	4.645	0.000
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10600	-	10600	0.964	153000	-	153000	13.909	12.945
	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	234050	463500	42.136	229450	185550	415000	37.727	-4.409
	Total Public Shareholding (B) = (B)(1) + (B)(2)	229450	234050	463500	42.136	229450	185550	415000	37.727	-4.409
C.	Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A + B + C)	865950	234050	1100000	100.000	914450	185550	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	79350	7.214	0.000	127850	11.623	0.000	4.409
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	636500	57.864	0.000	685000	62.273	0.000	4.409



(iii) Change in Promoter's Shareholding

SI No.	Particulars	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	79350	7.214		
	b) Changes during the year				
	Date Reason				
	06/05/2016 Transfer	48500	4.409	127850	11.623
	c) At the End of the Year			127850	11.623
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.	Particulars	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	636500	57.864	685000	62.273

(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	CUREWEL MERCHANTS PVT. LTD.				
	a) At the Beginning of the Year	42000	3.818		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	-42000	3.818	0	0.000
	c) At the End of the Year			0	0.000
3	MANORMA ALMAL				
	a) At the Beginning of the Year	10600	0.964		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10600	0.964
4	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



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	NIKHIL CHHAWCHHARIA				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	142400	12.945	142400	12.945
	c) At the End of the Year			142400	12.945
6	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
7	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
8	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
9	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
10	SRIJAN COMMODITIES PVT. LTD.				
	a) At the Beginning of the Year	48500	4.409		
	b) Changes during the year				
	Date Reason				
	18/04/2016 Transfer	-48500	4.409	0	0.000
	c) At the End of the Year			0	0.000
11	TEXO COMPUTERS PVT. LTD.				
	a) At the Beginning of the Year	50200	4.564		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	-50200	4.564	0	0.000
	c) At the End of the Year			0	0.000



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
12	TRIMLINE TREXIM PVT.LTD.				
	a) At the Beginning of the Year	50200	4.564		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	-50200	4.564	0	0.000
	c) At the End of the Year			0	0.000
13	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
14	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	420500	38.227	372000	33.818

(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 (DIN : 00128717)				
	a) At the Beginning of the Year	79350	7.214		
	b) Changes during the year				
	Date Reason				
	06/05/2016 Transfer	48500	4.409	127850	11.623
	c) At the End of the Year			127850	11.623
2	K. P. JHUNJHUNWALA (DIN : 00108065)				
	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 (DIN : 00204609)				
	a) At the Beginning of the Year	200	1.182		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			200	1.182
	TOTAL	110750	10.068	159250	14.48

**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	340172794	151700000	0	491872794
ii)	Interest due but not paid	0	15815796	0	15815796
iii)	Interest accrued but not due	0	0	0	0
Total (i+ii+iii)		340172794	167515796	0	507688590
Change in Indebtedness during the financial year					
Additions		91713316	167700000	0	
Reduction		39346359	93100000	0	
Net Change		52366957	74600000	0	126966957
Indebtedness at the end 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

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 Jhunjhunwala (Managing Director)	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	₹ 1208000	₹ 1208000
	(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)	₹ 1208000	₹ 1208000
	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
		Mr. S. P. Mukherjee	Mr. Kamal Nain Saraf	Mr. Surjit Singh	Mrs. Hilla Bhatena	
1	Independent Directors	Mr. S. P. Mukherjee	Mr. Kamal Nain Saraf	Mr. Surjit Singh	Mrs. Hilla Bhatena	
	● Fee for attending board committee meetings	₹ 8000	₹ 8000	₹ 8000	₹ 8000	₹ 32000
	● Commission	-	-	-	-	-
	● Others, please specify	-	-	-	-	-
	Total (1)	₹ 8000	₹ 8000	₹ 8000	₹ 8000	₹ 32000
2	Other Non-Executive Directors	Mr. K. P. Jhunjhunwala				
	● Fee for attending board committee meetings	₹ 7,000	-	-	-	₹ 7,000
	● Commission	-	-	-	-	-
	● Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1)+(2)	-	-	-	-	-
	Total Managerial Remuneration	₹ 7000	-	-	-	₹ 39000
	Overall Ceiling as per the Act	As provided in Part II of Schedule V of Companies Act, 2013				

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

Sl. No.	Particulars of Remuneration	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	₹ 864000	₹ 258000	₹ 672000	₹ 1794000
	(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	₹ 864000	₹ 258000	₹ 672000	₹ 1794000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

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



FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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 - 700 016, WEST BENGAL

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, 2017 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 2017, 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; **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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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 : 21.07.2017

ASHOK KUMAR DAGA
Practicing Company Secretary
FCS No. 2699, C P No: 2948



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRIAL STRUCTURE AND DEVELOPMENT

The new fiscal 2017-18 augurs bright for the Indian automotive sector. Lower borrowing costs due to pent up demand on the back of demonetization, a mild budgetary support to incomes to drive consumption growth in FY'18 as well as a GDP growth of 7.4 percent are all expected to give a fillip to demand in the automotive sector. The growth of the auto industry is expected to continue in 2017 across all vehicle categories.

INDIAN AUTO COMPONENTS INDUSTRY

According to the Automotive Component Manufacturers Association of India (ACMA), the turnover of the Indian auto component industry stood at USD 39 billion in FY2016. The market size for auto component industry increased by 8.8% in FY2016 as compared to FY2015. India's auto components industry is expected to register a turnover of USD 200 billion by 2026, riding on the back also of strong exports.

INDIAN ECONOMY

The Central Statistics Organization (CSO) estimates growth for FY2017 at 7.1%. Policy initiatives like demonetization led to temporary disruptions, affecting the retail sentiment. Notwithstanding a marginal delay is the onset of monsoon, FY2017 has been good for the agricultural sector. Growth in the industrial sector remained lackluster. The overall growth for the period FY2017 stands at 5% as compared to FY2016. India's economic growth is expected to rebound in the range of 6.75-7.5% in FY2018. The negative impact of demonetization is likely to dissipate. Inflation is projected to be higher, due to gradual firming up of crude oil prices. The implementation of Goods and Services Tax Bill (GST) will have positive implications for the auto component industry as it improves operational efficiency.

COMPANY OVERVIEW

Your Company remains one of the most reliable passenger car distributors and auto component distributors in the eastern parts of India. Our presence is strengthened by the most stylish and best-selling Hyundai car models across segments, namely, Eon, Grand i10, Elite i20, Active i20, Xcent, Verna, Creta, Elantra, Tucson, Santa Fe. Additionally, over the last 36 years, the Company has fortified its position in the auto component sector, on the strength of its competitive and innovative business strategies.

FINANCIAL AND OPERATIONAL PERFORMANCE

During the financial year 2016-17, your Company achieved total revenue from operations of ₹15952.77 lakhs in comparison to the previous year figure of ₹17013.15 lakhs. Earning before Taxes has been ₹3.48 lakhs as against ₹100.10 lakhs last 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 1852 units as compared to 2028 units in the previous year showing a decrease of 8.68 per cent.

OUTLOOK

We have great pleasure in bringing to your knowledge that we have now become fully functional at the Automall Project at Rajarhat. We are confident that this historic step 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. However we are trying our best to diversify our business and hope we will be able to create more opportunities to tap in the coming years.

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.

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.

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.

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.

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.

By order of Board of Directors

Anil Jhunjunwala
Managing Director
DIN : 00128717

Place : Kolkata

Date : 21.07.2017



CORPORATE GOVERNANCE REPORT

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, 2017.

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 is 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 is 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 eight times during the financial year 2016-17 on 29th April, 2016, 30th May, 2016, 15th July, 2016, 12th August, 2016, 15th September, 2016, 19th October, 2016, 10th November, 2016 and 13th February, 2017. 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 2016-17

Name	Attendance		Directorships in other Companies			Total no. of Membership of Committees		Total no. of Chairmanship of Committees	
	Board Meeting	Last AGM	Listed	Public	Private	Audit Committee	SRC	Audit Committee	SRC
Mr. K. P. Jhunjhunwala (NED)	7	Yes	–	–	6	–	–	–	–
Mr. Anil Jhunjhunwala (MD)	8	Yes	1	–	5	1	1	–	1
Mrs. Hilla Eruch Bhatena (NEID)	8	Yes	1	–	–	1	–	3	–
Mr. Kamal Nain Saraf (NEID)	8	Yes	–	–	1	1	–	–	–
Mr. S. P. Mukherjee (NEID)	8	Yes	–	–	–	1	–	1	–
Mr. Surjit Singh (NEID)	8	Yes	–	–	–	1	1	–	1

**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 26th November, 2016. 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 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 constitution of the Audit Committee is in confirmation with the requirements of Section 177 of the Companies Act, 2013 and also as per the requirements of SEBI Listing Regulations.

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

- I. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- II. Examination of the financial statement and the auditors' report thereon;
- III. Approval or any subsequent modification of transactions of the company with related parties;
- IV. Scrutiny of inter-corporate loans and investments;
- V. Valuation of undertakings or assets of the company, wherever it is necessary;
- VI. Evaluation of internal financial controls and risk management systems;
- VII. Monitoring the end use of funds raised through public offers and related matters;
- VIII. 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, 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 six times during the year under review on 30th May, 2016, 12th August, 2016, 10th November, 2016, and 13th February, 2017. 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 attended the last Annual General Meeting to answer the shareholders' queries.

TABLE 2 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2016-17 (Total meetings held: 4)
Mr. S. P. Mukherjee	Independent	Chairman	4
Mr. Kamal Nain Saraf	Independent	Member	4
Mr. Surjit Singh	Independent	Member	4

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The constitution of the Nomination and Remuneration Committee is in confirmation with the requirements of Section 178 of the Companies Act, 2013 and also as per the requirements of SEBI Listing Regulations.

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 once during the year under review on 08th April, 2016. The Chairman attended the last Annual General Meeting of the Company.

TABLE 3 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2016-17 (Total meetings held : 1)
Mrs. Hilla Eruch Bhathena	Independent	Chairperson	1
Mr. S. P. Mukherjee	Independent	Member	1
Mr. K. P. Jhunjunwala	Non – Executive Director	Member	1

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, 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, 2017. 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 2017

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, 2017 are given below :

Name of the Director	Remuneration (₹) p.a.	Sitting Fees (₹)	No. of shares held	Service Contract Detail
Mr. K. P. Jhunjunwala	Nil	7000/-	31200	No formal service contract entered into
Mr. Anil Jhunjunwala	1200000/-	8000/-	127850	No formal service contract entered into
Mrs. Hilla Eruch Bhathena	Nil	8000/-	Nil	No formal service contract entered into
Mr. Kamal Nain Saraf	Nil	8000/-	Nil	No formal service contract entered into
Mr. S. P. Mukherjee	Nil	8000/-	Nil	No formal service contract entered into
Mr. Surjit Singh	Nil	8000/-	Nil	No formal service contract entered into

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 by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings and commission as detailed hereunder :

**Sitting Fee :**

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof 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 constitution of the Nomination and Remuneration Committee is in confirmation with requirements of the Companies Act, 2013 and also the SEBI Listing Regulations.

Terms of Reference

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.

Composition and Meetings

Table 5 shows the composition of the Stakeholders' Relationship Committee and the details of attendance. The Committee met twice during the year under review on 18th April, 2016 and 18th June, 2016. The Chairman attended the last Annual General Meeting of the Company.

TABLE 5 : COMPOSITION AND ATTENDANCE

Name	Category	Designation	No. of Meetings attended in 2016-17 (Total meetings held : 2)
Mr. Surjit Singh	Independent	Chairman	2
Mr. Partha Dutta	CEO	Member	2



Mr. Surjit Singh, Independent Director heads the Stakeholders' Relationship Committee. Mr. Abhijit Das, Company Secretary is the Compliance Officer and acts as the Secretary to the Committee.

INVESTOR GRIEVANCE REDRESSAL

Details of complaints received and resolved by the Company during the financial year 2016-17 are given below :

Nature of Complaint	Pending as on 31.03.2016	Received during the FY	Disposed of during the FY	Pending as on 31.03.2017
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

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

TABLE 6 : DETAILS OF THE LAST THREE AGMS OF THE COMPANY

Financial Year	Location	Date	Time	Whether any special resolution passed
2013-14	25B Park Street, Kolkata - 700016	30/09/2014	05:30 P.M.	No
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

The Company has passed four special resolutions in the previous three Annual General Meetings. No special resolutions were required to be put through postal ballot last year. There is no immediate proposal for passing any special resolution through postal ballot.

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 :

- Day & Date : Thursday and 14th September, 2017.
- Time : 12:00 PM.
- Venue : 25B, Park Street, Kolkata - 700 016.
- Financial Year: 01st April, 2016 to 31st March, 2017.
- Dividend payment date : Nil.
- Name and address of the Stock Exchange at which the Company's Securities are listed :
The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata - 700 001
 - Confirmation about Annual Listing fees: Listing fees for the year have been paid on 21/04/2017.



7. Stock Code : 20075
8. Debentures : There are no outstanding debentures.
9. Market price data – high, low during each month in last financial year: The shares of the Company were not traded at the stock exchange during the year.
10. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index, etc.: Not applicable.
11. In case the securities are suspended from trading, the Directors' Report shall explain the reasons thereof: Not applicable.
12. 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
13. 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 weeks. The Stakeholders' Relationship Committee considers the share transfer proposals.

Distribution of Equity Shares :

Table 7 lists the distribution schedule of equity shares of the Company as on 31st March, 2017.

Table 7 : DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017

Sl. No.	No. of equity shares held (range)	No. of Shareholders	% to Total	Total Shares	% to Total
1.	1 to 500	98	69.5035	22,100	2.0091
2.	501 to 1,000	17	12.0567	12,800	1.1636
3.	1,001 to 5,000	6	4.2553	11,300	1.0273
4.	5,001 to 10,000	2	1.4184	11,700	1.0636
5.	10,001 to 50,000	11	7.8014	3,55,700	32.3364
6.	50,001 to 1,00,000	4	2.8369	2,79,450	25.4045
7.	1,00,001 and above	3	2.1277	4,06,950	36.9955
	Total	141	100.00	11,00,000	100.00

Shareholding Pattern as on 31st March 2017 :

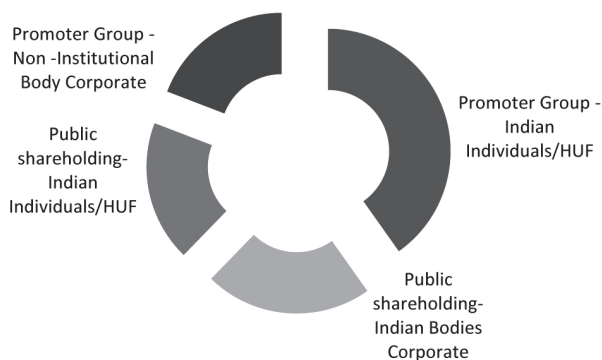
Table 8 lists the shareholding pattern of equity shares of the Company as on 31st March 2017.



Table 8 : SHAREHOLDING PATTERN AS ON 31ST MARCH 2017

Category	No. of Shares	% holding
Shareholding of Promoter and Promoter Group		
Indian Individuals/Hindu Undivided Family	442150	40.195
Indian Bodies Corporate	242850	22.077
Foreign Bodies Corporate	Nil	Nil
Public Shareholding		
Individual/Hindu Undivided Family	204100	18.555
Financial Institutions/Banks	Nil	Nil
Non institutional Body Corporate	210900	19.173
Non-Resident Indians	Nil	Nil
Clearing Members	Nil	Nil
TOTAL	1100000	100.000

Shareholding Pattern as on 31st March, 2017



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 9 lists the dematerialization of equity shares of the Company as on 31st March 2017.

Table 9 : DEMATERIALIZATION OF SHARES AS ON 31ST MARCH 2017

Category	No. of Shares	% holding
Dematerialized Form	914450	83.13
Physical Form	185550	16.87
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.



Commodity price risk or Foreign exchange risk and hedging activities	:	Not applicable.
Outstanding GDRs/ADRs/Warrants or Any Convertible Instruments, conversion date and likely impact on equity	:	The Company has not issued any GDR/ ADR/Warrants or any convertible instruments.
Plant Locations	:	Company does not have any plant.
Address for correspondence	:	25B, Park Street, Kolkata - 700 016 Tel : 033-22296000 Fax : 033-22291089 E-mail : jjauto@dataone.in
URL	:	http://www.jjautomotive.co.in/

Disclosures

- I. 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, 2017 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 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

1. 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, who is a Non-Executive Promoter Director, and his position is separate from that of the Managing Director & CEO.
2. Non-executive Chairman's Office: During the period under review, the Chairman so elected in every Board meeting, has maintained an office which is separate from that of the Managing Director & CEO and he is entitled to maintain an office at the Company's expense and the Company reimburses the expenses incurred by the Chairman in the course of performance of his duties.

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.

The Company has not adopted the other non-mandatory requirements as specified in Part E of Schedule II of the Listing Regulations during the year.

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.



ANNEXURE-E

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 Rs. 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 4 non-executive directors, majority of them being independent.
- 4.2 Minimum three (3) 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 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;

10.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.7 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;

10.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.9 Recommend any necessary changes to the Board; and

10.10 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 CEO AND CFO PURSUANT TO REGULATION 17(8) OF PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Partha Dutta, Chief Executive Officer and Ramesh Kumar Chitlangia, Chief Financial Officer of J. J. Automotive Limited hereby certify that :

- (a) We have reviewed the Financial Statements and the Cash Flow Statement of J. J. Automotive Limited for the year ended March 31, 2017 and that to the best of my knowledge and belief, we state that :
- 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 company'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 Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, that there are no 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 that:
- (1) there have been no significant changes in internal control over financial reporting during the year;
- (2) there have been no significant changes in accounting policies made during the year; and
- (3) there have been no instances of fraud involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata
Date : 21st July, 2017

Partha Dutta
Chief Executive Officer

Ramesh Kumar Chitlangia
Chief Financial Officer

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

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Management Personnel of J. J. Automotive Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2017.

Place : Kolkata
Date : 21st July, 2017

Anil Jhunjunwala
Managing Director
DIN : 00128717

**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, 2017 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, 2017, no investor grievances are pending against the Company as on 21.07.2017 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 : 21st July, 2017

ASHOK KUMAR DAGA

Practicing Company Secretary

FCS No. 2699, C P No: 2948



INDEPENDENT AUDITORS' REPORT

To The Members of J. J. Automotive Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **J. J. Automotive Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended (in which are incorporated returns for the year ended on that date audited by the Branch auditors of the Company's Branches at Guwahati, Siliguri, Cuttack, Ranchi and Patna).

Management's responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements.

Other Matter

We did not audit the financial statements/information of 5 (five) branches included in the financial statements of the Company whose financial statements reflect total assets of Rs. 19,48,19,594/- as at 31st March, 2017 and total revenues of Rs. 49,11,08,643/- for the year ended on that date, as considered in the financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting



principles generally accepted in India of the state of affairs of the Company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - i. 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.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii. The reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - iv. The Balance Sheet, the Statement of Profit and Loss and the Cash flow Statement dealt with by this Report are in agreement with the books of account.
 - v. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - vi. On the basis of the written representations received from the directors as at 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vii. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 27.1 to the financial statements.
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.
 - d. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note. No. 27(8) to the financial statements.

For **G. P. Agrawal & Co.**
Chartered Accountants
F.R.No. 302082E

(CA. Sourav Choudhary)
Partner
Membership No. 300768

Place of Signature : Kolkata
Dated : The 29th day of May, 2017



“ANNEXURE A” TO THE AUDITOR’S REPORT

Statement referred to in paragraph ‘**Report on Other Legal and Regulatory Requirements**’ of our report of even date to the members of **J. J. Automotive Limited** on the financial statements for the year ended 31st March, 2017.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.’
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are 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) (a) On the basis of our examination, the Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.



- (b) The disputed statutory dues aggregating to ₹ 2,54,41,851/-that have not been deposited on account of matters pending before appropriate authorities are as under :

Sl. No.	Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relate	Forum where the dispute is pending
1.	West Bengal Sales Tax Act, 1994	Central Sales Tax	2002-03	95,856	Addl. Commissioner of Sales Tax, Kolkata
2.	West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	2003-04	1,04,11,699	Special Commissioner of Sales Tax, Kolkata
3.	West Bengal Sales Tax Act, 1994	Central Sales Tax	2003-04	14,506	Special Commissioner of Sales Tax, Kolkata
4.	West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	2004-05	1,30,59,745	Appellate Revision Board of Sales Tax, Kolkata
5.	West Bengal Value added Tax Act, 2003	VAT	2005-06	6,28,295	Appellate Revision Board of Sales Tax, Kolkata
6.	Income Tax Act, 1961	Income Tax	Asst. Year 2012-13	7,41,840	Commissioner of Income Tax (Appeal)
7.	Income Tax Act, 1961	Income Tax	Asst. year 2014-15	4,89,910	Commissioner of Income Tax (Appeal)
	TOTAL			2,54,41,851	

- viii) The Company has not defaulted in repayment of loans or borrowings to banks. The Company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the said order are not applicable to the Company.
- (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 financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **G. P. Agrawal & Co.**
Chartered Accountants
F.R.No. 302082E

(CA. Sourav Choudhary)
Partner
Membership No. 300768

Place of Signature : Kolkata
Dated : The 29th day of May, 2017



“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF J. J. AUTOMOTIVE LIMITED

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

We have audited the internal financial controls over financial reporting of **J. J. Automotive Limited** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 were 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 ICAI.

For **G. P. Agrawal & Co.**
Chartered Accountants
F.R.No. 302082E

(CA. Sourav Choudhary)
Partner
Membership No. 300768

Place of Signature : Kolkata
Dated : The 29th day of May, 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at	
		31st March, 2017 ₹	31st March, 2016 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' fund			
(a) Share capital	2	9,60,00,000	9,60,00,000
(b) Reserves and surplus	3	15,66,59,360	16,00,19,043
		25,26,59,360	25,60,19,043
(2) Non-current liabilities			
Long-term borrowings	4	7,61,00,696	11,54,47,055
Other non-current liabilities	5	13,63,516	14,08,516
		7,74,64,212	11,68,55,571
(3) Current liabilities			
(a) Short-term borrowings	6	50,37,19,055	33,74,05,739
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	7	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	6,37,56,721	5,46,47,141
(c) Other current liabilities	8	12,87,22,868	13,16,19,934
		69,61,98,644	52,36,72,814
Total		1,02,63,22,216	89,65,47,428
II. ASSETS			
(1) Non current assets			
(a) Property, plant and equipment	9	4,39,46,316	4,45,16,021
(b) Capital work -in -progress	9	47,64,27,014	39,25,25,515
		52,03,73,330	43,70,41,536
(c) Non current investment	10	24,88,625	23,90,223
(d) Deferred tax assets	11	40,10,391	46,18,178
(e) Long - term loans and advances	12	1,69,19,449	1,15,42,650
(f) Other non-current assets	13	54,05,000	1,00,000
		54,91,96,795	45,56,92,587
(2) Current Assets			
(a) Inventories	14	29,77,92,918	26,95,38,348
(b) Trade receivables	15	12,23,85,799	11,31,96,500
(c) Cash and bank balances	16	42,70,696	1,12,86,518
(d) Short term loans and advances	17	1,67,56,922	96,85,152
(e) Other current assets	18	3,59,19,086	3,71,48,323
		47,71,25,421	44,08,54,841
Total		1,02,63,22,216	89,65,47,428
SIGNIFICANT ACCOUNTING POLICIES	1		
OTHER DISCLOSURES	27		

The accompanying notes 1 to 27 are an integral part of the financial statement.
As per our report of even date attached

For **G. P. Agrawal & Co.**

Chartered Accountants

F.R.No. 302082E

(CA. Sourav Choudhary)

Partner

Membership No. 300768

7A, Kiran Shankar Roy Road

Kolkata - 700 001

Dated : The 29th day of May, 2017

For and on behalf of the Board

Anil Jhunjunwala

Managing Director

DIN - 00128717

Ramesh Kr. Chitlangia

Chief Financial Officer

S. P. Mukherjee

Director

DIN - 00108225

Abhijit Das

Company Secretary

Mem. No. : A36161



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Year ended	Year ended
		31st March, 2017 ₹	31st March, 2016 ₹
I. Revenue from operations	19		
Sale of goods		1,47,62,20,372	1,58,68,37,745
Other operating revenue		11,90,56,405	11,44,76,855
Revenue from operations		1,59,52,76,777	1,70,13,14,600
II. Other income	20	1,74,25,994	2,13,96,569
III. Total Revenue (I + II)		1,61,27,02,771	1,72,27,11,169
IV. Expenses			
Purchases of traded goods	21	1,46,87,18,663	1,61,52,21,314
Changes in inventories of stock in trade	22	(2,82,54,570)	(6,38,95,569)
Employee benefits expense	23	5,20,49,375	4,48,91,202
Finance costs	24	3,09,09,001	2,75,74,834
Depreciation and amortization expense	9	18,46,572	25,67,826
Other expenses	25	8,70,85,626	8,63,41,377
Total Expenses		1,61,23,54,667	1,71,27,00,984
V. Profit before exceptional and extraordinary items and tax (III - IV)		3,48,104	1,00,10,185
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		3,48,104	1,00,10,185
VIII. Extra-ordinary items		-	-
IX. Profit before tax (VII - VIII)		3,48,104	1,00,10,185
X Tax expense:			
Current tax		31,00,000	67,00,000
Deferred tax		6,07,787	(10,94,725)
		37,07,787	56,05,275
XI Profit for the year (IX - X)		(33,59,683)	44,04,910
XII Earnings per equity share - Basic & diluted (₹)	26	(3.05)	4.00
(Face value ₹ 10/- each)			

SIGNIFICANT ACCOUNTING POLICIES

1

OTHER DISCLOSURES

27

The accompanying notes 1 to 27 are an integral part of the financial statement.
As per our report of even date attached

For **G. P. Agrawal & Co.**

Chartered Accountants

F.R.No. 302082E

(CA. Sourav Choudhary)

Partner

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Director

DIN - 00108225

Abhijit Das

Company Secretary

Mem. No. : A36161

**CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2017**

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	3,48,104	1,00,10,185
Adjusted for :		
Depreciation and amortisation expense	18,46,572	25,67,826
Dividend Income	(33,975)	(42,375)
Finance Cost	3,09,09,001	2,75,74,834
Interest Income	(5,83,102)	(7,67,446)
Liabilities no longer required written back	(61,22,701)	(19,32,005)
Bad Debts written off	–	1,16,934
Loss / (Profit) on sale of Property, Plant and Equipment	(66,261)	30,694
Provision for diminution in value of investments / (write back)	(98,402)	75,625
Operating Profit before Working Capital Changes	2,61,99,236	3,76,34,272
Adjusted for:		
Increase/(decrease) in trade payables	91,09,580	(64,30,282)
Increase/(decrease) in other current & long term liabilities	1,60,89,593	4,12,05,909
(Increase)/decrease in inventories	(2,82,54,570)	(6,38,95,568)
(Increase) in trade receivables	(91,89,299)	3,08,06,043
(Increase)/decrease in long term and short term loans and advances	(1,19,31,767)	1,22,69,750
(Increase) in other current assets	14,08,274	(1,04,03,852)
Cash generated from operations	34,31,047	4,11,86,272
Direct taxes paid (net of refund)	(36,16,807)	(1,04,22,159)
Cash flow before exceptional and extraordinary items	(1,85,760)	3,07,64,113
Exceptional/extraordinary items	–	–
Net Cash (used in)/ generated from operating activities	(1,85,760)	3,07,64,113
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Property, Plant and Equipment	(13,29,563)	(22,70,972)
Additions to Capital Work in Progress	(8,39,01,499)	(10,41,29,100)
Sale of Property, Plant and Equipment	1,18,957	26,201
Deposits pledged with banks	10,95,000	–
Deposits	–	(1,00,000)
Interest Received	4,69,629	5,59,988
Dividend Received	33,975	42,375
Net Cash used in investing activities	(8,35,13,501)	(10,58,71,508)



CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) of Short Term Borrowings- Secured Loans (net)	9,17,13,316	4,01,17,620
Proceeds/(repayment) of Short Term Borrowing -Unsecured Loan (net)	7,46,00,000	6,22,50,000
Proceeds from Long Term Borrowing -Term Loan	(3,93,46,359)	(26,26,010)
Finance Cost Paid	(4,38,17,959)	(2,45,08,831)
Net Cash generated from financing activities	8,31,48,998	7,52,32,779
Net Increase in Cash and Cash Equivalents (A+B+C)	(5,50,263)	1,25,384
Opening Cash and Cash Equivalents	45,32,490	44,07,106
Closing Cash and Cash Equivalents (Refer Note No.16)	39,82,227	45,32,490

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Proceeds/(repayment) of short term borrowings have been shown on net basis.
- Figure in brackets represent cash outflow.
- Cash & cash Equivalents do not include any amount which is not available to the Company for its use.
- As breakup of Cash & cash equivalents is also available in Note No.16, reconciliation of items of Cash & cash equivalents as per Cash Flow Statement with the equivalent items reported in the Balance Sheet is not required and hence not provided.

As per our report of even date attached

For **G. P. Agrawal & Co.**

Chartered Accountants

F.R.No. 302082E

(**CA. Sourav Choudhary**)

Partner

Membership No. 300768

7A, Kiran Shankar Roy Road

Kolkata - 700 001

Dated : The 29th day of May, 2017

For and on behalf of the Board

Anil Jhunjhunwala

Managing Director

DIN - 00128717

Ramesh Kr. Chitlangia

Chief Financial Officer

S. P. Mukherjee

Director

DIN - 00108225

Abhijit Das

Company Secretary

Mem. No. : A36161

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017****Note 1 : Significant Accounting Policies****1.1 BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis.

GAAP comprises applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI).

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies' Act, 2013. Based on the nature of operations and time between procurement of goods and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 REVENUE RECOGNITION

- a) Sale of Goods is recognized upon transfer of significant risk and rewards to the buyer.
- b) Sale is exclusive of VAT.
- c) All other income are accounted for on accrual basis.
- d) Dividend income is recognised when the Company's right to receive dividend is established.

1.3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION**A. Property, Plant and Equipment**

Property, Plant and Equipment are valued at their original cost of acquisition including all related expenses of installation and borrowing cost attributable to qualifying assets up to the date, the asset is put to use less depreciation.

B. Capital Work In Progress

Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

C. Depreciation & Amortisation

Depreciation on Property, Plant and Equipment is provided on written down value basis so as to charge the cost of the assets less its residual value over the useful life of the respective asset as prescribed under Part C of Schedule II to the Companies Act, 2013. In respect of additions to Property, Plant and Equipment during the accounting year, depreciation for full year irrespective of the date of such addition is charged and no depreciation is charged on Property, Plant and Equipment sold during the year. Residual value has been considered as 5% of the cost of the respective asset.

1.4 IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.5 INVESTMENTS

Investments that are intended to be held for not more than one year are classified as current investments. All other investments are classified as long term investments/ non-current investments.

Investments being long term /non-current in nature are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non current investments, script wise.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)****1.6 INVENTORIES**

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

1.7 EMPLOYEE BENEFITS

- (a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered except leave encashment, which is accounted on cash basis.
- (b) Long-term employee benefits (benefits which are payable after the end of twelve months from the end of the period in which the employees render service) and post employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of annual third party actuarial valuations.

1.8 BORROWING COST

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

1.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash at bank and on hand, including cheques on hand. The Company considers highly liquid investments, which are readily convertible into cash, to be cash equivalents.

1.10 TAXES ON INCOME

Income tax expense comprises current tax and deferred tax charge. Current tax is provided on the basis of provision of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. Such assets are reviewed as at Balance Sheet date to reassess realisability thereof.

1.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in respect of obligations where, based on the evidence available, their existence as at the Balance Sheet date is considered probable. Contingent liabilities are shown by way of notes to the Accounts in respect of obligation where, based on the evidence as at the Balance Sheet date, their existence is considered not probable.

Contingent assets are not recognized in the Accounts.

1.12 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of any extra ordinary items) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented.

1.13 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Amount ₹	No. of shares	Amount ₹
Note 2 : Share Capital				
(i) Authorised :				
Equity Shares of ₹ 10/- each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Preference Shares of ₹ 10/- each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
		<u>15,00,00,000</u>		<u>15,00,00,000</u>
(ii) Issued :				
Equity Shares of ₹ 10/- each	11,00,000	1,10,00,000	11,00,000	1,10,00,000
6% Non Cumulative Redeemable Preference Shares of ₹ 10/- each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
		<u>14,10,00,000</u>		<u>14,10,00,000</u>
(iii) Subscribed and Paid-up :				
Equity Shares of ₹ 10/- each fully paid up	11,00,000	1,10,00,000	11,00,000	1,10,00,000
6% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up	85,00,000	8,50,00,000	85,00,000	8,50,00,000
		<u>9,60,00,000</u>		<u>9,60,00,000</u>

(iv) Terms & Rights attached to each class of share capital**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 holders of Equity Shares are entitled to receive dividends as declared from time to time. 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.

6% Non Cumulative Redeemable Preference Shares

The Company has only one class of preference shares i.e. 6% Non Cumulative Redeemable Preference Shares (NCRP) having a par value of ₹ 10/- per share.

- Such 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 Shares shall carry preferential right for repayment of the Capital on the winding up 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 holders of such Shares 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 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.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	% of holding	No. of shares	% of holding
Note 2 : Share Capital (Contd.)				
(v) The details of Equity shareholders holding more than 5 % Equity Shares as at 31.03.2017 and 31.03.2016 are given below :				
J. J. Projects Pvt. Ltd.	1,36,700	12.43	1,36,700	12.43
Anil Jhunjunwala	1,27,850	11.62	79,350	7.21
A. K. Jhunjunwala (HUF)	59,400	5.40	59,400	5.40
Kanaklata Jhunjunwala	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
Nikhil Chhawchharia	1,42,400	12.95	—	—
Kohinoor Stock Broking Private Limited	88,250	8.02	88,250	8.02
(vi) The details of Preference shareholders holding more than 5 % Preference Shares as at 31.03.2017 and 31.03.2016 are given below :				
K. P. Jhunjunwala	12,50,000	14.71	12,50,000	14.71
Anil Jhunjunwala	24,50,000	28.82	17,50,000	20.59
Anil Jhunjunwala (As karta of A. K. Jhunjunwala - HUF)	16,50,000	19.41	16,50,000	19.41
J. J. Finance Corporation Ltd.	13,00,000	15.29	13,00,000	15.29
J. J. Projects Pvt. Ltd.	10,00,000	11.76	17,00,000	20.00

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Note 3 : Reserve & Surplus		
Securities Premium Account		
As per last account	2,45,00,000	2,45,00,000
General Reserve		
As per last account	1,10,28,166	1,09,28,166
Add : Transferred from Statement of Profit and Loss	—	1,00,000
	1,10,28,166	1,10,28,166
Surplus in the Statement of Profit and Loss		
Balance as per last Account	12,44,90,877	12,01,85,967
Add: Profit for the year	(33,59,683)	44,04,910
Surplus available for Appropriations	12,11,31,194	12,45,90,877
Less : Appropriations		
Transferred to General Reserve	—	1,00,000
Closing balance	12,11,31,194	12,44,90,877
	15,66,59,360	16,00,19,043

Note : General Reserve is a free reserve and can be utilised for any general purpose viz. issue of bonus shares, payment of dividend, buyback of shares etc.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 4 : Long-term borrowings		
Term Loan		
From a Bank (Secured)	11,51,20,696	15,44,67,055
Less : Current maturities of Term Loan	3,90,20,000	3,90,20,000
	7,61,00,696	11,54,47,055
<p>(Term loan from Indian Overseas Bank is secured by equitable mortgage of land & building and hypothecation of entire project (Project at Rajarhat, Kolkata) assets by way of exclusive first charge and guaranteed by two directors of the Company. Interest is paid monthly for 1st Term Loan @ MCLR + 3.25% and the repayment of Principal started from February, 2015 by way of 60 monthly instalment of ₹ 28,35,000/- each. Interest is paid monthly for the 2nd Term Loan @ MCLR + 3.25% and repayment of Principal started from April '16 on quarterly installments of ₹ 12,50,000/- each in 2016-17 & 2017-18, ₹ 37,50,000/- in 2018-19 & 2019-20 and ₹ 50,00,000/- in 2020-21).</p>		
	<u>7,61,00,696</u>	<u>11,54,47,055</u>
Note 5 : Other non-current liabilities		
Other payables		
Trade deposits	13,63,516	14,08,516
	<u>13,63,516</u>	<u>14,08,516</u>
Note 6 : Short-term borrowings		
Loans repayable on demand		
Unsecured		
Loans from related parties	22,63,00,000	14,87,00,000
Intercompany deposits	-	30,00,000
Other Loans		
Working capital loan (Secured)		
From Bank	27,74,19,055	18,57,05,739
<p>(Secured by pari-passu hypothecation of the Company's entire stock in trade including stock in transit, book debts both present and future and other current assets of the company by way of exclusive first charge and guaranteed by two directors of the Company).</p>		
	<u>50,37,19,055</u>	<u>33,74,05,739</u>


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 7 : Trade payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of other than Micro and Small Enterprises	6,37,56,721	5,46,47,141
	6,37,56,721	5,46,47,141

Note :

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).

Note 8 : Other current liabilities

Current maturities of Term Loan	3,90,20,000	3,90,20,000
Interest accrued and due on borrowings	30,23,356	1,59,32,314
Unpaid dividend*	1,70,675	2,31,375
Other payables		
Advance from customers	3,50,87,822	3,70,13,180
Trade deposits	30,000	30,000
Unpaid salaries and other payroll dues	20,59,881	20,62,958
Statutory liabilities	4,37,62,704	3,14,11,010
Accrued expenses	55,31,675	50,47,060
Others	36,755	8,72,037
	8,65,08,837	7,64,36,245
	12,87,22,868	13,16,19,934

Note :

*There is no amount due and outstanding to be credited to Investor Education & Protection Fund.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

Note : 9

FIXED ASSETS

(Amount ₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	Cost as at 01.04.2016	Additions during the period	Deductions during the period	Total cost as at 31.03.2017	Upto 31.03.2016	Provided during the year	Adjusted with Retained Earning	Adjustment during the year	Total upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible assets											
Land - Freehold	3,86,54,517	-	-	3,86,54,517	-	-	-	-	-	3,86,54,517	3,86,54,517
Premises	7,37,991	-	-	7,37,991	5,81,513	7,683	-	-	5,89,196	1,48,795	1,56,478
Plant & Machineries	20,55,361	-	-	20,55,361	6,27,980	2,58,408	-	-	8,86,388	11,68,973	14,27,381
Office Equipments	1,10,50,823	2,17,632	-	1,12,68,455	1,00,65,615	2,83,100	-	-	1,03,48,715	9,19,741	9,85,208
Vehicles :											
Motor Cars	58,48,582	4,45,650	5,69,996	57,24,236	53,64,177	2,51,209	-	5,17,301	50,98,085	6,26,151	4,84,405
Motor Cycles / Scooters	6,90,017	1,13,165	-	8,03,182	5,67,063	54,217	-	-	6,21,280	1,81,902	1,22,954
Furniture and Fixture	59,91,412	23,501	-	60,14,913	43,60,887	3,94,002	-	-	47,54,889	12,60,024	16,30,525
Data Processing Machine :											
Server	6,28,184	-	-	6,28,184	4,61,590	-	-	-	4,61,590	1,66,594	1,66,594
Others & UPS	84,30,915	5,29,615	-	89,60,530	79,21,365	4,18,930	-	-	83,40,295	6,20,235	5,09,550
Electrical Installations	8,88,424	-	-	8,88,424	5,10,015	1,79,023	-	-	6,89,038	1,99,386	3,78,409
Total	7,49,76,226	13,29,563	5,69,996	7,57,35,793	3,04,60,205	18,46,572	-	5,17,301	3,17,89,476	4,39,46,316	4,45,16,021
Capital work-in-progress											
Capital work-in-progress*	39,25,25,515	8,39,01,499	-	47,64,27,014	-	-	-	-	-	47,64,27,014	39,25,25,515
Grand Total	46,75,01,741	8,52,31,062	5,69,996	55,21,62,807	3,04,60,205	18,46,572	-	5,17,301	3,17,89,476	52,03,73,330	43,70,41,536



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

Note : 9

FIXED ASSETS PREVIOUS YEAR

(Amount ₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	Cost as at 01.04.2015 ₹	Additions during the period ₹	Deductions during the period ₹	Total cost as at 31.03.2016 ₹	Upto 31.03.2015 ₹	Provided during the year ₹	Adjusted with Retained Earning ₹	Adjustment during the year ₹	Total upto 31.03.2016 ₹	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Tangible assets											
Land - Freehold	3,86,54,517	-	-	3,86,54,517	-	-	-	-	-	3,86,54,517	3,86,54,517
Premises	7,37,991	-	-	7,37,991	5,73,433	8,080	-	-	5,81,513	1,56,478	1,64,558
Plant & Machineries	18,16,735	2,38,626	-	20,55,361	3,12,450	3,15,530	-	-	6,27,980	14,27,381	15,04,285
Office Equipments	1,08,84,403	1,66,420	-	1,10,50,823	94,72,525	5,93,090	-	-	1,00,65,615	9,85,208	14,11,878
Vehicles :											
Motor Cars	69,86,481	-	11,37,899	58,48,582	62,58,390	1,86,791	-	10,81,004	53,64,177	4,84,405	7,28,091
Motor Cycles / Scooters	6,54,143	35,874	-	6,90,017	5,30,937	36,126	-	-	5,67,063	1,22,954	1,23,206
Furniture and Fixture	53,09,216	6,82,196	-	59,91,412	37,99,684	5,61,203	-	-	43,60,887	16,30,525	15,09,532
Data Processing Machine :											
Server	4,63,894	1,64,290	-	6,28,184	2,91,601	1,69,989	-	-	4,61,590	1,66,594	1,72,293
Others & UPS	77,81,127	6,49,788	-	84,30,915	73,65,203	5,56,162	-	-	79,21,365	5,09,550	4,15,924
Electrical Installations	5,54,646	3,33,778	-	8,88,424	3,69,160	1,40,855	-	-	5,10,015	3,78,409	1,85,486
Total	7,38,43,153	22,70,972	11,37,899	7,49,76,226	2,89,73,383	25,67,826	-	10,81,004	3,04,60,205	4,45,16,021	4,48,69,770
Capital work-in-progress											
Capital work-in-progress*	28,83,96,415	10,41,29,100	-	39,25,25,515	-	-	-	-	-	39,25,25,515	28,83,96,415
Grand Total	36,22,39,568	10,64,00,072	11,37,899	46,75,01,741	2,89,73,383	25,67,826	-	10,81,004	3,04,60,205	43,70,41,536	33,32,66,185

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

Particulars	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
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Note 9 : Fixed assets (contd.)

*Capital work -in-progress comprises entirely of Rajarhat Project Work-in-Progress and includes–

Opening Balance	39,25,25,515	28,83,96,415
Add : Capital Work-in-Progress Expenses for the year		
Cost of Material & Labour		
– Steel	–	14,76,285
– Cement	4,03,400	13,45,000
– Job Contract	3,78,76,588	6,48,00,654
Lift	13,77,805	23,90,455
Govt.Fees	–	22,29,370
Consultancy Fees	6,65,919	53,83,944
Finance Cost	3,67,25,335	2,35,80,494
Administrative & Other Expenses		
– Retainership Fees	3,00,000	3,00,000
– Electricity Expenses	19,26,197	16,43,117
– Rent	–	–
– Insurance	3,15,194	2,31,349
– Security Guard Charges	3,51,532	1,29,453
– Micellaneous Expenses	39,59,529	6,18,979
Closing Capital Work-in-Progress	47,64,27,014	39,25,25,515


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		Units	₹	Units	₹
Note 10 : Non-current investments					
Long term (Valued at cost less provision for other than temporary diminution)					
i) Trade investments					
In equity shares of Companies - Fully paid up					
Quoted					
Jullundar Motor (Agencies) Ltd. (Net of provision ₹475/- previous year ₹475/-)	10	300	150	300	150
Maruti Suzuki India Limited	5	200	1,28,931	200	1,28,931
Federal Mogul Goetztes (India) Limited	10	1000	1,12,332	1000	1,12,332
			2,41,413		2,41,413
Unquoted					
Narbheram & Co. Ltd. (Net of provision ₹16,200/- previous year ₹16,200/-)	10	1800	1,800	1800	1,800
			2,43,213		2,43,213
ii) Other than trade investments					
a. In equity shares of Companies - Fully paid up					
Quoted					
Other Companies					
J. J. Finance Corporation Ltd.	10	27100	2,27,450	27100	2,27,450
Reliance Communications Ltd. (Net of provision ₹1,48,076/- previous year ₹1,42,226/-)	5	500	19,150	500	25,000
Reliance Industries Ltd. (Net of provision ₹NIL previous year ₹6,390/-)	10	200	2,15,440	200	2,09,050
IFCI Limited (Net of provision ₹1,11,212/- previous year ₹1,21,312/-)	10	2000	59,300	2000	49,200
Century Textiles and Industries Limited (Net of provision ₹NIL previous year ₹1,42,012/-)	10	300	3,00,622	300	1,58,610
NOIDA Toll Bridge Company Limited (Net of provision ₹3,36,663/- previous year ₹2,80,913/-)	10	5000	56,250	5000	1,12,000
Peninsula Land Limited (Net of provision ₹1,44,125/- previous year ₹1,45,625/-)	2	1000	18,700	1000	17,200
Larson and Toubro Limited (Net of provision ₹ NIL previous year ₹ NIL)	2	900	9,05,080	900	9,05,080
			18,01,992		17,03,590

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		Units	₹	Units	₹
Unquoted					
Other Companies					
J. J. Projects Private Limited	10	20698	2,03,420	20698	2,03,420
Kohinoor Stockbroking Private Limited	10	10000	1,00,000	10000	1,00,000
KPJ Estates Private Limited	10	10000	1,00,000	10000	1,00,000
Bengal Motor Services Private Limited	10	3500	35,000	3500	35,000
			4,38,420		4,38,420
b. In Post Office National Saving Certificates (Deposited with Sales tax authorities)			5,000		5,000
Total			24,88,625		23,90,223
Aggregate amount of quoted investments			27,83,956		27,83,956
Aggregate Market value of quoted investments			42,95,025		31,53,660
Aggregate amount of unquoted investments in shares			4,56,420		4,56,420
Aggregate amount of unquoted investments in others			5,000		5,000
Aggregate provision for diminution in value of investments			7,56,751		8,55,153


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 11 : Deferred tax assets		
- Depreciation on Property, Plant and Equipment	12,48,300	13,46,223
- Expenses allowable on payment basis under Income Tax Act	27,62,091	32,71,955
	<u>40,10,391</u>	<u>46,18,178</u>
Note 12 : Long-term loans and advances		
(Unsecured, considered good)		
Capital advances	45,15,595	45,15,595
Security deposits	91,08,124	42,48,132
Other loans and advances		
Advance income tax	4,81,95,730	4,45,78,923
Less: Provision for income tax	4,49,00,000	32,95,730
	<u>1,69,19,449</u>	<u>1,15,42,650</u>
Note 13 : Other non-current assets		
Fixed deposits		
(Non-current portion of original maturity period more than 12 months)		
- Pledged with bank as collateral security	54,05,000	-
- Others	-	1,00,000
	<u>54,05,000</u>	<u>1,00,000</u>
Note 14 : Inventories		
(At cost or net realisable value, whichever is lower)		
Stock - in - trade		
Vehicles	19,17,94,699	15,76,26,966
Parts and Accessories of Vehicles	10,55,35,689	11,08,32,780
Goods - in - transit	4,62,530	10,78,602
	<u>29,77,92,918</u>	<u>26,95,38,348</u>
Note 15 : Trade receivables		
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from due date	86,53,309	73,58,527
Other trade receivables	11,37,32,490	10,58,37,973
	<u>12,23,85,799</u>	<u>11,31,96,500</u>

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 16 : Cash and bank balances		
Cash and cash equivalents		
Balance with banks		
In current accounts	23,56,830	11,29,780
Cash on hand (as certified)	16,25,397	34,02,710
	<u>39,82,227</u>	<u>45,32,490</u>
Other bank balances		
Earmarked balances		
Fixed deposits		
(Current portion of original maturity period more than 3 months but less than 12 months)		
– Pledged with bank as collateral security	–	45,00,000
– Others	1,00,000	–
Matured FD (Pledged)	–	20,00,000
Unpaid Dividend accounts	1,88,469	2,54,028
	<u>2,88,469</u>	<u>67,54,028</u>
	<u>42,70,696</u>	<u>1,12,86,518</u>
Note 17 : Short term loans and advances		
(Unsecured, considered good)		
Other loans and advances		
Advances to suppliers and others	1,17,36,678	49,36,325
Advances to staff	8,16,923	8,52,329
Gratuity fund	4,90,253	5,62,302
Prepaid expenses	12,82,516	9,04,351
Other taxes & duties	24,30,552	24,29,845
	<u>1,67,56,922</u>	<u>96,85,152</u>
Note 18 : Other current assets		
(Unsecured, considered good)		
Interest accrued and due on deposits	5,00,940	3,87,467
Claims and other receivable from suppliers	3,04,55,925	1,55,41,272
Incentive receivable	42,29,429	2,10,11,890
Taxes and duties refundable	80,791	1,14,602
Other receivable	6,52,001	93,092
	<u>3,59,19,086</u>	<u>3,71,48,323</u>


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

	Year ended 31st March, 2017 ₹		Year ended 31st March, 2016 ₹	
Note 19 : Revenue from operations				
Sale of Traded goods (Gross)				
Vehicles	83,06,40,307		89,56,64,260	
Parts and Accessories	64,55,80,065	1,47,62,20,372	69,11,73,485	1,58,68,37,745
Other operating revenue				
Commission received	4,48,12,425		37,22,678	
Discount received	3,74,80,218		8,26,99,598	
Service Charges Received	3,62,59,755		2,71,23,644	
Other Income	5,04,007		9,30,935	
		11,90,56,405		11,44,76,855
		1,59,52,76,777		1,70,13,14,600
Note 20 : Other income				
Interest income (Gross)				
On fixed deposits with banks	4,41,910		5,87,214	
On security deposits	12,415		20,625	
On others	1,28,777	5,83,102	1,59,607	7,67,446
Dividend on long-term Investments Other than trade		33,975		42,375
Other non-operating revenues				
Cash discount received	87,55,548		81,87,953	
Unspent liabilities no longer required written back	61,22,701		19,32,005	
Logistic and incidental charges	2,46,193		73,07,722	
Profit on sale of Property, Plant and Equipment	66,261		–	
Provision for diminution in value of long term investments written back	1,60,002		44,110	
Compensation received from surrender of Flat	–		21,19,536	
Miscellaneous income	14,58,212	1,68,08,917	9,95,422	2,05,86,748
		1,74,25,994		2,13,96,569
Note 21 : Purchase of traded goods				
Vehicles	87,10,67,296		94,29,55,897	
Parts and Accessories	58,75,51,849	1,45,86,19,145	66,15,16,587	1,60,44,72,484
Freight & entry tax		1,00,99,518		1,07,48,830
		1,46,87,18,663		1,61,52,21,314

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	Year ended 31st March, 2017 ₹		Year ended 31st March, 2016 ₹	
Note 22 : Changes in inventories of stock in trade				
Opening Stock :				
Vehicles		15,76,26,966		10,18,55,802
Parts and Accessories	11,08,32,780		10,23,96,749	
Goods -in-transit	10,78,602	11,19,11,382	13,90,229	10,37,86,978
		26,95,38,348		20,56,42,779
Closing Stock :				
Vehicles		19,17,94,699		15,76,26,966
Parts and Accessories	10,55,35,689		11,08,32,780	
Goods -in-transit	4,62,530	10,59,98,219	10,78,602	11,19,11,382
		29,77,92,918		26,95,38,348
		(2,82,54,570)		(6,38,95,569)
Note 23 : Employee benefit expense				
Salaries and wages		4,74,33,777		4,07,17,373
Contribution to provident and other funds		22,58,070		20,49,223
Staff welfare expenses		23,57,528		21,24,606
		5,20,49,375		4,48,91,202
Note 24 : Finance costs				
Interest expense				
On Short term borrowings		3,04,72,199		2,73,01,221
Other borrowing costs		4,36,802		2,73,613
		3,09,09,001		2,75,74,834


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
Note 25 : Other expenses		
Rent	1,00,94,538	96,39,531
Repairs		
Buildings	4,70,901	5,15,410
Others	49,35,456	54,06,357
Insurance	14,62,929	50,04,348
Rates & taxes	3,44,287	12,76,644
Discount	1,70,16,343	3,44,287
Electricity	37,74,598	1,97,92,783
Advertisement & Sales Promotion	51,29,569	39,76,536
Travelling & Conveyance	54,05,213	44,40,866
Payment to statutory auditor		
for statutory audit	55,000	55,000
for tax audit	13,000	13,000
for other services	82,500	1,50,500
Payment to branch auditors		
for statutory Audit	54,300	52,000
for tax audit	19,500	14,000
for other services (Limited reviews & certifications)	92,300	1,66,100
Miscellaneous expenses	3,80,73,592	1,02,000
Provision for diminution in value of investments	61,600	1,58,300
Loss on Sales of Property, Plant and Equipment	-	3,52,25,432
Bad debts written off	-	1,19,735
	8,70,85,626	30,694
		1,16,934
		8,63,41,377

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)**

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Note 26 : Earnings per share		
The numerators and denominators used to calculate Basic and Diluted Earnings per Share :		
Particulars		
a) Amount used as the numerator-Profit after tax (in ₹) (A)	(33,59,683)	44,04,901
b) Weighted average number of equity shares used as denominator (B)	11,00,000	11,00,000
c) Nominal Value of Equity Shares (₹)	10	10
d) Basic/Diluted Earnings Per Share (A / B) (in ₹)	(3.05)	4.00

Note 27 : Other disclosures**1. Contingent Liabilities :**

- a) Contingent liabilities to the extent not provided for :

A) Contingent liabilities		
i) Claims against the company not acknowledged as debt		
a) Sales tax demand - under appeal	2,42,10,101	3,31,69,877
b) Income tax demand - under appeal*	35,97,610	7,41,840
B) Commitments		
i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for.	2,00,79,561	3,59,58,247
ii) Advance paid against above	45,15,595	45,15,595

*Sum of ₹ 23,65,860/- has already been paid against the above Service Tax demand.

b) The contingent liabilities as shown in (A) above are dependent on disposal of appeal.

c) No reimbursement is expected in case of contingent liabilities as shown above.

2. Segment Reporting :

As the company's business activities fall within a single primary business segment i.e. dealer of vehicle and motor parts, the disclosure requirement of Accounting Standard (AS-17) "Segment Reporting" notified in the Companies (Accounting Standards) Rules, 2006 are not required.

3. Employee Benefits :

As per Accounting Standard – 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting standard are as follows :

- a) **Defined Contribution Plan :**

Employee benefits in the form of Provident Fund and Employees State Insurance Scheme are considered as defined contribution plan and the contributions are made in accordance with the relevant statute and are recognized as expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expenses for the year are as under :


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)
Note 27 : Other disclosures (Contd.)

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Particulars		
Employers' Contribution to Provident Fund	20,20,920	18,31,304
Employers' Contribution to Employee State Insurance Scheme	8,46,546	6,28,350

b) Defined Benefit Plan:

Post employment and other long-term employee benefit in the form of gratuity are considered as defined obligation. The present value of the obligation is determined based on valuation report using Projected Unit Credit Method as at the Balance Sheet date. The amount of defined benefits recognized in the balance sheet represents the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amount recognized in the Statement of Profit and Loss for the year ended 31st March, 2017 in respect of Employees Benefit Scheme based on actuarial report as on 31st March, 2017 is as follows :

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)****Note 27 : Other disclosures (Contd.)**

	Gratuity (Funded) 2016-17 ₹	Gratuity (Funded) 2015-16 ₹
I. Components of Employer Expenses		
1. Current Service Cost	5,06,111	4,88,938
2. Past Service Cost	-	-
3. Interest Cost	3,04,725	2,90,862
4. Expected Return of Plan Asset	3,49,787	3,55,609
5. Actuarial (gain)/loss recognized in the year	6,49,291	(2,72,155)
6. Net Expense/(Income) Recognized in Statement of Profit and Loss	11,10,340	1,52,036
II. Change in Present Value of Defined Benefit Obligation		
1. Present Value of Defined Benefit Obligation at the Beginning of the year	38,09,059	36,35,769
2. Interest Cost	3,04,725	2,90,862
3. Current Service Cost	5,06,111	4,88,938
4. Benefits Paid	5,58,540	3,34,355
5. Actuarial (Gain) / Losses	6,49,291	(2,72,155)
6. Present Value of Obligation at the end of the year	47,10,646	38,09,059
III. Change in Fair Value of Plan Assets during the year ended 31st March, 2017		
1. Plan Assets at the Beginning of the year	43,71,361	41,17,421
2. Expected Return on Plan Assets	3,49,787	3,55,609
3. Actual Company Contribution	10,38,290	2,32,686
4. Benefits Paid	5,58,540	3,34,355
5. Plan Assets at the end of the year	52,00,898	43,71,361
IV Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2017		
1. Present value of Defined Benefit Obligation	47,10,646	38,09,059
2. Fair Value on Plan Assets	52,00,898	43,71,361
3. Funded Status Surplus / (deficit)	4,90,252	5,62,302
4. Net Asset / (Liability) recognized in Balance Sheet	4,90,252	5,62,302
V Actuarial Assumptions		
1. Discount Rate (per annum)	8.00%	8.00%
2. Salary Increases	5.00%	6.00%
3. Expected rate of return on plan assets (per annum)	7.71%	9.00%
4. Inflation Rate	5.00%	6.00%
5. Retirement / Superannuation Age	58	58
6. Mortality	LIC1 1994-1996	LIC1 1994-1996

VI. Basis used to determine the Expected Rate of Return on Plan Assets:

The basis used to determine overall expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.

VII. Basis of estimates of rate of escalation in salary:

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information.


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)
Note 27 : Other disclosures (Contd.)
VIII. Disclosure related to Previous Years :

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Present value of Defined Benefit Obligation	36,35,769	22,72,399	25,06,502
Fair Value on Plan Assets	41,17,421	28,52,445	30,08,519
Funded Status Surplus / (deficit)	4,81,652	5,80,046	5,02,017

IX. The following disclosures as required by AS-15 could not be made as the relevant information is not available in the actuarial valuation report :

- i) The expected amount of Employer's contribution for next year.
- ii) Experience Adjustment.

4 Disclosures pursuant to Schedule III of the Companies Act, 2013 relating to the details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is provided in the table below :

Particulars	SBNs ₹	Other denomination notes ₹	Total ₹
Closing cash in hand as on 08.11.2016	29,98,500	5,44,837	35,43,337
Add : Permitted receipts	–	1,32,83,846	1,32,83,846
Less : Permitted payments	–	52,81,016	52,81,016
Less : Amount deposited in Bank	29,98,500	76,10,490	1,06,08,990
Add : Amount Withdrawn from Bank	–	14,37,000	14,37,000
Closing cash in hand as on 30.12.2016	–	23,74,177	23,74,177

5 Related Party disclosures as identified by management in accordance with the Accounting Standard - 18 :

(A) Name and Description of relationship with the related parties :

I) Key Managerial Personnel :

Mr. K. P. Jhunjhunwala
Mr. Anil Jhunjhunwala

II) Enterprise over which key managerial personnel and relatives of such personnel are able to exercise Significant influence :

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)****Note 27 : Other disclosures (Contd.)****(B) Transaction with related parties during the year and the status of outstanding as on 31st March, 2017**

Amount ₹

Nature of Transaction	Enterprise over which key managerial personnel and relatives of such personnel are able to exercise significant influence		Key Managerial personnel of the Company	
	2016-17	2015-16	2016-17	2015-16
Pre Delivery Inspection, Goodwill and Other Services Paid				
Matador Services	81,589	13,249	-	-
Bengal Motor Services Pvt. Ltd.	15,57,414	13,860	-	-
J. J. Motors Pvt. Ltd.	5,84,297	1,66,354	-	-
Auto Enterprises	1,61,460	3,80,418	-	-
Sale of Vehicle, Parts and Accessories				
Matador Services	1,28,19,192	1,08,28,873	-	-
Bengal Motor Services Pvt. Ltd.	2,57,12,261	2,39,78,952	-	-
J. J. Motors Pvt. Ltd.	1,32,15,597	1,14,02,860	-	-
J. J. Motor Parts	-	88,210	-	-
J. J. Motor Parts LLP	8,95,452	-	-	-
Purchase of Parts & Accessories				
Matador Services	9,48,053	-	-	-
Bengal Motor Service Pvt. Ltd.	4,35,642	-	-	-
J. J. Motors Pvt. Ltd.	4,54,731	-	-	-
J. J. Motor Parts	-	48,813	-	-
J. J. Motor Parts LLP	46,24,893	-	-	-
Rent paid				
K. P. Jhunjunwala Family Trust	2,40,000	2,40,000	-	-
KPJ Estates Pvt. Ltd.	20,69,312	20,47,080	-	-
Directors' Fees paid				
Mr. K. P. Jhunjunwala	-	-	7,000	6,000
Mr. Anil Jhunjunwala	-	-	8,000	6,000
Directors' Remuneration paid				
Mr. Anil Jhunjunwala	-	-	12,00,000	12,00,000
Interest on Loans from related parties				
J. J. Finance Corporation Limited	31,69,021	19,31,397	-	-
J. J. Projects Private Limited	2,45,04,264	1,52,95,765	-	-
Mr. K. P. Jhunjunwala	-	-	16,071	-
Mr. Anil Jhunjunwala	-	-	26,784	-


NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)
Note 27 : Other disclosures (Contd.)

Amount ₹

Nature of Transaction	Enterprise over which key managerial personnel and relatives of such personnel are able to exercise significant influence		Key Managerial personnel of the Company	
	2016-17	2015-16	2016-17	2015-16
Loans taken from related parties				
J. J. Finance Corporation Limited	2,00,50,000	1,42,00,000	—	—
J. J. Projects Private Limited	8,98,50,000	10,35,50,000	—	—
Mr. K. P. Jhunjunwala	—	—	1,80,00,000	—
Mr. Anil Jhunjunwala	—	—	3,50,00,000	—
Loans taken from related parties refunded				
J. J. Finance Corporation Limited	1,29,00,000	1,09,50,000	—	—
J. J. Projects Private Limited	7,24,00,000	4,06,50,000	—	—
Balance Payables as on 31st March, 2017				
Pre Delivery Inspection, Goodwill and Other Services				
Auto Enterprises	—	27,000	—	—
KPJ Estates Pvt. Ltd.	813	—	—	—
Purchase Parts & Accessories				
J. J. Motor Parts LLP	51,253	51,253	—	—
Bengal Motor Services Pvt. Ltd.	10,436	—	—	—
Sale of Vehicle Parts & Accessories				
Bengal Motor Services Pvt. Ltd.	17,92,782	12,20,929	—	—
J. J. Motors Pvt. Ltd.	12,67,356	12,27,293	—	—
Loans taken from related parties				
J. J. Projects Private Limited	15,69,00,000	13,94,50,000	—	—
J. J. Finance Corporation Limited	1,64,00,000	92,50,000	—	—
Mr. K. P. Jhunjunwala	—	—	1,80,00,000	—
Mr. Anil Jhunjunwala	—	—	3,50,00,000	—
Interest on Loans taken from related parties				
J. J. Projects Private Limited	2,20,53,838	1,37,66,188	—	—
J. J. Finance Corporation Limited	28,52,119	17,38,257	—	—
Mr. K. P. Jhunjunwala	—	—	14,464	—
Mr. Anil Jhunjunwala	—	—	24,106	—
Balance Receivable as on 31st March, 2017				
Sale of Vehicle, Parts and Accessories				
Matador Services	7,791	—	—	—
J. J. Motor Parts LLP	—	5,56,570	—	—

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH, 2017 (Contd.)****Note 27 : Other disclosures (Contd.)**

- (C) No amount has been written back / written off during the year in respect of due to / from related parties.
- (D) The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.
- (E) The transaction with related parties have been entered at an amount which are not materially different from that on normal commercial terms.

6. Disclosure under clause 32 of the Listing Agreement

There are no transactions which are required to be disclosed under Clause 32 of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed.

7. Balances of Trade receivables, Trade payables and Other advances are subject to confirmation.

8. Details of Loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 :**A. Details of Loans given :**

The Company has not given any loan.

B. Details of Investments made :

The relevant details are given in Note No.10.

C. Details of Guarantee given :

The Company has not given any guarantee.

9. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For **G. P. Agrawal & Co.**
Chartered Accountants
F.R.No. 302082E

(CA. Sourav Choudhary)
Partner
Membership No. 300768
7A, Kiran Shankar Roy Road
Kolkata - 700 001
Dated : The 29th day of May, 2017

For and on behalf of the Board

Anil Jhunjunwala
Managing Director
DIN - 00128717

Ramesh Kr. Chitlangia
Chief Financial Officer

S. P. Mukherjee
Director
DIN - 00108225

Abhijit Das
Company Secretary
Mem. No. : A36161