

JAGATJIT INDUSTRIES LIMITED

Annual Report

for the year ended 31st March, 2016





Directors' Report



To the Shareholders

The Directors have pleasure in presenting their Report and Statement of Accounts for the financial year ended 31st March, 2016.

FINANCIAL SUMMARY

The Board Report is prepared based on the standalone financial statements of the Company. The Company's financial performance for the year under review along with previous year's figures is given hereunder :

	2015-16	(Rs. in lacs) 2014-15
Profit/(Loss) for the year after charging all expenses excluding financing charges and depreciation	(1524)	(806)
Deduct: Financing Charges	4063	3129
Cash Profit/(Loss)	(5587)	(3935)
Deduct : Depreciation/ Amortization	1271	1243
Profit/(Loss) for the year before taxation	(6858)	(5178)
Tax Expenses		
Current Tax		
— For the year	—	—
— Deferred Tax (Benefit)/Charge	(159)	(1267)
— Profit/(Loss) after tax from discontinuing operation	134	(454)
Profit/(Loss) after tax for the year	(6565)	(4365)
Profit brought forward from previous year	4168	8533
Total profit/(Loss) available for appropriations	(2397)	4168
APPROPRIATIONS		
Balance Carried to Balance Sheet	(2397)	4168

STATE OF COMPANY'S AFFAIRS

During the year under report, the Gross Turnover (including income from Services & Other Sources) was Rs. 1153.51 Crores as compared to Rs. 1242.68 Crores during the previous year. The Company incurred a loss before taxation of Rs. 68.58 Crores as compared to loss before taxation of Rs. 51.78 Crores during the previous year.

DIVIDEND

In view of the losses incurred by the Company during the year, the Board of Directors of your Company do not recommend any dividend for the year under report.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

There was no change in the nature of business of the Company during the financial year ended 31st March, 2016.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was Rs. 46.15 Crores. During the year there was no change of the share capital by issue or buy back of shares.

FIXED DEPOSITS

During the year under report the Company in compliance with the provisions of Section 73(2) of the Companies Act, 2013 and the Rules made thereunder, has accepted deposits of Rs. 364.36 Lacs from its members only.

As on 31st March, 2016, 240 persons whose Fixed Deposits/Loans with the Company amounting to Rs.163.08 Lacs had become due for payment during the year, did not claim or renew their Deposits/Loans. Out of these, Fixed Deposits/Loans of 71 persons amounting to Rs.75.90 Lacs have since been renewed/paid.

There has not been any default in repayment of deposits or interest thereon during the year under report.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

M/s JIL Trading Private Limited, M/s L. P. Investments Limited, M/s Sea Bird Securities Private Limited and M/s S. R. K. Investments Private Limited continued to be subsidiary companies during the year under review. M/s Hyderabad Distilleries & Wineries Private Limited is the Associate Company in terms of Section 2(6) of the Companies Act, 2013.

The consolidated financial statements of the Company including all subsidiaries and Associate prepared in accordance with relevant Accounting Standards, duly audited by the Statutory Auditors are presented in the Annual Report.

A report on performance and financial position of each of the subsidiaries and Associate companies included in the consolidated financial statement is presented in the prescribed format AOC-1 and is annexed to the financial statements in the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ms. Sonya Jaiswal has been appointed as an Additional Director of the Company on 25th July, 2016 by the Board of Directors. She holds office upto the date of this Annual General Meeting. The Company has received a notice in writing, under Section 160 of the Companies Act, 2013, from a member, proposing her name as candidate for the office of Director.

Mr. Ravi Manchanda, Director, retires by rotation, is eligible and offers himself for re-appointment.

Mr. Sudhir Avasthi and Mr. Peri Kameswara Sharma, both independent directors, ceased to be directors of the Company w.e.f. 2nd September, 2016. The Board places on record their appreciation for the services rendered by Mr. Sudhir Avasthi and Mr. Peri Kameswara Sharma during their term of Directorship.

Mr. Narender Sapra, Mr. Anil Girotra and Mr. K. K. Kohli continued to be Managing Director, Chief Financial Officer and Company Secretary respectively during the year under review.

NUMBER OF MEETINGS OF THE BOARD

Eight meetings of the Board of Directors were held during the year. The details of the meetings are stated in the Corporate Governance Report forming part of this Annual Report.

Further, a separate Meeting exclusively of the Independent Directors of the Company was also held on 15th December, 2015, whereat the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(5) of the Companies Act, 2013, Directors subscribe to the "Directors' Responsibility Statement" and confirm that :

- (a) in preparation of Annual Accounts for the year ended 31st March, 2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors viz. Mrs. Kiran Kapur, Ms. Sonya Jaiswal, Mr. Sudhir Avasthi and Mr. Peri Kameswara Sharma have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereunder. Mr. Sudhir Avasthi and Mr. Peri Kameswara Sharma have since ceased to be Directors.

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company have approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are :

- * Principle and Rationale
- * Company Philosophy
- * Guiding Principles
- * Nomination of Directors
- * Remuneration of Directors
- * Evaluation of the Directors
- * Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management persons.
- *Remuneration of other employees.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is given in separate Annexure to this report. The policy is also available on the website of the Company i.e. www.jagatjit.com.

The above annexure is not being sent along with this Report to the members of the Company in line with the provision of Section 136 of the Companies Act, 2013. The aforesaid Annexure is available for inspection by Members at the Registered Office of the Company upto the date of the ensuing Annual General Meeting during the business hours on working days. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

FORMAL ANNUAL EVALUATION

As the ultimate responsibility for sound governance and prudential management of a company lies with its Board, it is imperative that the Board remains continually energized, proactive and effective. An important way to achieve this is through an objective stock taking by the Board of its own performance. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, in its Meeting held on 19th May, 2016 undertook the evaluation of its own performance, its Committees and all the individual Directors, in accordance with the framework approved by the Nomination and Remuneration Committee.

The review concluded by affirming that the Board as a whole as well as all of its Members, individually and the Committees of the Board continued to display commitment to good governance, ensuring a constant improvement of processes and procedures.

It was acknowledged that every individual Member and Committee of the Board contributed its best in the overall growth of the organization.

FAMILIARISATION PROGRAM OF INDEPENDENT DIRECTORS

The Company has a policy of conducting familiarization program for its Independent Directors in order to familiarize them with the Company, their role, rights, responsibilities in the Company and the nature of the industry in which the Company operates etc. The details of such policy have been given on the website of the Company at www.jagatjit.com.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return of the Company in Form MGT-9 forms part of the Board's Report and is annexed herewith as **Annexure-1**.

AUDITORS AND AUDITORS' REPORT

Messrs Mittal Chaudhry & Co., Chartered Accountants were re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 69th Annual General Meeting (AGM) held on 30th September, 2014 until the conclusion of the 72nd AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the Members at every AGM held after the AGM held on 30th September, 2014).

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from Messrs Mittal Chaudhry & Co., Chartered Accountants to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in section 141 of the Companies Act, 2013.

The Statutory Auditors in their report for the financial year ended 31st March, 2016 have made certain qualifications/remarks which are annexed with this Report alongwith Board's explanations and comments as **Annexure-2**.

The observations of the Statutory Auditors in their Report on standalone and consolidated financial statement for the year ended on 31st March, 2016 are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s Pranav Kumar & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the Secretarial Audit for the year ended on 31st March, 2016.

A Secretarial Audit Report submitted by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **Annexure-3** and forms part of this report. The Secretarial Auditors in their report for the financial year ended 31st March, 2016 have made certain remarks which are annexed with this Report alongwith Board's explanations and comments as **Annexure-4**.

COST AUDIT

In terms of Companies (Cost Records and Audit) Rules, 2014, notified by the Ministry of Corporate Affairs on 30th June, 2014, the defined product of the Company does not come under the ambit of mandatory cost audit for the Financial year 2015-16.

INTERNAL AUDITORS

In order to strengthen the internal control systems and considering the size and nature of business, the Company has appointed M/s Lalit Kumar & Co., Chartered Accountants, New Delhi as the internal auditors of the Company to perform the internal audit for the Financial Year 2015-16.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and accordingly the provisions of Section 188 of the Companies Act, 2013 are not attracted. Further, there were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. A disclosure in form AOC-2 is annexed with this Report as **Annexure-5**.

All Related Party Transactions are placed before the Audit Committee for their review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and entered in the Ordinary Course of Business and at Arm's Length.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy as considered and approved by the Board has been uploaded on the website of the Company at www.jagatjit.com.

CORPORATE SOCIAL RESPONSIBILITY [CSR]

The Management and the Board of Directors of the Company are of strong opinion that Corporate Social Responsibility is strongly connected with the principles of sustainability and taking care of the society at large. The management of the Company considers it as the core corporate responsibility of the Company to take steps for considering and recognizing the corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

The Company constituted a Corporate Social Responsibility Committee comprising of three Directors. The composition of the Committee is as under :

1. Mrs. Kiran Kapur, Independent Director
2. Mrs. Anjali Varma, Non-Executive Director
3. Mr. Ravi Manchanda, Whole Time Director

The Board of Directors of your Company has also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee which is available on the website of the Company at www.jagatjit.com.

Since the Company does not meet the requirement of Section 135(5) of the Companies Act, 2013, no such activities were required to be undertaken by the Company.

GREEN INITIATIVE

Electronic copies of the Annual Report of the Company for the year 2016 and Notice of the 71st AGM are being sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report and Notice of the AGM are being sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Annual Report of the Company for the year 2016 is also available on the website of the Company at www.jagatjit.com.

E-VOTING

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set for in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The instructions for e-voting are provided in the Notice.

PREVENTION OF INSIDER TRADING

Pursuant to new SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for the prevention of insider trading with a view to regulate trading in securities of Company by the Directors and Designated Employees of the Company on the basis of unpublished price sensitive information available to them by virtue of their position in the Company. The Code under SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the website of the Company at www.jagatjit.com.

AUDIT COMMITTEE

As per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee of the Board of Directors of the Company. The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report.



The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Nomination and Remuneration Committee of the Board of Directors of the Company. The Composition of the Nomination and Remuneration Committee is provided in the Corporate Governance Report forming part of this report.

Remuneration of the Key Managerial Personnel and Employees of the Company is based on the performance of the individual and the Company. Remuneration of the employees are revised on timely basis and based on their performances. The Committee identifies the persons who are qualified to become Directors or be appointed in senior management and recommends to the Board their appointment or removal and carries out evaluations of their performance.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Stakeholders Relationship Committee of the Board of Directors of the Company. The Composition of the Stakeholders Relationship Committee is provided in the Corporate Governance Report forming part of this report.

RISK MANAGEMENT POLICY

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company's Risk management framework ensures compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: Securing critical resources; ensuring sustainable plant operations; cordial relations with the workers, ensuring cost competitiveness including logistics; maintaining and enhancing customer service standards and resolving environmental and safety related issues.

The Board of Directors has adopted a formal Risk Management Policy for the Company. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust management information system, which is an integral part of the control mechanism.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Recognizing the regulatory mandate u/s 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 placing greater stress on the establishment of Vigil Mechanism in a listed entity for its directors and employees so that they may report their genuine concerns or grievances, the Company has established a policy called Whistle Blower Policy. The Policy has been posted on the website of the Company at www.jagatjit.com.

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

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016 is given in separate Annexure to this report.

The above annexure is not being sent along with this Report to the members of the Company in line with the provision of Section 136 of the Companies Act, 2013. The aforesaid Annexure is available for inspection by Members at the Registered Office of the Company upto the date of the ensuing Annual General Meeting during the business hours on working days. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-6** and forms part of this Report.

CORPORATE GOVERNANCE

Your Company upholds the standards of governance and is compliant with the Corporate Governance provisions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in both letter and spirit. The Company's core values of honesty and transparency have since its inception been followed in every line of decision making. Setting the tone at the top, your Directors cumulatively at the Board level, advocate good governance standards at the Company. Your Company has been built on a strong foundation of good Corporate Governance.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Practicing Company Secretary confirming compliance with the requirements of Regulation 34 read with Schedule – V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed and forms part of the Annual Report.

Further, the Management Discussion and Analysis Report as required under Regulation 34 read with Schedule – V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also presented in separate section forming part of the Annual Report.

LISTING OF SHARES OF THE COMPANY

The shares of your Company are listed on BSE Limited at Mumbai. The Listing fees for the financial year 2016-17 have been paid to Bombay Stock Exchange.

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

The Company has in place an Anti Sexual Harassment policy in line with the requirements of The Sexual Harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All Employees (permanent, contractual, temporary, trainees) are covered under this policy.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the continued co-operation and support extended to the Company by the Government agencies, customers, vendors, banks, business associates and all the employees.

For and on behalf of the Board

Date : 2nd September, 2016

Sd/-
Narender Sapra
Managing Director
(DIN.00200239)

Sd/-
Ravi Manchanda
Director
(DIN.00152760)

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L15520PB1944PLC001970
ii)	Registration Date:	09.08.1944
iii)	Name of the Company :	Jagatjit Industries Limited
iv)	Category/ Sub Category of the Company:	Public Company Limited by shares
v)	Address of the Registered Office and Contact details	Jagatjit Nagar, Dist. Kapurthala, Punjab-144802 Tel. 011-26432641, Fax. 011-26441850
vi)	Whether listed company Yes/ No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	The Shares Registry work is done in House.

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	Alcoholic Beverages	1101	84.37

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of The Company	CIN/GLN Associate	Holding/ Subsidiary/ Shares Held	% of Section	Applicable Section
1	JIL Trading Private Limited 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	U51109DL2010PTC207648	Subsidiary	100.00%	2(87)
2	L. P. Investments Limited Jagatjit Nagar-144802. Dist. Kapurthala (Punjab)	U65921PB1974PLC003526	Subsidiary	98.26%	2(87)
3	Sea Bird Securities Private Limited Jagatjit Nagar, Dist. Kapurthala, Punjab-144802	U65993PB2006PTC030689	Subsidiary	80.00%	2(87)
4	S. R. K. Investments Private Limited 5th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	U65999DL2009PTC191718	Subsidiary	100.00%	2(87)
5	Hyderabad Distilleries & Wineries Private Ltd. 4th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019	U15511DL1969PTC260186	Associate	32.88%	2(6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	606696	100	606796	1.31	606696	100	606796	1.31	-
b) Central Govt									
c) State Govt(s)									

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 Share	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp.	11588612	2500000	14088612	30.53	11534769	2500000	14034769	30.41	(0.12)
e) Banks / FI									
f) Any other									
Sub - total (A) (1) :-	12195308	2500100	14695408	31.84	12141465	2500100	14641565	31.72	(0.12)
(1) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals									
c) Bodies Corp.	-	1003800	1003800	2.18	-	1003800	1003800	2.18	-
d) Banks / FI									
e) Any other									
Sub - total (A) (2) :-	-	1003800	1003800	2.18	-	1003800	1003800	2.18	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	12195308	3503900	15699208	34.02	12141465	3503900	15645365	33.9	(0.12)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	400	700	1100	-	400	700	1100	-	-
b) Banks / FI	1272	900	2172	-	1272	900	2172	-	-
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	-	200	200	-	-	200	200	-	-
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	1672	1800	3472	0.01	1672	1800	3472	0.01	-
2. Non-Institutions									
a) Bodies Corp.	1618987	3777	1622764	3.52	1489216	3777	1492993	3.24	(0.28)
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1348498	511020	1859518	4.03	1302069	502547	1804616	3.91	(0.12)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1283162	235462	1518624	3.29	1520258	235462	1755720	3.8	0.51
c) Others (NRIs)	101677	132849	234526	0.51	103097	132849	235946	0.51	-
Sub-total (B)(2):-	4352324	883108	5235432	11.35	4414640	874635	5289275	11.46	0.11
Total Public Shareholding (B) = (B)(1) + (B)(2)	4353996	884908	5238904	11.36	4416312	876435	5292747	11.47	0.11
C. Shares held by Custodian for GDRs & ADRs	25210000	25210000	54.63	-	25210000	25210000	54.63	-	-
Grand Total (A + B + C)	16549304	29598808	46148112	100	16611620	29590335	46148112	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	LPJ Holdings Pvt. Ltd.	7418648	16.08	-	7418648	16.08	-	-
2	LPJ Holdings Pvt. Ltd. (Special Series Shares)	2500000	5.42	-	2500000	5.42	-	-

3	Mr. Karamjit S. Jaiswal	531780	1.15	-	531780	1.15	-	-
4	Mr. Karamjit S. Jaiswal Jt with Mr. L.P. Jaiswal	100	0.00	-	100	0.00	-	-
5	K. S. J. Finance & Holdings (P) Ltd.	1192256	2.58	-	1192256	2.58	-	-
6	R. J. Shareholdings Pvt. Ltd.	576000	1.25	-	576000	1.25	-	-
7	S. J. Finance And Holdings (P) Ltd.	1130304	2.45	-	1130304	2.45	-	-
8	Quick Return Inv. Company Ltd.	114904	0.25	-	114904	0.25	-	-
9	Double Durable Investments Ltd. *	165500	0.36	-	111657	0.24	-	(0.12)
10	Fast Buck Inv. & Trading (P) Ltd.	988900	2.14	-	988900	2.14	-	-
11	Snowwhite Holdings Pvt. Ltd.	2100	0.00	-	2100	0.00	-	-
12	Mrs. Surjit Jaiswal	74816	0.16	-	74816	0.16	-	-
13	Mrs. Shakun Jaiswal	100	0.00	-	100	0.00	-	-
14	Orissa Holdings Ltd. (OCB)	1003800	2.18	-	1003800	2.18	-	-
	Total	15699208	34.02	-	15645365	33.90	-	(0.12)

* Datewise transfer of shares by Double Durable Investments Ltd. is as follows :

Date	No. of shares transferred
06.04.2015	10080
07.04.2015	5400
08.04.2015	14475
09.04.2015	14277
10.04.2015	4259
13.04.2015	5352
Total	53843

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

Sl. No.		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
	At the beginning of the year	15699208	34.02	15699208	34.02
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-53843 (Transfer)	-0.12	-53843	-0.12
	At the end of the year	15645365	33.90	15645365	33.90

* See note above

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

Sl. No.	Name	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	At the End of the year (or on the date of separation, if separated during 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	Oliver Investments Pvt. Ltd.	457628	0.99	-	457628	457628	0.99
2	AMQ Agro India Pvt. Ltd.	421537	0.91	-	421537	421537	0.91
3	Alaska Holdings Pvt. Ltd.	392128	0.85	-	392128	392128	0.85
4	Deepak Choudhry	-	-	09.10.2015 16.10.2015 06.11.2015 20.11.2015	150034 100000 137258 2839	150034 250034 387292 390131	0.33 0.54 0.84 0.85
5	R N Rubesh	196234	0.43	10.04.2015 17.04.2015	5925 14976	202159 217135	0.44 0.47
6	Ravi Chhabra	81990	0.18	25.12.2015	109383	191373	0.41
7	Harshvardhan Mansukhlal Vora	99904	0.22	-	-	99904	0.22
8	Nagina Judge	95150	0.21	-	-	95150	0.21

9	Surender Kumar Gupta	29828	0.06	10.04.2015	18973	86478	48801	0.11
				17.04.2015	2000		50801	0.11
				24.04.2015	10976		61777	0.13
				03.07.2015	50		61827	0.13
				10.07.2015	2766		64593	0.14
				17.07.2015	760		65353	0.14
				24.07.2015	1156		66509	0.14
				31.07.2015	1055		67564	0.15
				04.12.2015	1227		68791	0.15
				11.12.2015	1749		70540	0.15
				18.12.2015	1500		72040	0.16
				25.12.2015	6252		78292	0.17
				01.01.2016	200		78492	0.17
				15.01.2016	7000		85492	0.19
				18.03.2016	100		85592	0.19
31.03.2016	886	86478	0.19					
10	Shiv Lal Verma	81632	0.18	-	-	81632	81632	0.18

Note : Shareholding of members under multiple folios have been clubbed, wherever information is available.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	At the End of the year	Cumulative Shareholding during the year	
	Name	Director/ KMP	No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Mr. Narender Sapra	Managing Director	100	-	-	100	100	-
2	Mrs. Kiran Kapur	Director	100	-	-	100	100	-
3	Mrs. Anjali Varma	Director	100	-	100	100	-	-
4	Mr. Sudhir Avasthi	Director	100	-	-	100	100	-
5	Mr. Ravi Manchanda	Director	100	-	-	100	100	-
6	Mr. Peri Kameswara Sharma	Director	100	-	-	100	100	-
7	Mr. K. K. Kohli	CS	140	-	-	140	140	-
8	Mr. Anil Girotra	CFO	140	-	-	140	140	-

V INDEBTEDNESS

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

(Amount in Thousands)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2119337	5881	528498	2653716
ii) Interest due but not paid	16377	1824	2362	20563
iii) Interest accrued but not due	6305	-	59533	65838
Total (i + ii + iii)	2142019	7705	590393	2740117
Change in Indebtedness during the financial year				
* Addition	1361536	-	36436	1397972
* Reduction	1124020	-	369701	1493721
Net Change	237516	-	(333265)	(95749)
Indebtedness at the end of the financial year				
i) Principal Amount	2356853	5881	195233	2557967
ii) Interest due but not paid	19527	1538	3746	24811
iii) Interest accrued but not due	5267	-	22639	27906
Total (i + ii + iii)	2381647	7419	221618	2610684

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Mr. Narender Sapra(MD)	Mr. Ravi Manchanda (WTD)	
	Gross salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7440000	2746200	10186200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1994828	1596783	3591611
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit			
	- others, specify...	-	-	-
5	Others, please specify *	892800	329544	1222344
	Total (A)	10327628	4672527	15000155
	Ceiling as per the Act	As per part II of Schedule V of the Companies Act, 2013.		

* Contribution to Provident fund and Superannuation fund.

B. Remuneration to other directors (sitting fee) :

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total
		Mrs. Kiran Kapur	Mr. Sudhir Avasthi	Mrs. Anjali Varma	Mr. Peri Kameswara Sharma	
1	Independent Directors					
	Fee for attending Board / committee meetings	320000	180000	-	340000	840,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	320000	180000	-	340000	840,000
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board / committee meetings	-	-	160000	-	160,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	160000	-	160,000
	Total (B)= (1 + 2)	320000	180000	160000	340000	1,000,000
	Total Managerial Remuneration **					
	Overall Ceiling as per the Act	This is sitting fee for attending Board and Committee Meetings.				

** Total Remuneration to MD/WTD and other Directors (being the total of A)

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Anil Girotra CFO	Mr. K.K. Kohli CS	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7440000	753774	8193774
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5868851	1256951	7125802
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify ***	892800	90451	983251
Total		14201651	2101176	16302827

*** Contribution to Provident fund and Superannuation fund.

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

The remarks made by the Statutory Auditors in their independent audit report are as follows :

Point No.7

In the opinion of the management, Accounts Receivable & Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.

During the financial year ended 31st March 2016 confirmatory letters have been sent to the sundry creditors, suppliers and sundry debtors requesting them to confirm and reconcile the account balances as on 31st March, 2016. A number of parties have not yet confirmed/reconciled the balances as on the date of signing of the financial statements.

Accordingly, Trade payable, Loans and Advances and balances appearing under Trade Receivables are subject to reconciliation & confirmation. The financial impact of this is not ascertainable and to that extent we do not have any information in respect of such balances.

The Board's explanations and comments on the above are as follows :

The Company takes steps for confirmation of accounts receivable, Loans & advances and accordingly confirmatory letters are sent to the debtors in the ordinary course of business. Some of the parties did not respond to the letters of the Company. The Company always takes necessary steps for speedy recovery of the receivables outstanding. The Management is of the view that the accounts receivables, loans and advances as shown in the statements of accounts are the debts considered good and recoverable in due course of time.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016
[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,
Jagatjit Industries Limited,
Jagatjit Nagar,
Distt Kapurthala,
Punjab- 144802,
India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jagatjit Industries Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;
- (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 (Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (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 to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(Effective from 01.12.2015)
- (vi) All other specific laws applicable on the company:-

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

- a. The Listing Agreements entered into by the Company with the Stock Exchanges. (Upto 30th November,2015)
- b. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that-

There are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that-

Following are the provisions not complied by the company during the Financial year 2015-16:

- (a) As per the provisions of Clause 41 of Listing Agreement, the Company has delayed to file the Financial Results for the Quarter and Year ended 31st March, 2015 by 93 days.
- (b) As per the provisions of Clause 41 of Listing Agreement, the Company has delayed to file the Financial Results for the Quarter ended 30th June, 2015 by 41 days.
- (c) As per the provisions of Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has delayed to file the Financial Results for the Quarter ended 31st December, 2015 by 32 days.

For Pranav Kumar & Associates
Company Secretaries

Place : Ghaziabad, U.P.
Date : 25.07.2016

Sd/-
Arpita Saxena
Partner
M. No: 23822
CP No. 11962

The remarks made by the Secretarial Auditors in their Secretarial Audit Report are as follows :

- (a) As per the provisions of Clause 41 of Listing Agreement, the Company has delayed to file the Financial Results for the Quarter and Year ended 31st March, 2015 by 93 days.
- (b) As per the provisions of Clause 41 of Listing Agreement, the Company has delayed to file the Financial Results for the Quarter ended 30th June, 2015 by 41 days.
- (c) As per the provisions of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has delayed to file the Financial Results for the quarter ended 31st December, 2015 by 32 days.

The Board's explanations and comments on the above are as follows :

The submission and publication of Audited Financial Results for the year and quarter ended on 31st March, 2015 and Unaudited Financial Results for the quarter ended on 30th June, 2015 was delayed for 93 days and 41 days respectively due to the damage in the hard disc of the main server of the computer system of the Company. A substantial data stored in the hard disc was lost and could not be recovered. The Company had to generate a large data again, resulting into delay in the compilation of the statement of accounts.

Further, the submission and publication of Unaudited Financial Results for the quarter and period ended 31st December, 2015 was delayed by 32 days due to undertaking and Implementation of ERP system in all its divisions and locations by the Company in its bid to improve the efficiency and streamlining the flow of data and MIS System. Due to teething problems in the implementation of the ERP system, the accounts for the quarter and period ended on 31st December, 2015 could not be complied/prepared and could not be subjected to limited review and placed before the Board within the prescribed time limits.

Form No. AOC-2
(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and*
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis :
 - (a) Name(s) of the related party and nature of relationship : N. A
 - (b) Nature of contracts/arrangements/transactions : N. A
 - (c) Duration of the contracts / arrangements/transactions : N. A
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N. A
 - (e) Justification for entering into such contracts or arrangements or transactions : N.A
 - (f) Date(s) of approval by the Board : N. A
 - (g) Amount paid as advances, if any : N. A
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : N. A
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: N. A
 - (b) Nature of contracts/arrangements/transactions: N. A
 - (c) Duration of the contracts / arrangements/transactions: N. A
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N. A
 - (e) Date(s) of approval by the Board, if any: N. A
 - (f) Amount paid as advances, if any: N. A

For and on behalf of the Board of Directors of
Jagatjit Industries Limited

Sd/-
Narender Sapra
Managing Director
(DIN.00200239)

Sd/-
Ravi Manchanda
Director
(DIN.00152760)

Conservation of energy, Technology Absorption and Foreign Exchange Earning and Outgo,

The information under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the companies (Accounts) Rules, 2014 for the year ended March 31, 2016 is given below and forms part of the Directors' report.

A. CONSERVATION OF ENERGY

- i. Stepping towards company's commitment for energy conservation, various steps have been taken in this regard by adopting latest technology, upgradation of existing systems and by system modifications. The highlights of these steps are as under:
 - Detailed steam and power energy audit of Hamira unit to optimize the use of these resources
 - Reduction in power consumption by installing Variable Frequency Drives (VFD) for Air Handling Units, Circulation pumps, Evaporator agitators, distillation process pumps, decantation etc.
 - Utilization of process flash steam in distillation process.
 - Replacement of steam traps in distillation steam line networks to prevent excess bleeding of steam and to improve collection of steam condensate.
 - Replacement of old inefficient motors with new energy efficient motors of class IE-3 for Turbo machine & Cooling water pumps.
 - Replacement of old inefficient slip ring motors with new squirrel cage induction motors at Malt House.
 - Total 100% use of LED lights for Boiler No-5 control room.
 - Replacement of old conventional fluorescent/GLS lights with LED fittings at residential colony.
 - Installation of 150 Kvar Capacitor Panel to reduce the distribution losses.
- ii. In line with Company's efforts towards utilizing alternative source of energy, the Company enhanced its self generation from Biomass (Rice husk, wooden chips etc.) and purchased power from open access power trading to reduce load on state power utility which is generating power from fossil fuels (Coal).
- iii. The Capital investment on energy conservation equipment is Rs. 50 Lacs.

B. TECHNOLOGY ABSORPTION

- i. The Efforts made by the Company towards technology absorption, during the year are as under :
 - Installation of online monitoring system for effluent quality and stack emission.
 - Installation additional gravity settler at multi effect evaporator to improve the plant efficiency in ETP section.
 - Up-gradation of Boiler control room Air conditioning system by installing Vapour absorption machine.
 - Implemented latest LED trend in lighting, used 100 % LED lights for Malted Milk Food plant.
 - Up-gradation of steam monitoring system by incorporating all steam flows at DCS.
 - Commissioning of 240 BPM High speed Bottling Line for Pet bottle to improve productivity & quality of finished product.
 - Installation of advance and latest filtration technology & chilled filtration system for manufacturing of vodka products.
 - Introduction of rotary rinsing machine in IMFL Bottling for IICE Vodka to increase the productivity of the line.
 - Modification of Yeast cream recycling in fermentation process to non recycling cyclic fed batch fermentation process. The cyclic fed batch fermentation process besides energy savings helps to improve quality of product and ease of operation in scale up & scale down the process.
 - Replacement of conventional coil cooling system in grain fermentation with plate type heat exchanger for better control of fermentation process and to improve quality of finished ENA.
 - Benefits derived as a result of above efforts : product improvement, cost reduction, product development.
- ii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NA
- iii. The expenditure incurred on research and development.
The company has incurred an expenditure of Rs. 0.25 Crore towards Research and Development

C. FOREIGN EXCHANGE EARNING AND OUTGO

Complete information required under this head is shown in Note No. 29.3, 29.4, 29.5 and 41 of Financial Statements. Members are requested to please refer to these Notes for the relevant information.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is a multi-product company manufacturing Alcoholic Beverages (being Indian Made Foreign Liquor and Country Liquor), Malted Milkfood and Dairy Products. However, as the Alcoholic Beverages business is the major activity, the Management Discussion and Analysis Report is mainly restricted to the Alcoholic Beverages only.

A. INDUSTRY OVERVIEW

Alcoholic Beverage industry in India comprises of Indian Made Foreign Liquor (IMFL) and Country Liquor. IMFL consists of Whisky, Brandy, Rum, Gin and Vodka etc. Whisky comprises of a large portion of IMFL market and accounts for nearly 62% of the market volume followed by Brandy at around 22% and Rum at around 13%. White spirits viz. Vodka, Gin and white Rum account for the balance of 3% only. The total IMFL industry in India is presently estimated at around 324 million cases per annum. The industry growth was around 3.1% as compared to around 0.9% in the previous year. The volume-wise growth rate is comparatively higher in the premium segment as compared to the regular segment. Country Liquor segment is about 18 million cases per annum in the state of Punjab and your company has around 11% share in this segment.

Your Company has a market share of around 3% of IMFL industry with ARISTOCRAT, ARISTOCRAT PREMIUM, AC BLACK, BONNIE SPECIAL, BINNIES and AC SEKC as the leading brands available in key markets in India. The Company's premium brands introduced in the last couple of years viz. ROYAL PRIDE, KING HENRY VIII Scotch Whisky and IICE Vodka have been well received in the market. The company is also focused on expansion in international markets. The Country Liquor business continues to remain robust despite intense competition. Your Company also manufactures Malted Milkfood on a contract manufacturing basis for the leading manufacturer in this industry in a state of the art manufacturing facility.

There are strong headwinds against the liquor industry pertaining to the regulatory environment. In particular, prohibition in Bihar and a significantly higher tax burden expected from being excluded from the Goods and Services Tax (GST) do not bode well for the industry. To counter these factors, the company is focused on rationalizing brands, investing in higher-contribution brands, building export markets, improving operational efficiencies and developing the management team for future growth.

B. REGULATORY ENVIRONMENT

Alcoholic beverages sector continues to be one of the most regulated sectors of industry. The Indian alcoholic spirits market is highly regulated by the States who control the alcoholic beverage industry. The Indian liquor industry has been experiencing challenges such as state policies restricting import & export from one state to the other, production constraints with respect to the pack sizes and type of packaging, pricing i.e. state levies & duties. The multiplicity of State regulation creates a complex tax and licensing environment that limits economies of scale and reduces the ability of new manufacturers and new products to achieve national distribution and gain competitive advantage. Advertising of alcoholic beverages is not permitted in the Country, which restricts the Industry to reach out to the masses. The incidence of duties is very high and there is no unanimity of policies amongst various states which affect the marketing policies of the Company. Alcohol has been brought under the purview of the Food Safety and Standards Authority of India (FSSAI), leading to multiplicity of regulations.

C. OPPORTUNITIES AND THREATS

The industry suffers due to heavy taxation and over-regulations which have affected the profitability. Heavy Excise Duty levied on the products increases the selling price thus restricting the sales. Exclusion of Alcoholic beverage industry from the proposed GST, if implemented, will put substantial additional burden on the Industry as the inputs will be subject to GST and will increase the cost of production.

Inflationary pressures have impacted nearly every aspect of costs borne by the alcoholic sector. The increased cost in most cases cannot be passed to the consumers, thus reducing profitability. Further, intense competition has also impacted margins and sales. The liquor industry is also suffering due to illicit liquor production, which also results in State Governments losing out heavily on excise duty, sales tax and other taxes.

Ban on liquor sales in Bihar and restrictions being imposed by few other states will be detrimental to the industry and is a matter of concern.

However, with favorable demographics, rising disposable income levels and greater acceptance of alcoholic beverages in social circles, the long-term outlook for Indian alcoholic beverages continues to remain positive. In addition, changing consumer preferences towards premium offerings of IMFL will favour premium brands thus increasing the industry's profitability. Your Company is focused on growth in the premium segment through its IICE Vodka, Royal Pride and KING HENRY VIII Scotch Whisky brands.

D. OUTLOOK

The sales value of Alcoholic Beverages (IMFL) of the Company declined around 18% during the year under review. The Company incurred operational losses primarily due to this decline in sales. The Company is focused on returning to profitability by rationalizing its brand portfolio, investing in higher-contribution brands, building export markets, improving operational efficiencies and developing the management team for future growth. The Company is adopting technology solutions such as an

Oracle ERP to improve controls, streamline processes, drive planning and aid business decision-making. Several measures are being taken to control costs of production and distribution, and improve operating efficiencies. To meet its production requirements in IMFL, the Company has also entered into lease and bottling agreements to augment its production capacity where required. The Company continues to engage with royalty and distribution partners to grow its business.

The Company is also focused on initiatives to drive manufacturing excellence and increase throughput in the malted milkfood contract manufacturing business. The Company expects these initiatives to pay dividends going forward.

E. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems supplemented by internal audits by professional firms commensurate with its size and nature of business to safe guard and protect the interests and assets of the Company. A strong set of Management Information Systems are in place to ensure reliability of reports and documents. The Company has invested in implementing an Oracle Enterprise Resource Planning (ERP) system to further strengthen controls, processes and aid business decision-making, which will pay dividends going forward.

F. PERFORMANCE EVALUATION

The details of the financial performance of the Company are detailed in the balance sheet, profit and loss account and other financial statements of the Company for the year 2015-16. During the year under review, the sale of IMFL by the Company decreased around 20% volume-wise and around 18% value-wise. The Gross Turnover (including income from Services & Other Sources) was Rs. 1153.51 Crores as compared to Rs. 1242.68 Crores during the previous year.

The Company incurred a loss before taxation of Rs. 68.58 Crores as compared to loss before taxation of Rs. 51.78 Crores during the previous year.

The net loss of the Company during the year was Rs. 65.65 Crores as compared to net loss of Rs. 43.65 Crores during the previous year.

G. HUMAN RESOURCES

JIL's human capital now stands at around 3220 employees including permanent factory workmen. We are pleased to report that there was harmony in our industrial workforce relations during the fiscal year.

H. FORWARD LOOKING STATEMENTS

This Report contains forward looking statements that involve risk and un-certainties. Your Company undertakes no obligation to publicly update or revise any forward looking statements. The results, performances or achievements may differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on these forward looking statements. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

Corporate Governance is about ensuring transparency, disclosure and reporting that conforms fully to the existing laws of the Country and to promote ethical conduct of business throughout the organization. The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising on compliance with the laws and regulations.

Your Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies and practices. Under good Corporate Governance we are committed to ensure that all functions of the Company are discharged in a professionally sound, accountable and competent manner.

The Board of Directors fully supports corporate governance practices and actively participates in overseeing risks and strategic management. The organization views Corporate Governance in its widest sense almost like a trusteeship, a progressive philosophy and ideology ingrained in the corporate culture. The governance processes and systems of your Company have strengthened over a period of time resulting in constant improvisation of sustainable and profitable growth.

2. Board of Directors

The Board of Directors of the Company has an optimum combination of executive and non-executive directors with women directors and more than fifty percent of the Board of Directors comprising of non-executive directors.

The Board presently consists of five Directors comprising of two executive and three non-executive Directors. All the three non-executive directors are women directors.

The members of the Board are drawn from various fields having considerable expertise in their respective areas. Together they bring diverse experience, varied perspectives, complementary skills and vast expertise.

All the Independent Directors have declared that they meet the criteria of 'Independence' mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) as also their other Directorships and Committee Memberships are given below :

Name of the Director	Category	No. of Board Meetings held during the tenure	No. of Board Meetings attended	No. of other Directorship held	No. of memberships/ Chairmanships in other Board Committees	Last Annual General Meeting attended
Mr. Narender Sapra	Executive	8	7	3	-	Yes
Mrs. Kiran Kapur	Non-Executive Independent	8	8	-	-	No
Mr. Sudhir Avasthi*	Non-Executive Independent	8	8	1	-	No
Mr. Ravi Manchanda	Executive	8	7	6	-	No
Mr. Peri Kameswara Sharma*	Non-Executive Independent	8	8	1	-	Yes
Mrs. Anjali Varma	Non-Executive Non-independent	8	7	2	-	No
Ms. Sonya Jaiswal**	Non-Executive Independent	-	-	1	-	-

* Mr. Sudhir Avasthi and Mr. Peri Kameswara Sharma ceased to be Directors of the Company w.e.f. 2nd September, 2016.

** Ms. Sonya Jaiswal has been appointed as an Additional Director of the Company w.e.f. 25th July, 2016 and holds the office of the Director till the ensuing Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing to appoint Ms. Sonya Jaiswal as a Director.

No director has any relation inter-se.

Maximum tenure of Independent Directors

The Independent Directors are appointed for a period of five years which is well within the maximum tenure of Independent Directors provided under the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

Formal letter of appointment to Independent Directors

The Company has issued letter of appointment to all the Independent Directors in the manner as provided under the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at www.jagatjit.com.

Familiarisation Programme for Independent Directors

All Independent Directors are familiarised with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance of the Company.

Brief Profile of Directors being appointed at the ensuing Annual General Meeting:

1. Mr. Ravi Manchanda, Director retires at the ensuing Annual General Meeting, is eligible and offers himself for re-appointment. Mr. Ravi Manchanda is an Engineering graduate and holds Post Graduate Diploma in Marketing. He has experience of around four decades in the fields of Project Management, Marketing and Administration. Mr. Ravi Manchanda is a Director of following other Companies:

1. Grand Regency Hospitalities Private Limited
2. Ispace Developers Private Limited
3. Vasu Realcon Private Limited
4. Axis Buildwell Private Limited
5. Gaiety Infracon Private Limited
6. Fortune Infratech Private Limited

Mr. Ravi Manchanda is not holding Chairmanship/membership of any of the Committees in any other Public Limited Company. He holds 100 shares in the Company.

2. Ms. Sonya Jaiswal is a graduate and has business and administrative experience of about thirty years. She is well versed with the nuances of business management, hospitality and marketing. She is a Director of Karnal Distillery Company Limited.

Ms. Sonya Jaiswal is not holding Chairmanship/membership of any of the Committees in any other Public Limited Company. She holds 3586 shares in the Company.

Board Meetings:

The Board of Directors held eight Board Meetings during the period under review i.e. on 25th April, 2015, 30th July, 2015, 1st September, 2015, 24th September, 2015, 14th November, 2015, 11th January, 2016, 12th February, 2016 and 17th March, 2016.

Separate Meeting of the Independent Directors:

The Independent Directors held a Meeting on 15th December, 2015, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors Viz. Mr. Sudhir Avasthi, Mr. Peri Kameswara Sharma and Mrs. Kiran Kapur were present at the meeting. The following issues were discussed in detail:

- i) Review of the performance of non-independent directors and the Board as a whole;
- ii) Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Details of shareholding of Non-executive Directors

SI No.	Name of Director	No. of shares held
1.	Mrs. Kiran Kapur	100
2.	Mr. Sudhir Avasthi	100
3.	Mrs. Anjali Varma	100
4.	Mr. Peri Kameswara Sharma	100
5.	Ms. Sonya Jaiswal	3586

3. Audit Committee

The Audit Committee comprises of Mrs. Kiran Kapur, Mr. Narender Sapra and Ms. Sonya Jaiswal. Mrs. Kiran Kapur is the Chairperson of the Audit Committee. On 25th July, 2016 Mr. Peri Kameswara Sharma ceased to be member and Chairman of the Committee and Mrs. Kiran Kapur was nominated as Chairperson of the Committee. Ms. Sonya Jaiswal was appointed as the member of the Committee on 25th July, 2016.

The terms of reference of this Committee cover the matters specified for Audit Committee under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review the Audit Committee held six meetings i.e on 30th May, 2015, 1st September, 2015, 24th September, 2015, 14th November, 2015, 12th February, 2016 and 17th March, 2016.

Attendance record of Audit Committee members

Name of Members	No of meetings held during the tenure	Meetings attended
Mrs. Kiran Kapur	6	6
Mr. Narender Sapra	6	5
Mr. Peri Kameswara Sharma	6	6

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mrs. Kiran Kapur, Mrs. Anjali Varma and Ms. Sonya Jaiswal. Mrs. Kiran Kapur is the Chairperson of the Nomination and Remuneration Committee. On 25th July, 2016 Mr. Peri Kameswara Sharma ceased to be member and Chairman of the Committee and Mrs. Kiran Kapur was nominated as Chairperson of the Committee. Ms. Sonya Jaiswal was appointed as the member of the Committee on 25th July, 2016.

The functions and terms of reference of the Committee are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. The Committee also formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Remuneration policy of the Company is such as to retain the employees on long term basis and is comparable with other industries in the region.

During the year under review the Nomination and Remuneration Committee held one meeting on 17th April, 2015.

Attendance record of Nomination and Remuneration Committee members

Name of Members	No of meetings held during the tenure	Meetings attended
Mrs. Kiran Kapur	1	1
Mrs. Anjali Varma	1	1
Mr. Peri Kameswara Sharma	1	1

5. Remuneration of Directors

Payment to Non-executive Directors

The non-executive directors are not paid any remuneration other than sitting fees for attending Board and Committee Meetings. The details of sitting fee paid during the year is as follows:

Sl. No.	Name of the Directors	Total Sitting Fees Paid (Rs.)
1.	Mrs. Kiran Kapur	3,20,000
2.	Mr. Sudhir Avasthi	1,80,000
3.	Mrs. Anjali Varma	1,60,000
4.	Mr. Peri Kameswara Sharma	3,40,000

Payment to Executive directors

During the period under report Mr. Narender Sapra, Managing Director, and Mr. Ravi Manchanda, Whole-time Director were paid remuneration as under:

Name of the Directors	Salary (Rs.)	Perquisites & others (Rs.)	Total (Rs.)
Mr. Narender Sapra	74,40,000	28,87,628	1,03,27,628
Mr. Ravi Manchanda	27,46,200	19,26,327	46,72,527

(Perquisites & others include contribution to Funds and other allowances)

Service contract, severance fee and notice period of the Executive Directors:

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with any Executive Director. No notice period or severance fee is payable to any Director.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. Narender Sapra, Mr. Ravi Manchanda and Ms. Sonya Jaiswal. Ms. Sonya Jaiswal Non-executive Independent Director is the Chairperson of the Stakeholders Relationship Committee. On 25th July, 2016 Mr. Peri Kameswara Sharma ceased to be member and Chairman of the Committee and Ms. Sonya Jaiswal was appointed as member and Chairperson of the Committee. Mr. K. K. Kohli, Company Secretary, is the Compliance Officer.

The functioning and terms of reference of the Committee are as prescribed under and in due compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also functions in an efficient manner that all issues / concerns of the stakeholders are addressed / resolved promptly.

The Company has received three complaints from shareholders and the said complaints were redressed during the year ended 31st March, 2016.

No transfer was pending on 31st March, 2016 for more than 15 days of its receipt.

During the year under review the Stakeholders Relationship Committee held one meeting on 17th March, 2016.

Attendance record of Stakeholders Relationship Committee members

Sl. No.	Name of Members	No. of meetings held during the tenure	Meetings attended
1.	Mr. Narender Sapra	1	1
2.	Mr. Ravi Manchanda	1	1
3.	Mr. Peri Kameswara Sharma	1	1

The last three Annual General Meetings of the Company were held at the Registered Office of the Company at Jagatjit Nagar-144802, Distt. Kapurthala (Punjab), as per details given below:

Year	Date	Day	Time
2013	30.09.2013	Monday	09.30 A. M.
2014	30.09.2014	Tuesday	09.30 A. M.
2015	27.11.2015	Friday	09.30 A. M.

The Company has passed eight Special Resolutions in the last three Annual General Meetings. No Special Resolution was passed by way of Postal Ballot during the year under report.

8. Means of Communication

The Quarterly and the Annual Financial Results are submitted to the Stock Exchange in accordance with the Listing Regulations and are published in newspapers in a widely circulated English daily and a Punjabi daily as required under the Listing Regulations. The results are displayed on the website of the Company www.jagatjit.com under the heading "Investors". The same are also forwarded to the Shareholders on their request. Management Discussion and Analysis Report is enclosed and forms part of this Annual Report.

9. General Shareholders Information

a) Annual General Meeting

Date : 30th November, 2016
Time : 09.30 A. M.
Venue : Registered Office

b) Financial Year : 1st April, 2015 to 31st March, 2016

c) Financial Calendar (2016-17)

(i) First Quarter Results : Mid of September, 2016
(ii) Second quarter Results : Mid of November, 2016
(iii) Third Quarter Results : Mid of February, 2017
(iv) Annual Results : By 30th May, 2017

d) Dates of Book Closure : 26th November, 2016 to 30th November, 2016.

The Register of Members and Share Transfer Books will remain closed from 26th November, 2016 to 30th November, 2016 (both days inclusive).

e) **Dividend Payment Date**

The Board of Directors have not recommended any dividend for the year under review.

f) **Listing on Stock Exchanges**

The shares of your Company are presently listed on BSE Limited Vide Stock Code No. 507155.

The Listing fees for the financial year 2016-17 have been paid to Bombay Stock Exchange.

g) **Stock Market Data**

The monthly high and low share prices of the Company in Rs. and the Sensex during the last financial year at the BSE are as follows :

Month	High	Low	Sensex High	Sensex Low
April, 2015	40.25	36.30	29094.61	26897.54
May, 2015	40.00	35.20	28071.16	26423.99
June, 2015	38.00	32.70	27968.75	26307.07
July, 2015	42.75	35.05	28578.33	27416.39
August, 2015	43.00	38.00	28417.59	25298.42
September, 2015	41.95	34.75	26471.82	24833.54
October, 2015	47.00	40.00	27618.14	26168.71
November, 2015	54.90	41.25	26824.30	25451.42
December, 2015	59.20	50.05	26256.42	24867.73
January, 2016	70.10	56.60	26197.27	23839.76
February, 2016	67.00	56.25	25002.32	22494.61
March, 2016	70.60	58.00	25479.62	23133.18

h) **Registrar and Transfer Agent**

In line with the guidelines of the Securities and Exchange Board of India and to provide better services to its shareholders, the Company is doing all the share registry related work In-house.

i) **Share Transfer System**

Share Transfer work of physical segment is attended to by the Company within the prescribed time period under law and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All share transfers are approved by a committee constituted by the Board of Directors, which meets periodically.

j) **Distribution of Shareholding as on 31st March, 2016**

Category (in Rs.)	No. of Shareholders	% of Share holders	No. of Shares held	% of Shareholding
Upto - 5000	3160	78.61	419798	0.91
5001 - 10000	361	08.98	263676	0.57
10001 - 20000	215	05.35	323483	0.70
20001 - 30000	84	02.09	211810	0.46
30001 - 40000	43	01.07	150230	0.32
40001 - 50000	28	00.69	132308	0.29
50001 - 100000	72	01.79	492030	1.07
Above - 100000	57	01.42	44154777	95.68
Total	4020	100.00	46148112	100.00

k) Shareholding pattern as on 31st March, 2016

Sl. No.	Category	No. of Shares held	% of total Shareholding	% of Voting Rights
1.	Promoters' Holding	15645365	33.90	92.27
2.	Mutual Funds & UTI	1100	0.00	0.00
3.	Banks, Financial Institutions, Govt. Companies	2172	0.00	0.00
4.	Private Corporate Bodies	1492993	3.24	2.18
5.	NRIs/FILs (other than Promoters)	236146	0.51	0.35
6.	Indian Public	3560336	7.72	5.20
	Total	20938112	45.37	100.00
7.	GDRs (Underlying Shares)	25210000	54.63	-
	Grand Total	46148112	100.00	100.00

l) Outstanding GDRs.

The Company has issued 1260500 GDRs in overseas market representing 25210000 underlying equity shares. GDRs have not been converted into equity shares. GDRs do not carry voting rights.

m) Dematerialisation of Shares and Liquidity.

As on 31st March, 2016, 16557777 equity shares being 35.88% of the total paid-up Capital have been dematerialised. The shares of the Company are being traded at the Bombay Stock Exchange.

The shares of your Company are traded under compulsory dematerialised form. In view of the Guidelines of the Securities and Exchange Board of India, the Company with its aim to provide better services to its Shareholders is doing all the share registry related operations In-house. All the Shareholders and Depository Participants are advised to correspond with Company only for all the works related to share registry.

n) Plants Location

The Company has following plants:

Sl. No.	Location
1.	Jagatjit Nagar, Distt. Kapurthala – 144 802 (Punjab)
2.	Site No. IV, Plot No. 17, Sahibabad Industrial Area, Sahibabad -201 010 (U.P.)
3.	Plot Nos. 4A-1/1 & 1/2, Sikandrabad Industrial Area, Sikandrabad- 203 205 (U.P.)
4.	Plot No. SP 1-3, Sotanala, RIICO Industrial Area, Behror, Distt. Alwar -301 701(Rajasthan)

o) Address for Correspondence

Registered Office : Jagatjit Industries Limited
Jagatjit Nagar-144 802
Distt. Kapurthala (Punjab)
Tel: 0181- 2783112-16
Fax: 0181-2783118
E.mail: hamira@jagatjit.com

Corporate office : Jagatjit Industries Limited
4th Floor, Bhandari House,
91, Nehru Place,
New Delhi-110 019.
Tel: 011- 26432641-42
Fax: 011-26441850
E.mail: jil@jagatjit.com

Investor E. mail address : Investor@jagatjit.com

10. Other Disclosures

- (i) Related Party Transactions: Please refer the Directors' Report for details on Related Party transactions and Materially significant Related Party Transactions that may have potential conflict with the interests of Company at large, during the year ended on March 31, 2016.

- (ii) There has not been any non-compliance, penalty or stricture imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years, except that, the BSE Limited (Bombay Stock Exchange) has levied a penalty of Rs. 27,96,394/- for delay in submission and publication of Financial Results for the quarters and years ended on 31st March, 2014 and 31st March, 2015 and for the quarters ended on 30th June, 2015 and 31st December, 2015. The Company has approached the Stock Exchange for waiver of the penalty levied.
- (iii) Whistle Blower Policy: In compliance with Section 177 of the Companies Act, 2013 and the listing regulations, the Company has formulated a Whistle Blower Policy which has been uploaded on the website of the Company at www.jagatjit.com.
- (iv) The Company has followed all the mandatory requirements prescribed under Clause 49 of the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. Code of conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management of the Company. An annual affirmation of compliance with the Code of Conduct is taken from all the Directors and Senior Management members of the Company to whom the Code applies. The Code of Conduct has also been posted at the website of the Company www.jagatjit.com. Managing Director's affirmation that the Code of Conduct has been complied with by the Board of Directors and Senior Management is produced below.

Declaration as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements, Regulations, 2015

I, Narender Sapra, Managing Director hereby declare that the Code of Conduct adopted by the Company for its Board and Senior Management personnel has been duly complied by all Board Members and Senior Management personnel of the Company.

Date: 2nd September, 2016

Sd/-
Narender Sapra
Managing Director

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To the members of
Jagatjit Industries Limited

1. We have examined the compliance of conditions of Corporate Governance by Jagatjit Industries Limited ("the Company"), for the year ended on March 31st, 2016, as stipulated in:
 - Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges) for the period April 1st, 2015 to November 30th, 2015.
 - Clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges for the period April 1st, 2015 to September 1st, 2015.
 - Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2nd, 2015 to March 31st, 2016; and
 - Regulations 17 to 27 [excluding regulation 23 (4)] and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1st, 2015 to March 31st, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of 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 opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31st, 2016.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pranav Kumar & Associates
Company Secretaries

Date : 20.07.2016
Place: Ghaziabad, U.P.

Sd/-
Arpita Saxena
Partner
CP No. 11962

Financial Highlights



(Rs. in lacs or as indicated)

	2015-16**	2014-15**	2013-14*	2012-13*	2011-12*	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
ASSETS											
Fixed Assets (Net Block)	28701	29742	32762	34284	32348	34450	37137	37658	33367	33881	32436
Investments (Current & Non Current)	1264	1183	1229	1318	298	1203	1201	111	106	96	93
Current and Non Current Assets	44573	50787	45433	48784	48733	40453	31969	29540	27403	24103	19082
	74538	81712	79424	84386	81379	76106	70307	67309	60876	58080	51611
LIABILITIES											
Loans, Liabilities and Provisions (Current & Non Current)	54568	54888	47559	47705	44894	41955	37958	28670	21325	19716	14328
NET WORTH	19970	26824	31865	36681	36485	34151	32349	38639	39551	38364	37283
REPRESENTED BY											
Equity Share Capital	4615	4615	4615	4615	4615	4615	4615	5194	5194	5194	5194
Reserves and Surplus	15355	22209	27250	32066	31870	29536	27734	33445	34357	33170	32089
TOTAL	19970	26824	31865	36681	36485	34151	32349	38639	39551	38364	37283
OPERATING PERFORMANCE											
Revenue	115351	124268	137081	145101	160484	141370	94297	84191	80042	63970	40775
Gross Profit Earnings	(5445)	(4341)	(2417)	2418	5310	6382	2397	1390	4068	3201	1795
Profit before Tax	(6716)	(5584)	(4266)	668	2847	3507	463	(211)	2402	1996	657
Profit after Tax	(6565)	(4365)	(4523)	505	3510	2526	646	(450)	1762	1637	671
Earning per Share (Rs.)	(15.04)	(10.00)	(10.36)	1.16	8.04	5.79	1.48	(0.91)	3.56	3.31	1.36
DIVIDEND											
Amount per Share (Rs.)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate (%)	0	0	0	0	0	0	0	0	0	0	0
Book Value per Equity Share (Rs.)	43.27	58.12	69.05	79.48	79.06	74.00	70.10	74.39	76.15	73.86	71.78
GROSS EARNINGS											
As a percentage of Revenue	(4.7)	(3.5)	(1.8)	1.7	3.3	4.5	2.5	1.7	5.1	5.0	4.4
As a percentage of Fixed Assets	(19.0)	(14.6)	(7.4)	7.1	16.4	18.5	6.5	3.7	12.2	9.4	5.5
As a percentage of Capital Employed	(9.4)	(7.5)	4.1	3.9	9.2	11.3	4.8	2.7	8.6	6.9	4.2

* based on Revised Schedule VI of the Companies Act, 1956

** based upon Schedule III of the Companies Act, 2013

Independent Auditors' Report

TO THE MEMBERS OF JAGATJIT INDUSTRIES LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Jagatjit Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. 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.
5. 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.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for qualified opinion

7. In the opinion of the management, Accounts Receivable & Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.
During the financial year ended 31st March 2016 confirmatory letters have been sent to the sundry creditors, suppliers and sundry debtors requesting them to confirm and reconcile the account balances as on 31st March, 2016. A number of parties have not yet confirmed/reconciled the balances as on the date of signing of the financial statements.
Accordingly, Trade payables, Loans and Advances and balances appearing under Trade Receivables are subject to reconciliation & confirmation. The financial impact of this is not ascertainable and to that extent we do not have any information in respect of such balances.

Qualified Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
 - (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

9. Attention is invited to Note No. 30.1 (iv) regarding Gas Sales Agreement with Gail (India) Limited, wherein there was non utilisation of RLNG for contract year 2014 and 2015. Against these, the company received demand from supplier aggregating to Rs.7,015 lacs towards Annual Take or Pay Deficiency basis. The company has denied the liability in this regard to the supplier and the management is confident that there will be no material amount on resolution. In view of this, no effect of the same has been given in these accounts. The said amount has been considered as contingent liability.
Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. 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, to the extent applicable.
11. As required by Section 143(3) of the Act, we report that:
 - (a) Except for the matter described in the Basis of Qualified Opinion Paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the matter described in the Basis of Qualified Opinion Paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Except for the matter described in the Basis of Qualified Opinion Paragraph above, in our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) the matter described in the Basis for Qualified Opinion paragraph above, and the matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
 - (h) 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".
 - (i) 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 best of our information and according to explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 30 to the financial statements.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : New Delhi
Date : 2nd September, 2016

Nitin Chaudhry
Partner
Membership No. F 91463
For and on behalf of
Mittal Chaudhry & Co.
Chartered Accountants
Firm Registration No. 002336N

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 10 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Jagatjit Industries Limited on the financial statements for the year ended March 31, 2016)

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us by the management and on the basis of the examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company except two Immovable properties having gross book value of Rs.15 lacs (original cost) and net book value of Rs.6 lacs for which title deeds were not available with the Company and hence were unable to comment on the same.
- Immovable properties whose title deeds have been pledged with banks as security for term loans, are held in the name of the Company based on the Mortgage deeds executed between the banks and the Company for which confirmations have been obtained from respective bankers.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records have been appropriately dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- (iii) (a) According to the information and explanations given to us, the Company has granted loan to one of its subsidiary company covered in the registered maintained under section 189 of the Companies Act, 2013, in an earlier year. No loan was granted to any entity covered in the registered maintained under section 189 of the Companies Act, 2013 during the current year.
- (b) In respect of the above, there is no stipulation regarding repayment of principal amount or interest. No repayment of either the principal or the interest has taken place during the current year.
- (c) The overdue amount exceeding 90 days is Rs.185 lacs. According to the information and explanations given to us, in our opinion reasonable steps have been taken by the company for recovery of the principal and interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified with regard to the deposits accepted from the public. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) (i) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities.
- (ii) According to the information and explanations given to us, there were no undisputed dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues which were in arrears as at March 31, 2016, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Sales Tax, Income Tax, Custom Duty, Service Tax, Excise Duty, Value Added Tax and Cess as at March 31, 2016 which have not been deposited on account of a dispute, are as follows: -

Name of the statute	Nature of dues	Amount(Rs.)	Period to which the amount relates	Forum where the Dispute is pending
EXCISE DUTY				
Central Excise Act, 1944	Demand of Cess on manufacturing of Corrugated Paper Board	36,978	November 2010 to October 2012	Commissioner (Appeals) Chandigarh - I
Central Excise Act, 1944	Penalty in the above matter	36,978	November 2010 to October 2012	Commissioner (Appeals) Chandigarh - I

Name of the statute	Nature of dues	Amount(Rs.)	Period to which the amount relates	Forum where the Dispute is pending
SERVICE TAX				
The Finance Act, 1994	Wrong availment of Service Tax Cenvat Credit	13,127,235	October 2003 to September 2007	CESTAT, New Delhi
The Finance Act, 1994	Penalty in the above matter	13,127,235	October 2003 to September 2007	CESTAT, New Delhi
The Finance Act, 1994	Wrong availment of Service Tax Cenvat Credit	6,970,632	October 2007 to March 2008	CESTAT, New Delhi
The Finance Act, 1994	Penalty in the above matter	6,970,632	October 2007 to March 2008	CESTAT, New Delhi
The Finance Act, 1994	Demand of Service Tax on Tie-up Operations and Royalty	3,122,000	July 2003 to March 2004	CESTAT, New Delhi
The Finance Act, 1994	Penalty in the above matter	3,123,000	July 2003 to March 2004	CESTAT, New Delhi
The Finance Act, 1994	Demand of Service Tax on Tie-up Operations and Royalty	9,186,110	2007-2008	CESTAT, New Delhi
The Finance Act, 1994	Penalty in the above matter	18,373,220	2007-2008	CESTAT, New Delhi
The Finance Act, 1994	Demand and Penalty Management maintenance and Repair Services	1,797,534	June, 2005	CESTAT, New Delhi
SALES-TAX				
Punjab Haryana General Sales Tax Act	Purchase Tax	325,247	1999-2000	Deputy Excise & Taxation Commissioner (Appeals), Patiala
Sales Tax under Bihar Finance Act	Inclusion of excise duty to determine gross turnover	1,896,695	1984-1985	Commercial Tax Tribunal, Ranchi
Central Sales Tax Act	Liquor stock destroyed, reprocessed and resold	133,017	1988-89	Sales Tax Appellate Tribunal, Hyderabad
Sales Tax under Telangana VAT Act	Demand and Penalty on account of VAT on Royalty Income	1,03,00,000	2012-13 to November, 2014	Appellate Deputy Commissioner, Hyderabad
Sales Tax under Punjab VAT Act & Central Sales Tax Act	Demand and Penalty on account of disallowance of VAT input credit on Rice Husk	2,21,48,291	2010-11	Deputy Excise and Taxation Commissioner (Appeals), Jalandhar
Sales Tax under Haryana VAT Act	Demand and Penalty on account of disallowance of VAT input credit on Rice Husk	39,69,900	2011-12	Joint Excise & Taxation Commissioner (A), Rohtak
INCOME TAX ACT*				

*Departmental Appeals in respect of Income Tax Act, 1961 before the Higher Authorities are not being considered as there is no stay on the Order of Lower Authority favouring the Company and the amount is not ascertainable.

- (viii) In our opinion and according to the explanations given to us by the management, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (ix) The Company has not raised any moneys by way of initial public offer or further Public offer (including debt instruments) during the period. Moneys raised by way of Term Loan were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) To the best of our knowledge and according to the information and explanations given to us by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3 (xiv) of the Order is not applicable.

- (xv) According to the information and explanations given to us the Company has not entered into any non-cash transactions with directors or person connected with him covered by section 192 of the Act.
- (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.

Nitin Chaudhry
Partner
Membership No. F 91463
For and on behalf of
Mittal Chaudhry & Co.
Chartered Accountants
Firm Registration No. 002336N

Place : New Delhi
Date : 2nd September, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 11(h) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Jagatjit Industries Limited on the financial statements for the year ended March 31, 2016)

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

We have audited the internal financial controls over financial reporting of Jagatjit Industries Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Act.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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, 2016, 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.

Emphasis of Matter

We would draw attention to matters disclosed in Paragraphs under 'Basis for Qualified Opinion', which could indicate possible lapses in internal financial controls system.

Our opinion under Clause (i) of Sub-section 3 of Section 143 of the Act is not qualified in respect of this matter.

Nitin Chaudhry
Partner

Membership No. F 91463
For and on behalf of
Mittal Chaudhry & Co.

Chartered Accountants

Firm Registration No. 002336N

Place : New Delhi

Date : 2nd September, 2016

Balance Sheet

as at 31st March, 2016

	Note	As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	4,615	4,615
Reserves and Surplus	3	15,355	22,209
Non-Current Liabilities			
Long Term Borrowings	4	14,900	11,439
Deferred Tax Liabilities (Net)	5	633	784
Other Long Term Liabilities	6	258	1,946
Long Term Provisions	7	1,983	2,099
Current Liabilities			
Short Term Borrowings	8	10,397	11,190
Trade Payables	9		
Total outstanding dues of micro and small enterprises		105	180
Total outstanding dues of Creditors other than micro and small enterprises		12,287	15,007
Other Current Liabilities	10	13,553	11,789
Short Term Provisions	11	452	454
TOTAL		74,538	81,712
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	28,642	29,674
Intangible Assets	12	10	13
Capital Work-in-Progress		49	55
Non Current Investments	13	1,249	1,150
Long Term Loans and Advances	14	4,182	4,251
Other Non Current Assets	15	1,868	2,111
Current Assets			
Current Investments	16	15	33
Inventories	17	10,353	11,385
Trade Receivables	18	18,811	23,524
Cash and Bank Balances	19	1,051	893
Short Term Loans and Advances	20	4,290	4,516
Other Current Assets	21	4,018	4,107
TOTAL		74,538	81,712

Significant Accounting Policies 1

This is the Balance Sheet referred to in our report of even date

The Notes referred to above form an integral part of the financial statements

For and on behalf of
MITTAL CHAUDHRY & CO.
Chartered Accountants
Firm Registration No.002336N
Nitin Chaudhry
Partner
Membership No. F 91463

Narender Sapra - Managing Director

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Statement of Profit and Loss

for the year ended 31st March, 2016



			For the year Ended March 31, 2016 (Rs. in lacs)	For the year Ended 31st March, 2015 (Rs. in lacs)
INCOME				
	Revenue from Operations (Gross)	22	114,951	123,467
	Less: Excise Duty		<u>46,148</u>	<u>40,850</u>
	Revenue from Operations (Net)		68,803	82,617
	Other Income	23	<u>400</u>	<u>801</u>
	Total Revenue		<u>69,203</u>	<u>83,418</u>
EXPENSES				
	Cost of Materials Consumed	24	31,778	38,868
	Purchases of Stock-in-Trade	25	2,219	4,751
	Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	26	597	191
	Employee Benefits Expense	27	7,129	7,731
	Finance Costs	28	4,063	3,129
	Depreciation and Amortisation Expense	31	1,271	1,243
	Other Expenses	29	<u>29,004</u>	<u>32,683</u>
	Total Expenses		<u>76,061</u>	<u>88,596</u>
	Profit/(Loss) before tax		(6,858)	(5,178)
	Tax Expenses			
	Current tax			
	Deferred Tax (benefit)/charge	5	<u>(159)</u>	<u>(1,267)</u>
			(159)	(1,267)
	Profit/(Loss) from Continuing Operations (after Tax)		<u>(6,699)</u>	<u>(3,911)</u>
	Profit/(Loss) from Discontinuing Operations	44	142	(406)
	Tax Expense from Discontinuing Operations		<u>8</u>	<u>48</u>
	Profit/(Loss) from Discontinuing Operations (after Tax)		<u>134</u>	<u>(454)</u>
	Profit/(Loss) for the year		<u>(6,565)</u>	<u>(4,365)</u>
	Earnings per Equity Share			
	Earnings per Share (Basic and Diluted) (Continuing operations) (Face Value of Rs. 10 each)	37	(15.35)	(8.96)
	Earnings per Share (Basic and Diluted) (Face Value of Rs. 10 each)	37	(15.04)	(10.00)
	Significant Accounting Policies	1		

This is the Statement of Profit & Loss referred to in our report of even date

The Notes referred to above form an integral part of the statements of profit & loss

For and on behalf of
MITTAL CHAUDHRY & CO.
Chartered Accountants
Firm Registration No.002336N
Nitin Chaudhry
Partner
Membership No. F 91463

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer

Narender Sapra - Managing Director

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Cash Flow Statement

for the year ended 31st March, 2016

	2016 (Rs. in lacs)	2015 (Rs. in lacs)
A. Cash Flow from Operating Activities:		
Net Profit/(Loss) before tax	(6,716)	(5,584)
Adjustments for:		
Depreciation	1,271	1,243
Interest Expense	4,079	3,166
Interest Income	(129)	(616)
(Profit)/Loss on Fixed Assets sold (net)	(337)	(413)
Fixed Assets written off	-	4
Debts / Advances/Stock written off	742	259
Provision for Bad & Doubtful Debts and Advances	1,209	1,010
Provision for inventory for obsolete/damaged stock	11	7
Liability no longer required written back	(146)	(142)
Provision for Gratuity & Leave Encashment	(90)	90
Unrealised Foreign Exchange (gain)/loss (net)	(6)	1
Operating Profit before Working Capital Changes	(112)	(975)
Adjustments for changes in Working Capital :		
(Increase)/ Decrease in Trade Receivables	3,598	(2,012)
(Increase)/ Decrease in Short Term Loans & Advances	(203)	(169)
(Increase)/ Decrease in Long Term Loans & Advances	6	61
(Increase)/ Decrease in Other Current Assets	(109)	(189)
(Increase)/ Decrease in Inventories	294	43
Increase/ (Decrease) in Trade Payables	(2,595)	1,598
Increase/(Decrease) in other current liabilities	2,263	1,454
Increase/(Decrease) in Other Long Term Liabilities	(1,688)	1,098
Increase/(Decrease) in Long Term Provisions	-	(78)
Increase/(Decrease) in Short Term Provisions	(28)	1
Cash generated from operations	1,426	832
Taxes (Paid)/ Received (Net of TDS)	452	254
Net Cash from/ (used) Operating Activities	1,878	1,086
B. Cash flow from Investing Activities:		
Purchase of Fixed Assets including Capital Work- in -Progress and Capital advances	(630)	(3,172)
Proceeds from Sale of Fixed Assets	592	538
Purchase of investments	(99)	(20)
Sale of investments	18	66
Advances to Subsidiaries	16	54
Interest Received (Revenue)	74	562
Release/(Addition) of Cash (from)/for restrictive use	219	(759)
Net Cash from Investing Activities	190	(2,731)
C. Cash Flow from Financing Activities:		
Proceeds from short term Borrowings (Net)	(793)	3,351
Proceeds from long term Borrowings (Net)	3,299	1,279
Interest Paid	(4,416)	(3,139)
Net cash used in Financing Activities	(1,910)	1,491
Net Increase/ (Decrease) in Cash & Bank Balances	158	(154)
Cash and Cash equivalents at the beginning of the year	874	1,033
Other Bank Balance at the beginning of the year	19	14
Cash and Cash equivalents at the end of the year	1,032	874
Fixed Deposits with Banks	2	2
Margin Money Account	17	17
Cash and Bank Balances at the end of the year	1,051	893
Cash and Bank Balances Comprise		
Cash, Cheques & Drafts (in hand) and Remittances in transit	202	133
Balance with Scheduled Banks	849	760
	<u>1,051</u>	<u>893</u>
Cash and Cash Bank Balances Include :		
Cash and Bank Balances	1,051	893
Unrealised gain on foreign currency	-	-
Total Cash and Cash Equivalents	<u>1,051</u>	<u>893</u>
Cash flow from Discontinuing Operation included above in		
- Operating Activities	(146)	(530)
- Investing Activities	399	532
- Financing Activities	(156)	(184)

Notes :-

- The aforesaid Cash Flow Statement has been prepared under the "Indirect Method" and in accordance with Accounting Standard (AS)-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Fixed Deposits with banks having maturity period of more than one year (including those pledged with statutory authorities) have been disclosed in other non current assets (Note 15) and do not form part of cash and bank balances.
- Figures in brackets indicate cash outgo.
- Previous year's figures have been regrouped and recast wherever necessary to conform to the current year classification.

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

Nitin Chaudhry

Partner

Membership No. F 91463

For and on behalf of

MITTAL CHAUDHRY & CO.

Chartered Accountants

Firm Registration No.002336N

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer

Narender Sapra - Managing Director

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Notes

on Financial Statements for the year ended 31st March, 2016



1 SIGNIFICANT ACCOUNTING POLICIES:

1.1 BASIS FOR PREPARATION OF ACCOUNTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on accrual basis under the historical cost convention, except for certain tangible assets which are being carried at revalued amounts.

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 products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.2. USE OF ESTIMATES

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3. FIXED ASSETS

a) Tangible:

Fixed Assets are stated at cost of acquisition / revalued amounts less accumulated depreciation. Cost of acquisition includes taxes, duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be irregular are capitalised.

b) Intangible:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

1.4. DEPRECIATION / AMORTISATION

a) Tangible:

Principal Straight Line Method (SLM) rates, in the manner prescribed by Schedule II of the Companies Act, 2013, have been adopted for the purpose of calculation of depreciation except for the amount added on revaluation of certain assets which are depreciated on the estimate provided by the valuer of the remaining useful life of such assets. Leasehold land is amortised over the period of lease. Depreciation on the assets which have been impaired is provided on the basis stated in note 1.5 below. In respect of following assets, where useful life is different than those prescribed in schedule II are used:-

Particulars	Depreciation
Boiler No-5	Over its useful life as technically assessed (35 Years)
Turbine 7 MW	Over its useful life as technically assessed (35 Years)
Evaporator Spent Wash	Over its useful life as technically assessed (35 Years)

b) Intangible:

Intangible assets are amortised on a straight line basis over their estimated useful lives and have been amortised @ 10% per annum.

1.5. IMPAIRMENT OF ASSETS

All assets other than inventories, investments and deferred tax assets, are reviewed for impairment, in accordance with Accounting Standard (AS 28), "Impairment of assets", issued by the Institute of Chartered Accountants of India, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss shall be increased or reversed depending on changes in circumstances. However the carrying amount after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.6. INVESTMENTS

Long Term Investments are stated at cost and provision for diminution is made to recognise a decline, other than temporary, in the value of investments. Current Investments are stated at lower of cost and fair value.

1.7. INVENTORIES

Inventories are valued at the lower of cost (inclusive of excise duty, as applicable) or net realisable value. Cost is determined on a weighted average basis and it includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.8. INCOME

a) Sale is recognised on dispatches made from respective locations of the Company and is inclusive of excise duty on sales wherever payable by the Company. Sales include goods sold by contract manufacturers on behalf of the Company, since risk and reward belongs to the company in accordance with the terms of the relevant contract manufacturing agreements.

b) Revenue from job work is recognised on the completion of a relevant job.

Notes

Continued

- c) Interest on Income Tax refunds, Insurance claims, Export benefits and Other refunds are accounted for as and when amounts receivable can be reasonably determined as being acceptable to authorities. Royalty income is accounted on an accrual basis in accordance with terms specified in the relevant agreements.
- 1.9. CASH AND CASH EQUIVALENTS:
Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is three months or less.
- 1.10. EMPLOYEE BENEFITS
- (i) Gratuity and leave encashment which are defined benefits, are accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary.
 - (ii) Contributions payable to the Government provident fund and approved superannuation fund which are defined contribution schemes, are charged to Profit and Loss account.
 - (iii) Long Term Compensated absences are provided for based on actuarial valuation carried by an actuary as at the end of the year.
 - (iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.
- 1.11. FOREIGN CURRENCY TRANSACTIONS
Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at the date of the balance sheet. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the statement of Profit and Loss.
- 1.12. BORROWING COSTS
Borrowing costs attributable to the acquisition and/ or construction of qualifying assets are capitalised as a part of the cost of such assets, upto the date when such assets are ready for their intended use. Other Borrowing costs are charged to Statement of Profit and Loss.
- 1.13. LEASE ACCOUNTING
Operating Lease payments are recognized as an expense in the Profit and Loss Account on straight-line basis over the lease term.
- 1.14. TAXATION
Tax expense/ earning is the aggregate of current tax and deferred tax charged/ credited to Profit and Loss Account for the year. Current tax is the amount of tax payable in respect of taxable income for the year and measured by using the applicable tax rates and laws. Deferred tax assets and liabilities are recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized subject to the consideration of prudence and to the extent there is reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.
- 1.15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS
The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recognised nor disclosed.
- 1.16. EARNINGS PER SHARE
The basic and dilutive earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares.
- 1.17. SEGMENT ACCOUNTING POLICIES
- a) Segment assets and liabilities:
All Segment assets and liabilities are directly attributable to the segment.
Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include inter-corporate deposits, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).
 - b) Segment revenue and expenses:
Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.
Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

	As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
2. SHARE CAPITAL		
2.1 AUTHORISED CAPITAL		
75,000,000 (Previous year—75,000,000) Equity Shares of Rs.10 each	7,500	7,500
2.2 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
46,148,112 (Previous year-46,148,112) Equity Shares of Rs.10 each fully paid up.	4,615	4,615
2.3 DETAIL OF EQUITY SHARES ISSUED	No. of Shares	No. of Shares
Original issue of Equity Shares	500,000	500,000
Less : Equity Shares Forfeited due to non payment of calls	170,492	170,492
	329,508	329,508
Add : Forfeited Equity Shares issued to existing share holders on pro-rata basis at Rs.2.50 per share	169,737	169,737
	499,245	499,245
Add: Total Bonus Equity Shares issued from 1970 to 1994-95	23,732,979	23,732,979
Add : GDR issue (Note 2.6 b)	25,210,000	25,210,000
Add : Preferential allotment (Note 2.6 c)	2,500,000	2,500,000
Less : Shares repurchased (Buy- Back)	5,794,112	5,794,112
Total	46,148,112	46,148,112

2.4 RECONCILIATION OF NUMBER OF SHARES & SHARE CAPITAL

Equity Shares	As on 31.03.2016		As on 31.03.2015	
	No. of Equity Shares	Rs. in lacs	No. of Equity Shares	Rs. in lacs
At the beginning of the year	46,148,112	4,615	46,148,112	4,615
Add : Issued during the year	—	—	—	—
Less : Bought Back during the year	—	—	—	—
Outstanding at the end of the year	46,148,112	4,615	46,148,112	4,615

2.5 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES OF THE COMPANY

Name of the Shareholders	As on 31.03.2016		As on 31.03.2015	
	No. of Equity Shares	Percentage holding	No. of Equity Shares	Percentage holding
Equity Shares of Rs.10/- each fully paid up held by:				
a) The Bank of New York (the Depository) (Note 2.6 b)	25,210,000	54.63	25,210,000	54.63
b) LPJ Holdings Pvt. Ltd.	7,418,648	16.08	7,418,648	16.08
c) LPJ Holdings Pvt. Ltd. (Note 2.6 c)	2,500,000	5.42	2,500,000	5.42

As per the records of the Company, including its register of members.

2.6 TERMS/RIGHTS ATTACHED TO EQUITY SHARES

- 18,438,112 shares referred to as equity shares are having face value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and dividend, if declared.
- 25,210,000 underlying Equity Shares of Rs.10/- each fully paid up ranking pari-passu with existing shares were issued in the name of the Depository, The Bank of New York, representing the Global Depository Receipt (GDR) issue. GDRs do not carry any voting rights until they are converted into underlying equity shares.
- 2,500,000 Equity Shares of Rs 10/- each are held by LPJ Holdings Pvt. Ltd., fully paid up at a premium of Rs 20/- per share, as a special series with differential rights to dividend and voting, were issued during the financial year 2004-05. These shares have no right to the dividend and each share carries twenty voting rights per share as compared to one voting right per existing equity share and were under the lock-in-period of three years from the date of allotment.
- The holders of all the above equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in event of liquidation of the Company.

Notes

Continued

		As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
3. RESERVES AND SURPLUS	Capital Reserve		
	Surplus on forfeited shares sold	0	0
	Capital Redemption Reserve		
	As per last Balance Sheet	580	580
	Revaluation Reserve		
	Revaluation Reserve as at the beginning of the year	11,748	11,985
	Less : Adjusted during the year	102	34
	Less : Transferred to Statement of Profit & Loss	187	203
	Closing balance	<u>11,459</u>	<u>11,748</u>
	Securities Premium Reserve		
	As per last Balance Sheet	3,697	3,697
	Closing balance	<u>3,697</u>	<u>3,697</u>
	General Reserve		
	As per last Balance Sheet	2,016	2,455
	Less : Transition Provision of depreciation*	—	439
Closing balance	<u>2,016</u>	<u>2,016</u>	
Surplus /(Deficit) as per Statement of Profit & Loss			
As per last Balance Sheet	4,168	8,533	
Add: Profit/(Loss) for the year	(6,565)	(4,365)	
Closing balance	<u>(2,397)</u>	<u>4,168</u>	
TOTAL	<u>15,355</u>	<u>22,209</u>	

*This is on account of transitional provision of depreciation as per schedule II of Companies Act, 2013 adjusted with W.D.V of Fixed Assets as on 01.04.2014.(Refer Note-42)

4. LONG TERM BORROWINGS	Secured		
	From Banks		
	- Term Loan	13,905	9,827
	- Car Loans	93	14
	From others		
	- Car Loans	182	—
		<u>14,180</u>	<u>9,841</u>
	Unsecured		
	Fixed Deposits	661	897
	Fixed Deposits guaranteed by Directors	—	642
Loans and advances from related parties	59	59	
	<u>720</u>	<u>1,598</u>	
TOTAL	<u>14,900</u>	<u>11,439</u>	

4.1 Nature of Security and terms of repayment for Long Term Secured Borrowings:

Nature of Security	Terms of Repayment
i. Term Loan amounting to Rs.93 lacs (Previous year Rs. 467 lacs) for installation of Water Pollution Control Equipments is secured by all the machineries and accessories including Civil work related to aforementioned equipments installed at its works at Jagatjit Nagar, Distt Kapurthala.	Repayable in 28 equal quarterly installments commencing from September, 2009. Last installment Due in June, 2016. Rate of Interest 13.65% p.a.(Previous year 14.00% p.a.) as at year end.
ii Term Loan amounting to Rs. 30 lacs (Previous year Rs.168 lacs) for machinery (IS machine) is secured by all the machineries and accessories including civil work related to the aforementioned machinery installed at its works at Site IV , Plot No.17 Sahibabad Industrial Area Sahibabad (U.P).	Repayable in 20 equal quarterly installments commencing from September, 2011. Last installment due on July, 2016 Rate of interest 13.65% p.a (Previous year 14.00% p.a) as at year end.
iii Term Loan amounting to Rs.688 lacs (Previous year Rs. 1,112 lacs) for Boiler is secured by all the machineries and accessories including civil work related to the aforementioned machineries installed at its works at Jagatjit Nagar, Distt Kapurthala.	Repayable in 20 equal quarterly installments commencing from April, 2013. Last installment due on January, 2018. Rate of interest 12.65% p.a (Previous year 13.20% p.a) as at year end.

- | | | |
|------|---|---|
| iv | Term Loan amounting to Rs.232 lacs (Previous year Rs. 348 lacs) for turbine is secured by all the machineries and accessories including civil work related to turbine installed at its works at Jagatjit Nagar, Distt Kapurthala. | Repayable in 60 equal monthly installments commencing from April, 2013. Last installment due on March, 2018. Rate of interest 13.65% p.a. (Previous year 14.00% p.a) as at year end. |
| v | Term Loan amounting to Rs.Nil (Previous year Rs.5,759 lacs) is secured against lease rent receivables of leased space at Plot No. 78 Institutional area ,Sector-18, Gurgaon, Haryana and 9th and 10th floor, Ashoka Estate, 24 Barakhamba Road, New Delhi for purpose of Working Capital needs of the company | Repayable in 88 structured monthly installments commencing from June, 2013. Last installment due on Sept. 2020. Rate of interest 11.65% p.a. (Previous year 12.00% p.a.) as at year end. |
| vi | Term Loan amounting to Rs.1,829 lacs (Previous year Rs. 2,016 lacs) for expansion of Malted Milkfood Plants secured against exclusive first charge on plant & machinery of the new Malted Milkfood Plant and country liquor plant including instrumentation etc. at its works at Jagatjit Nagar, Distt Kapurthala | Repayable in 60 monthly equal installments commencing from June, 2015. Last installment due on May, 2021. Rate of interest 13.65% p.a. (Previous year 13.25% p.a.) as at year end. |
| vii | Term Loan amounting to Rs.6,533 lacs (Previous year Rs. 3,700 lacs) for General Corporate Purpose is secured by Exclusive charge by way of mortgage on Land & Building situated at Village Hamira,Distt Kapurthala and Escrow on Proceeds received from M/s. Galxo Smithkline and lien on Fixed Deposit in favour of IFCI. | Repayable in 18 structured quarterly installments commencing from August 2015 . Last installment due on November, 2019. Rate of interest 14.50% p.a. (Previous year 15% p.a.) as at year end. |
| viii | Term Loan amounting to Rs.7,908 lacs (Previous year Rs.Nil) is secured against lease rent receivables of leased space at Plot No. 78 Institutional area, Sector-18, Gurgaon, Haryana and 9th and 10th floor, Ashoka Estate,24 Barakhamba Road,New Delhi for purpose of working Capital needs of the company | Repayable in 120 structured monthly installments commencing from April 2015 . Last installment due on March , 2025. Rate of interest 11.65% p.a. (Previous year Nil) as at year end. |
| ix | Car Loans are secured by hypothecation of the related cars. | Repayable in 36-60 equal monthly installments. Rate of interest 8.25% to 11.25% p.a. |

4.2 Terms of repayment for Long Term Unsecured Borrowings:

- | | | |
|----|--|--|
| i. | Unsecured Inter Corporate deposit Rs. 59 lacs (Previous year Rs. 59 lacs) from related party (Fast Buck Investment and Trading Pvt. Ltd). | Rate of Interest 8% on Rs. 24 lacs and 12% on Rs 35 lacs; Previous year 8% on Rs 24 lacs and 12% on Rs. 35 lacs. |
|----|--|--|

Note: Installments falling due in respect of all the above loans up to 31.3.2017 have been grouped under "Current maturity of long-term debt" (Refer Note 10).

Notes

Continued

		As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
5.	DEFERRED TAX LIABILITY (NET)		
	Deferred Tax Liability		
	Depreciation on Fixed Assets	2,246	2,083
	Total Deferred Tax Liabilities (A)	<u>2,246</u>	<u>2,083</u>
	Statutory Liabilities	174	161
	Employee Retirement Benefits	620	649
	Provision for Bad Debts	819	489
	Total Deferred Tax Assets (B)	<u>1,613</u>	<u>1,299</u>
	Net Deferred Tax liabilities (A-B)	<u>633</u>	<u>784</u>
	Deferred Tax benefit/(expense) for the year	151	*1,415
	*This includes Amount Rs. 196 lacs on account of transitional provision of depreciation as per schedule II of Companies Act, 2013		
	The deferred tax asset arising on carried forward losses and unabsorbed depreciation is not being recognized as a matter of prudence as their recoverability cannot be commented on a virtual certainty basis.		
6.	OTHER LONG TERM LIABILITIES		
	Security Deposits	258	1,946
	TOTAL	<u>258</u>	<u>1,946</u>
7.	LONG TERM PROVISIONS		
	Provision for employee benefits		
	- Gratuity	1,275	1,354
	- Compensated Absences	282	319
	Provisions for Litigations		
	- Service Tax	402	402
	- Sales Tax	24	24
	TOTAL	<u>1,983</u>	<u>2,099</u>
8.	SHORT TERM BORROWINGS		
	Secured		
	- Working Capital Loans from Banks (Refer Note 8.1)	5,769	7,569
	Unsecured		
	- Fixed Deposits (Refer Note 8.2)	500	2,892
	- Fixed Deposits guaranteed by Directors	628	729
	- Working Capital Loan from Bank (Refer Note 8.3)	3,500	—
	TOTAL	<u>10,397</u>	<u>11,190</u>
	8.1 Cash credit limits are part of working capital facilities availed from consortium of banks. These consortium limits are secured by first pari passu charge on stock and book debts.		
	8.2 The Company continued acceptance of deposits from the members only upto 10% of the paid up capital, free reserves and securities premium account (upto 30th September, 2015) during the financial year 2015-16.		
	8.3 This working capital loan is secured by fixed deposits furnished by third party to bank.		
9.	TRADE PAYABLES		
	Micro, Small and Medium Enterprises	105	180
	Others	12,287	15,007
	TOTAL	<u>12,392</u>	<u>15,187</u>
	9.1 This information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		

Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

As at
**March 31,
2016**
(Rs. in lacs)

As at
31st March,
2015
(Rs. in lacs)

I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
	- Principal Amount Unpaid	105	180
	- Interest due	7	8
II	The amount of interest paid by the buyer in term of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to suppliers beyond the appointed date during the year		
	- Payment made beyond the Appointed date	367	520
	- Interest paid beyond the Appointed date	—	—
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	18	28
IV	The amount of interest accrued and remaining unpaid at the end of the year	184	166
10. OTHER CURRENT LIABILITIES	Current maturities of long-term debt (Refer Note 10.1)	3,620	3,782
	Advances from Customers	638	891
	Unclaimed matured deposits (Refer Note 35)	163	124
	Interest accrued but not due	279	658
	Interest accrued and due	248	206
	Due to Directors	0	6
	Security Deposits	4,307	436
	Employee Benefits	904	965
	Statutory Liabilities	2,133	3,509
	Other Liabilities	1,261	1,212
	TOTAL	13,553	11,789
	10.1 This includes Car Loans secured by hypothecation of related cars amounting to Rs. 212 lacs (Previous Rs. 39 lacs).		
11. SHORT TERM PROVISIONS	Provision for employee benefits		
	- Gratuity	221	273
	- Compensated Absences	231	153
	Wealth Tax	—	28
	TOTAL	452	454

12. Fixed Assets

(Rs. in lacs)

	GROSS BLOCK-COST OR REVALUED VALUE					DEPRECIATION					NET BLOCK	
	As at April 1, 2015	Added on Revaluation	Additions	Deletion/ Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year	Impact of Transition to Schedule II of the Companies Act, 2013 (Refer Note-42)	Deletion/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
(i) Tangible Assets												
Land												
— Free Hold	4,276	—	—	—	4,276	—	—	—	—	—	4,276	4,276
— Lease Hold	286	—	—	—	286	56	3	—	—	59	227	230
Buildings	19,889	—	88	—	19,977	6,131	385	—	—	6,516	13,461	13,758
Plant & Machinery	30,700	—	362	1,381	29,681	20,602	722	—	1,380	19,944	9,737	10,098
Furniture & Fixtures	803	—	39	—	842	613	47	—	—	660	182	190
Vehicles-Owned	2,092	—	44	524	1,612	1,118	228	—	371	975	637	974
Office Equipments	983	—	44	7	1,020	835	70	—	7	898	122	148
Total Tangible Assets	59,029	—	577	1,912	57,694	29,355	1,455*	—	1,758	29,052	28,642	29,674
Previous Year	65,923	—	3,720	10,614**	59,029	33,761	1,443*	635	6,484**	29,355		
(ii) Intangible Assets												
Patents, Trade Marks	29	—	—	—	29	16	3	—	—	19	10	13
Total Intangible Assets	29	—	—	—	29	16	3*	—	—	19	10	13
Previous Year	29	—	—	—	29	13	3*	—	—	16		

*Please refer Note 31

**Deletion/Adjustment include tangible assets retired from active use held for sale of the Glass Unit at Sahibabad (U.P) shown under 'Other Current Assets' (Refer Note-21) during financial year 2014-15: gross block Rs. 10,311 lacs, accumulated depreciation Rs.6,365 lacs and net block Rs. 3,946 lacs.

Notes

Continued

		As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
13	NON CURRENT INVESTMENTS		
	TRADE INVESTMENTS		
	IN EQUITY SHARES		
	UNQUOTED		
	IN ASSOCIATES		
	Hyderabad Distilleries & Wineries Pvt. Ltd. 1,650 (Previous year-1,650) shares of Rs.100 each fully paid	2	2
	OTHER-INVESTMENTS		
	IN EQUITY SHARES		
	QUOTED		
	Mohan Meakin Limited 281,961(Previous year-281,961) shares of Rs.5 each fully paid.	84	84
	Milkfood Limited 1,350 (Previous year-1,350) Shares of Rs .10 Each Fully paid	0	0
	Punjab National Bank Limited 4,965 (Previous year -4,965) shares of Rs.2 each fully paid (Previous year Rs. 10 each fully paid)	4	4
	UNQUOTED		
	Chic Interiors Private Limited 1,752 (Previous year-1,752) shares of Rs.10 each fully paid (Sold during the year Nil (Previous year 1600 Shares) of Rs. 10 each fully paid)	0	0
	UNQUOTED-IN SUBSIDIARIES		
	S.R.K. Investments Pvt. Ltd. 10,000 (Previous year 10,000) Shares of Rs. 10 each fully paid	1	1
	Sea Bird Securities Pvt. Ltd. 8,000 (Previous Year 8,000) Shares of Rs. 10 each fully paid	1	1
	JIL Trading Pvt. Ltd. 10,000 (Previous year 10,000) Shares of Rs. 10 each fully paid	1	1
	L.P. Investments Limited 10,157,500 (Previous year-10,157,500) shares of Rs.10 each fully paid	1,016	1016
	IN PREFERENCE SHARES		
	UNQUOTED		
	Qube Corporation Pvt. Ltd. 13,50,000 (Previous year 360,000 Cumulative Redeemable preference shares of Rs. 10 each) (Sold during the year Nil (Previous year 540,000) shares of Rs.10 each fully paid) (Purchased During the year 9,90,000 (Previous year Nil) shares of Rs.10 each fully paid)	135	36
	IN SUBSIDIARIES		
	L.P. Investments Limited 4,500 (Previous year-4,500) 9.5% Redeemable Cumulative shares of Rs.100 each fully paid	4	4
	IN GOVERNMENT SECURITIES		
	UNQUOTED		
	06 year National Saving Certificates (lodged with Govt. authorities)	1	1
	TOTAL	1,249	1,150
	Aggregate Value of Unquoted Investments	1,161	1,062
	Aggregate Value of Quoted Investments	88	88
	Market Value/NAV of Quoted Investments	410	413



		As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
14. LONG TERM LOANS AND ADVANCES	Capital Advances		
	Unsecured, considered good	171	161
		<u>171</u>	<u>161</u>
	Security Deposits		
	Unsecured, considered good	444	452
	Unsecured, considered doubtful	2	2
	Less: Provision for doubtful deposits	2	2
		<u>444</u>	<u>452</u>
	Loans and advances to related parties		
	Unsecured, considered good (Refer Note-40)	3,166	3,182
	<u>3,166</u>	<u>3,182</u>	
Other loans and advances			
Unsecured, considered good			
Advance/claim recoverable in cash or in kind	401	456	
Unsecured, considered doubtful	110	54	
Less: Provision for doubtful loans and advances	110	54	
Balances with Statutory Authorities	—	—	
	<u>401</u>	<u>456</u>	
TOTAL	<u>4,182</u>	<u>4,251</u>	
15. OTHER NON- CURRENT ASSETS	MAT Credit Receivable	1,068	1,068
	Fixed Deposits With Bank (Pledged as security)	664	883
	Advance Wealth tax (Net of Provision)	5	4
	Advance income tax (Net of Provision)	131	156
	TOTAL	<u>1,868</u>	<u>2,111</u>
16. CURRENT INVESTMENTS	QUOTED		
	IN MUTUAL FUND		
	Principal PNB Fixed Maturity Plan - Series B17-371 Days	—	5
	Principal PNB Long Term Equity Fund - 3 year Plan - Principal Emerging Bluechip Fund-Growth	—	8
	Canara Rebco Mutal Fund-Short Term fund (Growth Plan)	15	15
	Principal Mutual Fund		
	UTI Infrastructure Advantage Fund Series I	—	5
	TOTAL	<u>15</u>	<u>33</u>
	Aggregate Value of Quoted Investments/Mutual Funds	15	33
	Market Value/NAV of Quoted Investments/Mutual Funds	17	64

Notes

Continued

	As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
17. INVENTORIES		
Raw Materials and Packing Materials	4,395	3,994
-In Transit	364	1,040
Less : Provision for obsolete Inventory	21	18
	<u>4,738</u>	<u>5,016</u>
Work-in-Progress	205	222
Finished Goods	4,390	4,978
Stock-in-Trade	65	57
Store and Spares	837	899
-In Transit	118	213
TOTAL	<u>10,353</u>	<u>11,385</u>
17.1 Details of Raw and Packaging Materials		
Grains	518	277
Molasses	103	172
ENA	1,027	601
Chemicals	27	27
Colour & Essence	98	83
Bottles	1,283	1,092
Tins & Other Containers	232	248
Labels	265	410
Seals	532	669
Others	310	415
	<u>4,395</u>	<u>3,994</u>
17.2 Details of Work in Progress		
Malt	6	4
Glass	17	18
Malt Extract	4	8
Liquor	173	170
Malted Milk Food	5	22
	<u>205</u>	<u>222</u>
17.3 Details of Finished Goods		
Malt	312	139
Malt Extract	140	8
Liquor	3,734	4,507
Glass	134	252
Containers	9	9
Others	61	63
	<u>4,390</u>	<u>4,978</u>
17.4 Details of Stock -in-trade		
Petroleum and its Products	45	29
Liquor	20	28
	<u>65</u>	<u>57</u>

		As at March 31, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
18. TRADE RECEIVABLES	(a) Unsecured overdue for more than six months		
	Considered Good	3,358	3,527
	Considered Doubtful	1,547	554
	Less: Provision for doubtful receivables	1,547	554
	(b) Others		
	Considered Good	15,453	19,997
	TOTAL	18,811	23,524
19. CASH AND BANK BALANCES	(i) Cash & Cash Equivalents		
	Cash on hand	52	107
	Cheques on hand	27	14
	Funds in transit	123	12
	Balances with Banks		
	- Current Accounts	526	587
	- Fixed Deposits	304	154
	(With Original maturity period of up to 3 months)		
	(ii) Other Bank Balances		
	Fixed Deposits with Bank	2	2
	Margin Money Accounts	17	17
	TOTAL	1,051	893
20. SHORT TERM LOANS AND ADVANCES	Unsecured—Considered Good		
	Others Loan and Advance		
	- Balance with Revenue authorities	693	1,215
	- Advances to Suppliers	2,091	1,669
	- Security Deposits	72	81
	- Others	1,433	1,551
	Unsecured—Considered Doubtful		
	- Advances to Suppliers	979	818
	- Others	15	15
	- Less: Provision for Doubtful Advances	993	833
		TOTAL	4,290
21. OTHER CURRENT ASSETS	Interest Receivable	111	56
	Other Income Receivable	141	82
	Duty Drawback receivable	2	2
	Fixed Assets held for sale	3,764	3,967
	(Value at the lower of the estimated net realisable value & net book value)		
	TOTAL	4,018	4,107

Notes

Continued

		For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
22. REVENUE FROM OPERATIONS (GROSS)	Sale of Products		
	Manufactured Goods	100,882	107,649
	Traded Goods	2,291	5,171
		<u>103,173</u>	<u>112,820</u>
	Income from Services		
	Job Work (tax deducted at source Rs.46 lacs; Previous Year Rs. 123 lacs)	7,500	6,219
		<u>7,500</u>	<u>6,219</u>
	Other Operating Revenues		
	Rent (Tax deducted at source Rs.47 lacs; Previous year - Rs.183 lacs)	1,862	1,819
	Royalty (Tax Deducted at Source Rs 27 lacs; Previous year - Rs. Nil)	932	1,267
	Duty Drawbacks	16	—
	Scrap Sales	592	614
	Miscellaneous Income (Tax deducted at source Rs. 4 lacs; Previous year Rs.8 lacs)	876	728
		<u>4,278</u>	<u>4,428</u>
	Total Revenue from Operations	<u>114,951</u>	<u>123,467</u>
22.1 Details of Sale of Products (Net of discount)			
(a) Manufactured Goods			
Malt & Malt Extract	3,576	4,022	
Malted Milk Food	92	152	
Liquor	96,287	102,360	
Carbondioxide Gas	1	16	
Others	926	1,099	
	<u>100,882</u>	<u>107,649</u>	
(b) Traded Goods			
Petroleum and its Products	1,559	2,094	
Wine	—	250	
Liquor	704	2,783	
others	28	44	
	<u>2,291</u>	<u>5,171</u>	
Total (a)+(b)	<u>103,173</u>	<u>112,820</u>	
23. OTHER INCOME	Dividends		
	On Other Investments	0	0
	Interest		
	- Fixed Deposits — Gross (Tax deducted at source Rs.Nil ;Previous year Rs 12 lacs)	91	97
	- Others - Gross (Including interest on income tax Refund Rs 37 lacs ; Previous year Rs.54 lacs) (Tax deducted at source Rs.Nil; Previous year Rs.45 lacs)	38	503
	Profit on Sale of Investments	—	10
	Profit on Sale of Fixed Assets	122	55
	Insurance Claims	2	14
	Liabilities/provisions no longer required written back	141	114
	Foreign Exchange Fluctuation (Net)	6	8
	TOTAL	<u>400</u>	<u>801</u>

		For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
24. COST OF MATERIALS CONSUMED	Opening Stocks	5,011	5,023
	Add: Purchases of raw and packing materials	31,504	38,856
		<u>36,515</u>	<u>43,879</u>
	Less: Closing Stocks	4,737	5,011
TOTAL	<u>31,778</u>	<u>38,868</u>	
24.1 Details of Raw and Packaging Materials Consumed			
	Grains	3,374	4,635
	Molasses	939	3,074
	ENA	11,544	11,618
	Bottles	9,309	11,055
	Tins & Other Containers	1,479	1,797
	Seals	2,361	3,600
	Milk	620	797
	Packing Materials	1,337	1,645
	Others	815	647
	TOTAL	<u>31,778</u>	<u>38,868</u>
25. PURCHASES OF STOCK-IN-TRADE	Petroleum and its Products	1,537	2,043
	Liquor	653	2,667
	Others	29	41
	TOTAL	<u>2,219</u>	<u>4,751</u>
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	Opening Stocks		
	Work-in-Progress	204	268
	Finished Goods	4,929	4,905
	Stock-in-Trade	57	208
		<u>5,190</u>	<u>5,381</u>
	Closing Stocks		
	Work-in-Progress	188	204
	Finished Goods	4,340	4,929
	Stock-in-Trade	65	57
		<u>4,593</u>	<u>5,190</u>
	<u>597</u>	<u>191</u>	
27. EMPLOYEE BENEFITS EXPENSES	Salaries, Wages, Bonus and Gratuity	6,266	6,592
	Contribution to Provident, Family Pension and Superannuation Funds	468	702
	Employees' State Insurance	160	177
	Staff Welfare Expenses	235	260
	TOTAL	<u>7,129</u>	<u>7,731</u>
28. FINANCE COST	On Fixed Loans	2,687	2,105
	Others	1,376	1,024
	TOTAL	<u>4,063</u>	<u>3,129</u>

Notes

Continued

	For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
29. OTHER EXPENSES		
Manufacturing Expenses		
Consumption of Stores and Spare parts excluding charged to other revenue heads Rs.3,296 lacs (Previous year - Rs. 4,086 lacs)	283	389
Power and Fuel	3,337	4,198
Repairs - Buildings	153	189
Plant and Machinery	857	569
Excise Duty*	148	37
Other Expenses	2,748	2,863
TOTAL	7,526	8,245
*Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods (Refer Note 36).		
Administration and Selling Expenses		
Rent (Net)	292	286
Lease Rental	65	197
Rates & Taxes	3,681	3,670
Insurance	233	260
Travelling Expenses	721	1,005
Repairs to Buildings	61	101
Other Repairs & Maintenance	155	151
Bad Debts, Advances and Stock written off	742	7
Provision for Doubtful Debts and advances	1,209	1,010
Provision for Inventory for obsolete stock	11	7
Fixed Assets written off	0	4
Loss on sale of Fixed Assets	83	11
Reimbursement of Expenses to Directors	8	17
Directors Fee	11	10
Forwarding Charges	1,955	2,210
Advertisement, Publicity and Sales Promotion	9,195	11,704
Auditors' Remuneration#	31	25
Legal & Professional Expenses	1,137	1,011
Miscellaneous Expenses	1,888	2,752
TOTAL	21,478	24,438
29.1 Auditors' Remuneration#		
For Audit	20	15
For Tax Audit	5	5
For Limited Review	3	3
For Other Services	2	1
Out of Pocket Expenses	1	1
	31	25
29.2 Prior Period Expenses/Income		
Other Expenses	4	13
TOTAL	4	13
29.3 Value of Imports on C.I.F. Basis		
Raw Materials	2,375	3,068
Spare Parts including Stores	1	2
29.4 Expenditure in Foreign Currency (On Cash Basis)		
Other Matters - Legal Professional, Traveling etc.	132	38
29.5 Earnings in Foreign Exchange		
Export of goods calculated on FOB basis (Including sales to Nepal in rupee terms, Rs. 92 lacs; Previous year-Rs. 152 lacs)	452	845

30. CONTINGENT LIABILITIES:

The following are the details of Contingent liabilities the outflow of which is uncertain at this stage:

- 30.1 Particulars of various claims against the Company not acknowledged as debts Rs. 7,237 lacs (Previous year Rs. 1,953 lacs):
- Claim by Punjab Government in respect of amount paid to Mahalaxmi Sugar Mills pending before the 'The Court of Civil Judge (Senior Division), Kapurthala' Rs. 22 lacs (Previous year Rs. 22 lacs).
 - Claim in respect of case filed by ESI Corporation Rs. 6 lacs (Previous year Rs. 6 lacs)
 - Employees related claims Rs. 194 lacs (Previous year Rs. 179 lacs)
 - In terms of Gas Sales Agreement dated 27.12.2008 between GAIL (India) Limited (supplier) and the company, for the supply of RLNG by former, the company has not utilised the minimum stipulated quantity of RLNG, due to closure of Glass unit situated at Sahibabad (UP). The supplier has raised demand towards Annual Take or Pay deficiency basis for contract year 2014, amounting to Rs. 1,746 lacs and for contract year 2015, amounting to Rs. 5,269 lacs, aggregating to Rs. 7,015 lacs.
The company has represented to the supplier, that due to reasons beyond their control, the Glass unit had to be closed down permanently and production discontinued. Consequently, as there no longer any requirement of gas the parties may be treated as discharged in this regard. Further, management is confident that there will not be any material amount on resolution/ settlement.
 - There are certain claims against the Company relating to usage of trade mark etc., which have not been acknowledged as debts. The outcome of such claims is not ascertainable at this stage.
- 30.2 Particulars of various Excise & Service Tax demands under dispute Rs. 1,155 lacs (Previous year Rs. 1,150 lacs) which have not been deposited on account of dispute:
- Demand of Service Tax and penalty in respect of wrong availment of Service Tax Cenvat Credit Rs. 261 lacs (Previous year Rs. 261 lacs).
 - Demand of Excise Duty in respect of reversal of Cenvat Credit on Turbine Rs. 74 lacs (Previous year Rs.74 lacs).
 - Demand in respect of service tax ,interest and penalty on income from Tie-up operations and royalty Rs. 569 lacs (Previous year Rs. 569 lacs).
 - Demand of cess and penalty under Central Excise Act on manufacturing of corrugated paper board Rs. 1 lac (Previous year Rs.1 lac).
 - Demand of service tax on renting of imovable property Rs. 127 lacs (Previous year Rs. 127 lacs).
 - Demand of service tax under service of supply if tengible goods Rs. 62 lacs (Previous year Rs. 62 lacs).
 - Demand of service tax and penalty under management, maintenance and repair services Rs. 48 lacs (Previous year Rs. 48 lacs).
 - Demand of Excise duty in respect of clearance of broken glass generated during the handling of bottles used for IMFL and country Liquor Rs. 13 lac (Previous year Rs 8 lac)
- 30.3 Particulars of various Sales tax demands under dispute Rs. 370 lacs (Previous year Rs. 6 lacs) :
- Demand of Sales Tax under Central Sales Tax Act on account of incomplete submission of sales tax forms Rs. 6 lacs (Previous year Rs.6 lacs).
 - Demand of Sales Tax & Penalty under Telangana VAT Act on account of VAT on Royalty Rs.103 lacs (Previous year Rs. Nil).
 - Demand of Sales Tax & penalty under Punjab VAT Act on account of input VAT credit denied on rice husk Rs. 221 lacs (Previous year Rs. Nil).
 - Demand of Sales Tax under Haryana VAT Act on account of disallowance of credit of excess VAT deposited due to rate difference Rs. 40 lacs (Previous year Rs. Nil).
- 30.4 Certain matters relating to various assessment years of Income Tax are pending at the various levels of tax authorities and High Court. Further the Income Tax Department has issued notice u/s 153A to the Company during F.Y. 2016-17 for assessment / reassessment of assessment years 2009-10 to 2015-2016. The financial impact, if any, on the outcome of these matters is not determinable at this stage.

31. Land, Building and Plant & Machinery at various locations have been revalued as on 31st March, 1998 by an independent approved valuer on a current replacement cost basis.

	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Depreciation for the year calculated in accordance with accounting policy mentioned [Refer Note 1.4 (a) and 12] on Tangible assets	1,455	1,443
Depreciation for the year calculated in accordance with accounting policy mentioned [Refer Note 1.4 (b) and 12] on Intangible assets	3	3
Less: Adjusted against Revaluation Reserve	187	203
Net depreciation for the year charged to Profit & Loss Account	<u>1,271</u>	<u>1,243</u>

32. The additions to fixed assets includes interest on borrowing which has been capitalised amounting to Rs. Nil (Previous year Rs. 113 Lac)
33. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.5 lacs (Previous year Rs. 20 lacs).
34. Maximum amount of advances due from Subsidiary companies at any time during the year:
S.R.K. Investments Pvt. Limited : Rs.2,977 lacs (Previous year Rs.2,977 lacs)
JIL Trading Pvt. Ltd : Rs.15 lacs (Previous year Rs. 9 lacs)
L.P Investments Limited : Rs.213 lacs (Previous year Rs. 276 lacs)
35. At the end of the year unclaimed deposits of Rs.163 lacs (previous year Rs. 124 lacs) disclosed under current liabilities are not required to be transferred to the Investor Education and Protection Fund (IEPF) in terms of section 205C of the Companies Act, 1956, as these deposits are unclaimed for less than 7 years from the date of their maturity. Additional unclaimed deposits of Rs. 1 lac as on 31.3.2016 (Previous year Rs. 0.49 lacs) lying unclaimed for more than 7 years have been deposited in the IEPF on 2th June, 2016 (Previous year 11th April, 2015).
36. In accordance with ASI 14 on 'Disclosure of Revenue from Sales Transactions' issued by Institute of Chartered Accountants of India, excise duty on turnover amounting to Rs. 46,148 lacs (Previous year Rs. 40,850 lacs) has been reduced from turnover in Statement of Profit & Loss.
Differential excise duty on opening and closing stock of finished goods amounting to Rs. 148 lacs (Previous year Rs. 37 lacs) has been separately shown in Manufacturing Expenses under 'Other Expenses Schedule' (Refer Note 29).
37. Earnings per share (EPS) : Numerators and denominators used to calculate basic and diluted earning per share

	Year ended 31.03.2016 (Rs. in lacs)	Year ended 31.03.2015 (Rs. in lacs)
Net Profit/(Loss) attributable to Shareholders	(6,565)	(4,365)
Weighted Average Number of Equity Shares in issue	43,648,112*	43,648,112*
Basic / Diluted Earnings per share of Rs.10 each (Rs.)	(15.04)	(10.00)
Net Profit/(Loss) attributable to Shareholders from continuing operation	(6,699)	(3,911)
Basic / Diluted Earnings per share of Rs.10 each (Rs.) from continuing operation	(15.35)	(8.96)

Notes:

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

* The preferential allotment of 2,500,000 equity shares, having no right to dividend has not been considered in the above computation of EPS (Refer Note 2.6c).

Notes

Continued

38. EMPLOYEE BENEFITS

The Company has classified various employee benefits as under:

38.1 Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	For the Year ended March 31, 2016 (Rs. in lacs)	For the Year ended March 31, 2015 (Rs. in lacs)
(i) Employers' Contribution to Superannuation Fund	15	174
(ii) Employers' Contribution to Provident Fund	457	538
(iii) Employers' Contribution to Employees' State Insurance	161	178

Included in 'Contribution to Provident, Family Pension and Superannuation Funds' and 'Employees' State Insurance (Refer Note 27)

38.2 Defined Benefit Plans

Valuation in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at 31st March, 2016, based on the following assumptions:

	Leave Encashment (Unfunded) (Rs. in lacs)	Gratuity (Unfunded) (Rs. in lacs)
(I) Assumptions		
(a) Discount Rate	7.85%	7.85%
(b) Rate of increase in Compensation Levels	5%	5%
(c) Rate of return of Plan Assets	N.A.	N.A.
(d) Expected Average remaining working lives of employees (in years)	4.89-17.71	4.89-17.71
(II) Change in the Present Value of Obligation		
(a) Present value of obligation as at April 1, 2015	472	1,627
(b) Interest cost	22	117
(c) Current service cost	235	122
(d) Benefit paid	(68)	(261)
(e) Actuarial (gain)/loss on obligations	(148)	(109)
(f) Present value of obligation as at March 31, 2016	513	1,496
(III) Amount recognised in the Balance Sheet		
(a) Present value of obligation as at March 31, 2016	513	1,496
(b) Fair Value of Plan Assets as at the year end	—	—
(c) (Asset) / Liability recognised in the Balance Sheet	513	1,496
(IV) Expenses recognised in the Statement of Profit and Loss		
(a) Current service cost	235	122
(b) Interest cost	22	117
(c) Expected Return on Plan Assets	—	—
(d) Settlement Cost/Credit	(68)	(261)
(e) Actuarial (gain)/loss recognised in period	(148)	(109)
(f) Total Expenses recognised in the Statement of Profit and Loss	41	(131)

Valuation in respect of Gratuity and Leave Encashment was carried out by independent actuary, as on 31st March, 2015, based on the following assumptions:

	Leave Encashment (Unfunded) (Rs. in lacs)	Gratuity (Unfunded) (Rs. in lacs)
(I) Assumptions		
(a) Discount Rate	7.90%	7.90%
(b) Rate of increase in Compensation Levels	5%	5%
(c) Rate of return of Plan Assets	N.A.	N.A.
(d) Expected Average remaining working lives of employees (in years)	6.50-17.79	6.50-17.79
(II) Change in the Present Value of Obligation		
(a) Present value of obligation as at April 1, 2014	434	1,575
(b) Interest cost	21	111
(c) Current service cost	180	120
(d) Benefit paid	(53)	(351)
(e) Actuarial (gain)/loss on obligations	(110)	172
(f) Present value of obligation as at March 31, 2015	472	1,627
(III) Amount recognised in the Balance Sheet		
(a) Present value of obligation as at March 31, 2015	472	1,627
(b) Fair Value of Plan Assets as at the year end	—	—
(c) (Asset) / Liability recognised in the Balance Sheet	472	1,627
(IV) Expenses recognised in the Statement of Profit and Loss		
(a) Current service cost	180	120
(b) Interest cost	21	111
(c) Expected Return on Plan Assets	—	—
(d) Settlement Cost/Credit	(53)	(351)
(e) Actuarial (gain)/loss recognised in period	(110)	172
(f) Total Expenses recognised in the Statement of Profit and Loss	38	52

39. Segment Reporting

i) Primary Segment Reporting (by Business Segments)

Composition of Business Segments

Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems. The Company's business segments are as under:

Beverages : Segment includes manufacturing and supply of Bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol and licensing use of its IMFL brands.

Food : Segment includes manufacturing and supplies of food products and providing services for manufacture of food products.

Others : Segment includes sale of Petroleum products and Khad . It also includes dividend from and profit on sale of investments.

ii) As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers.

iii) Inter Segment Pricing - At cost plus margin.

Information about Business Segment - Primary for the year 2015-16

(Rs. in lacs)

	Beverages	Food	Others	Total
REVENUE				
Sales (Net of Excise duty), Services and Other income	55,864	11,607	1,612	69,083
Inter Segment Sales	—	—	—	—
Unallocated Income	—	—	—	324
Total Revenue	55,864	11,607	1,612	69,407
RESULTS				
Segment Results (Refer Note vii below)	(1,133)	1,709	(141)	435
Unallocated expenditure				
Net of unallocated income				(3,201)
Interest Income				129
Interest Expense				(4,079)
Profit/(Loss) before exceptional items				(6,716)
Exceptional items				—
Profit/ (Loss) before tax				(6,716)
Less: Tax expense:				
Current Tax :				
- For the year				—
- MAT Credit Entitlement				—
Deferred Tax (benefit)/ charge				(151)
Profit/ (Loss) after tax				(6,565)
OTHER INFORMATION				
Segment Assets (Refer Note ii below)	44,317	10,344	73	54,734
Unallocated Assets				19,804
Total Assets				74,538
Segment Liabilities	18,792	1,618	2	20,412
Unallocated Liabilities				34,156
Total Liabilities				54,568
Capital Expenditure	227	278	—	505
Unallocated Capital Expenditure				76
Total Capital Expenditure				581
Depreciation	492	516	—	1,008
Unallocated Depreciation				263
Total				1,271
Non - cash expenditure other than depreciation	1,732	19	—	1,751
Unallocable Non Cash expenditure				212
Total				1,963

Information about Secondary Business Segments - Geographical by location of customers

(Rs. in lacs)

	Domestic	Overseas	Total
Revenues (Net of Excise Duty)	68,949	458	69,407
Other information:			
Carrying amount of segment assets by location of assets	74,538	—	74,538
Addition to Fixed Assets/Capital Work- in- Progress (including Capital Advances)	581	—	581

Information about Business Segment - Primary for the year 2014-15

(Rs. in lacs)

	Beverages	Food	Packaging	Others	Total
REVENUE					
Sales (Net of Excise duty), Services and Other income	69,775	10,880	55	2,155	82,865
Inter Segment Sales	—	—	—	—	—
Unallocated Income	—	—	—	—	383
Total Revenue	69,775	10,880	55	2,155	83,248
RESULTS					
Segment Results (Refer Note vii below)	56	810	(761)	35	140
Unallocated expenditure					
Net of unallocated income					(3,174)
Interest Income					616
Interest Expense					(3,166)
Profit/(Loss) before exceptional items					(5,584)
Exceptional items					—
Profit/ (Loss) before tax					(5,584)
Less: Tax expense:					
Current Tax :					
- For the year					—
- MAT Credit Entitlement					—
Deferred Tax (benefit)/ charge					(1,219)
Profit/ (Loss) after tax					(4,365)
OTHER INFORMATION					
Segment Assets (Refer Note ii below)	51,249	10,346	4,560	77	66,232
Unallocated Assets					15,480
Total Assets					81,712
Segment Liabilities	23,789	1,627	214	2	25,632
Unallocated Liabilities					29,256
Total Liabilities					54,888
Capital Expenditure	181	3,004	—	—	3,185
Unallocated Capital Expenditure					54
Total Capital Expenditure					3,239
Depreciation	535	454	—	—	989
Unallocated Depreciation					254
Total					1,243
Non - cash expenditure other than depreciation	1,017	10	253	—	1,280
Unallocable Non Cash expenditure					—
Total					1,280

Notes

Continued

Information about Secondary Business Segments - Geographical by location of customers (Rs. in lacs)

	Domestic	Overseas	Total
Revenues (Net of Excise Duty)	82,394	854	83,248
Other information:			
Carrying amount of segment assets by location of assets	81,712	—	81,712
Addition to Fixed Assets/Capital Work- in- Progress (including Capital Advances)	3,239	—	3,239

NOTES:

- The Company is focused on the segment of Beverages (including Liquor) in India. The commercial terms and conditions of Liquor sales being identical in India, there are no differential risks and return on the basis of such business segmentation. The Company's year to date export turnover being less than 1% of its total turnover (Previous year more than 1%), the commercial risks and returns involved on the basis of geographic segmentation are therefore considered insignificant and immaterial.
- Segment assets include Capital Work- in- Progress & Capital Advances aggregating to Rs.220 lacs (Previous year-Rs. 216 lacs). While most assets are directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis.
- Capital expenditure pertains to additions made to Fixed Assets/ Capital Work-in-Progress (including Capital Advances) during the year.
- Unallocated assets includes land, administration building and cash & bank balances etc. at Jagatjit Nagar.
- Unallocated liabilities include interest bearing liabilities and tax provisions and deferred tax liability.
- Non cash items includes bad debts, advances and stocks written off, provision for doubtful debts & advances and fixed assets written off.
- Sales Services and other Income of Beverages segment includes rental income (net) of Rs. 1,610 lacs (Previous year Rs. 1,617 lacs) from the surplus properties of the Company.
- The Packaging segment is not appearing this year as it does not satisfy the threshold limits stipulated in AS-17 issued by the Institute of Chartered Accountants of India (ICAI).
In the previous year that is F.Y. 2014-15, Packaging Segment included manufacturing and supplies of Glass to open market and for its captive consumption.

40. Related Party Disclosures

In accordance with the requirements of "Accounting Standard 18" issued by The Institute of Chartered Accountants of India on the Related Party Disclosures, the transactions and Related Parties with whom transactions have taken place during the year are as follows:

40.1 Related parties and transactions with them as identified by the management and relied upon by the Auditors are given below:

Subsidiary Companies
JIL Trading Pvt. Ltd.
S.R.K. Investments Pvt. Ltd
Sea Bird Securities Pvt. Ltd.
L.P. Investments Limited.

40.2 Enterprises over which Major shareholders, Key Management Personnel and their relatives have significant influence / control :

Milkfood Ltd.
Hyderabad Distilleries & Wineries Pvt. Ltd. (Associate)
Fast Buck Investments & Trading Pvt. Ltd.
Jagatjit Industries Limited Employees Superannuation Scheme
Pashupati Properties & Estates Pvt. Limited
Cube Corporation Pvt. Ltd.

40.3 Key Management Personnel and their relatives:

Mr. Narender Sapra (Managing Director)
Mr. Ravi Manchanda (Director)
Mrs. Nimmi Manchanda (Relative of Director)

40.4 Details of transactions carried out with the related parties in the ordinary course of business:

PARTICULARS OF TRANSACTIONS	For the Year ended March 31, 2016				For the Year ended March 31, 2015			
	With Persons Mentioned in Note 40.1	With Persons Mentioned in Note 40.2	With Persons Mentioned in Note 40.3	Total	With Persons Mentioned in Note 40.1	With Persons Mentioned in Note 40.2	With Persons Mentioned in Note 40.3	Total
	Sales of Goods (Refer Note 3 below.)	—	29	—	29	—	40	—
Royalty Received (Hyderabad Distilleries & Wineries Pvt. Ltd.)	—	4	—	4	—	9	—	9
Purchases of goods (Milkfood Limited)	—	—	—	—	—	14	—	14
Interest accrued (Refer Note 4 below)	—	6	—	6	—	6	—	6
Interest received on advance from L.P Investments Limited	—	—	—	—	449	—	—	449
Reimbursement of Payments Made on Behalf of Company (Refer Note 5 below)	11	49	—	60	4	81	—	85
Expenses paid by Company on Behalf of related party (Refer Note 6 below)	—	171	—	171	—	106	—	106
Rent received (Milkfood Limited)	—	4	—	4	—	4	—	4
Loans including interest repaid (Refer Note 7 below)	—	9	—	9	—	3	—	3
Managerial Remuneration including salary & reimbursement of expenses of Key Management Personnel (Refer Note 2 below)	—	—	150	150	—	—	587	587
Advance Given (Refer Note 8 below)	23	—	—	23	2	—	100	102
Refund of Advance Given (Refer Note 10 Below)	28	—	28	51	—	51	—	—
Bottling Charges paid (Hyderabad Distilleries & Wineries Pvt. Ltd.)	—	504	—	504	—	285	—	285
Redistillation Charges paid (Hyderabad Distilleries & Wineries Pvt. Ltd.)	—	65	—	65	—	—	—	—
Lease Rent paid (Refer Note 9 below)	—	67	—	67	—	147	8	155
Contribution to Superannuation Fund (Jagatjit Industries Limited Employees Superannuation Scheme)	—	7	—	7	—	79	—	79
BALANCES OUTSTANDING AT THE YEAR END								
Unsecured Advances (Note 11)	3,166	—	—	3,166	3,182	—	—	3,182
Payable (Net of Receivable)	—	(88)	—	(88)	—	102	—	102
Unsecured Loans (Including interest accrued)	—	74	—	74	—	77	—	77
Investments (Note 12)	1,023	137	—	1,160	1,023	38	—	1,061

Notes:

- The above information has been compiled on the basis of disclosures received from all directors of the Company.

- 2) Managerial Remuneration (These payments do not include expenses incurred by / reimbursed to directors during the course of performance of duties).
Mr. Narender Sapra (Managing Director) Rs.103 lacs (Previous year Rs. 101 lacs)
Mr. Ravi Manchanda (Director) Rs.47 lacs (Previous year Rs.45 lacs)
Key Management Persons and their relatives does not include the persons who were directors any time during the previous financial year but did not hold any position of director during the current financial year.
- 3) Sales of Goods (Refer Note 3 below.)
Milkfood Ltd. Rs. 8 lacs (Previous year Rs. Nil)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 21 lacs (Previous year Rs.40 lacs)
- 4) Interest Accrued is in respect of the following :
Fast Buck Investments & Trading Pvt. Ltd. Rs. 6 lacs (Previous year Rs. 6 lacs)
- 5) Reimbursement of Payments Made on behalf of the Company is in respect of the following :
Milkfood Ltd. Rs. 29 lacs (Previous year Rs. 71 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 20 lacs (Previous year Rs.10 lacs)
JIL Trading Pvt. Ltd. Rs 11 lacs (Previous Year Rs. 4 lacs)
- 6) Expenses paid by the Company on behalf of related parties is in respect of the following :
Milkfood Ltd. Rs. 14 lacs (Previous year Rs. 20 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 157 lacs (Previous year Rs. 86 lacs)
S. R. K. Investments Pvt. Ltd. Rs. Nil (Previous year Rs. 0)
L. P. Investments Pvt. Ltd. Rs Nil (Previous year Rs.0)
- 7) Loans including interest repaid is in respect of the following :
Fast Buck Investments & Trading Pvt. Ltd. Rs. 9 lacs (Previous year Rs. 3 lacs)
- 8) Advances Given
L.P. Investments Ltd. Rs. 14 lacs (Previous year Rs. Nil)
JIL Trading Pvt. Ltd.Rs.9 lacs (Previous year Rs. 2 lacs)
Relatives of Director Rs. Nil lac (Previous year Rs. 100 lacs)
- 9) Lease Rent paid
Pashupati Properties & Estates Pvt. Limited Rs. 12 lacs (Previous year Rs. 12 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 55 lacs (Previous year Rs. 135 lacs)
Mrs. Nimmi Manchanda Rs. Nil (Previous year Rs. 8 lacs)
- 10) Refund of Advance
L.P. Investments Ltd. Rs. 28 lacs (Previous year Rs. 51 lacs)
- 11) Unsecured Advances Outstanding
S.R.K. Investments Pvt. Ltd. Rs. 2,977 lacs (Previous year Rs. 2,977 lacs)
L.P. Investments Ltd. Rs. 185 lacs (Previous year Rs. 199 lacs)
JIL Trading Pvt. Ltd. Rs. 4 lacs (Previous year Rs. 6 lacs)
- 12) Investments
S.R.K. Investments Pvt. Ltd. Rs. 1 lacs (Previous year Rs. 1 lacs)
L.P. Investments Ltd. Rs. 1,020 lacs (Previous year Rs. 1,020 lacs)
JIL Trading Pvt. Ltd. Rs. 1 lacs (Previous year Rs. 1 lacs)
Sea Bird Securities Pvt. Ltd. Rs. 1 lacs (Previous year Rs. 1 lacs)
Cube Corporation Pvt. Ltd. Rs. 135 lacs (Previous year Rs. 36 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. (Associate) Rs. 2 lacs (Previous year Rs. 2 lacs)

41. Value of Imported/Indigenous Raw and Packing Materials, Stores and Spare Parts consumed:

	2015-16		2014-15	
	Value (Rs. in lacs)	%	Value (Rs.in lacs)	%
Raw and Packing Materials				
Imported	2,629	8.27	2,899	7.46
Indigenous	29,149	91.73	35,969	92.54
	<u>31,778</u>	<u>100.00</u>	<u>38,868</u>	<u>100.00</u>
Stores and Spare Parts				
Imported	4	0.11	1	0.02
Indigenous	3,575	99.89	4,474	99.98
	<u>3,579</u>	<u>100.00</u>	<u>4,475</u>	<u>100.00</u>

42. In the previous financial year, the Company has provided first time for depreciation adopting the useful lives of the assets (except for some plant and Machinery) as prescribed in Schedule II of the Companies Act, 2013. However some plants and machinery have been depreciated on the re-evaluated useful life assessed by the technical experts which are different from the useful life prescribed in Schedule - II read with the relevant provisions thereof. Had the Company continued with the previously assessed useful life, charge for depreciation and loss for the period ended 31st March, 2015 would have been higher by Rs.575 Lacs for the assets held as at 1st April, 2014. Further, based on transitional provisions provided in clause 7(b) of Schedule II of the Companies Act,2013, an amount of Rs.439 lacs (net of deferred tax assets Rs.196 lacs) representing the carrying value of those Assets which have become nil, has been charged to the retained earnings as at 1st April, 2014.
43. During the year, net profit amounting to Rs 324 lacs and (previous year Rs 375 lacs) has been earned by the Company from sale of its second industrial property situated In Block C, Sector 57, Noida, Gautam Budh Nagar (U.P).

Notes

Continued

44. The company has discontinued its operation for Packaging Division with effect from 1st April, 2014. The disclosures as required under Accounting Standard -24 are given below.

	For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
Revenue		
Miscellaneous Income	5	27
Interest		
-Fixed Deposits	—	16
Profit on Sale of Fixed Assets	323	375
Liabilities/provisions no longer required written back	5	28
Total Revenue	<u>333</u>	<u>446</u>
Expenses		
Changes in inventories of Finished Goods, Work-in-Process and Stock-in-Trade	—	51
Employee Benefits Expenses		
Salaries, Wages, Bonus and Gratuity	44	272
Contribution to Provident, Family Pension and Superannuation Funds	4	10
Employees' State Insurance	0	1
Staff Welfare Expenses	2	3
	<u>50</u>	<u>286</u>
Finance Cost		
On Fixed Loans	16	36
Others	0	1
	<u>16</u>	<u>37</u>
Other Expenses		
Manufacturing Expenses		
Power and Fuel	9	83
Administration and Selling Expenses		
Rates & Taxes	7	4
Insurance	4	11
Travelling Expenses	12	15
Other Repairs & Maintenance	35	57
Bad Debts, Advances and Stock written off	0	252
Loss on sale of Fixed Assets	26	6
Advertisement, Publicity and Sales Promotion	3	4
Legal & Professional Expenses	8	17
Miscellaneous Expenses	21	29
	<u>125</u>	<u>478</u>
Total Expenses	<u>191</u>	<u>852</u>
Profit/(Loss) for the year	<u>142</u>	<u>(406)</u>
Less: Tax Expense	<u>8</u>	<u>48</u>
Profit/(Loss) after Tax for the year	<u>134</u>	<u>(454)</u>
Total Assets	<u>1,454</u>	<u>1,193</u>
Total Liabilities	<u>190</u>	<u>355</u>
Cash Flow from discontinuing operations included in above		
- Operating activities	<u>(146)</u>	<u>(530)</u>
- Investing activities	<u>399</u>	<u>532</u>
- Financing activities	<u>(156)</u>	<u>(184)</u>

45. Previous year's figures have been regrouped / reclassified whenever necessary to correspond with the current year's classification/ disclosure.

Consolidated Financial Statements

Independent Auditors' Report

TO THE MEMBERS OF JAGATJIT INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Jagatjit Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiary companies together referred to as "the Group") and its one associate company, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its Associate 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. The respective Board of Directors of the companies included in the Group and its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. 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 consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

7. In the opinion of the management of Holding Company, Accounts Receivable & Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.
During the financial year ended 31st March 2016 confirmatory letters have been sent by the Holding Company to its sundry creditors, suppliers and sundry debtors requesting them to confirm and reconcile the account balances as on 31st March, 2016. A number of parties have not yet confirmed/reconciled the balances as on the date of signing of the financial statements.
Accordingly, Trade payables, Loans and Advances and balances appearing under Trade Receivables of the Holding Company are subject to reconciliation & confirmation. The financial impact of this is not ascertainable and to that extent we do not have any information in respect of such balances.

Qualified Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group and its associate company as at March 31, 2016;
 - (b) In the case of the Consolidated Statement of Profit and Loss, of the consolidated loss of the Group and its associate company for the year ended on that date;
 - (c) In the case of Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

Emphasis of Matter

9. Attention is invited to Note No. 30.1 (iv) of consolidated financial statements regarding Gas Sales Agreement with Gail (India) Limited, wherein there was non utilisation of RLNG for contract year 2014 and 2015. Against these, the Holding Company received demand from supplier aggregating to Rs. 7,015 lacs towards Annual Take or Pay Deficiency basis. The Holding Company has denied the liability in this regard to the supplier and the management is confident that there will be no material amount on resolution. In view of this, no effect of the same has been given in these accounts. The said amount has been considered as contingent liability. Our opinion is not qualified in respect of this matter.

Other Matter

10. We did not audit the financial statements of four subsidiary companies, whose financial statements reflect total assets of Rs. 3,078 Lakhs as at 31st March, 2016, total revenues of Rs. Nil and net cash outflows amounting to Rs. 31 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors. The consolidated financial statements also includes the Group's share of net loss of Rs. 10 Lakhs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of an associate company, whose financial statements have not been audited by us. The financial statements of the associate company has been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- Except for the matter described in the Basis of Qualified Opinion Paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - Except for the matter described in the Basis of Qualified Opinion Paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - Except for the matter described in the Basis of Qualified Opinion Paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - the matter described in the Basis for Qualified Opinion paragraph above, and the matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Holding Company;
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of such companies are disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Group and associate company, incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A; and
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate company – Refer Note 30 to the consolidated financial statements.
 - The Group and its associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate company incorporated in India.

Nitin Chaudhry
Partner

Membership No. F 91463
For and on behalf of
Mittal Chaudhry & Co.
Chartered Accountants

Place : New Delhi
Date : 2nd September, 2016

Firm Registration No. 002336N

Consolidated Financial Statements

Independent Auditors' Report



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 11(h) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Jagatjit Industries Limited on the financial statements for the year ended March 31, 2016)

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

In conjunction with our audit of the consolidated financial statements of Jagatjit Industries Limited as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Jagatjit Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its one associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding 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.

Emphasis of Matter

We would draw attention to matters disclosed in Paragraphs under 'Basis for Qualified Opinion', which could indicate possible lapses in internal financial controls system.

Our opinion under Clause (i) of Sub-section 3 of Section 143 of the Act is not qualified in respect of this matter.

Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to four subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Place : New Delhi
Date : 2nd September, 2016

Nitin Chaudhry
Partner
Membership No. F 91463
For and on behalf of
Mittal Chaudhry & Co.
Chartered Accountants
Firm Registration No. 002336N

Consolidated Balance Sheet

as at 31st March, 2016



	Note	As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	4,615	4,615
Reserves and Surplus	3	15,596	22,462
Non-Current Liabilities			
Long Term Borrowings	4	14,983	11,522
Deferred Tax Liabilities (Net)	5	633	784
Other Long Term Liabilities	6	258	1,946
Long Term Provisions	7	1,983	2,099
Current Liabilities			
Short Term Borrowings	8	10,397	11,190
Trade Payables	9		
Total outstanding dues of micro and small enterprises		105	180
Total outstanding dues of Creditors other than micro and		12,287	15,007
Other Current Liabilities	10	13,559	11,795
Short Term Provisions	11	452	454
TOTAL		74,868	82,054
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	28,642	29,674
Intangible Assets	12	1,259	1,262
Capital Work-in-Progress		49	55
Non-current investments	13	503	415
Long-Term Loans and Advances	14	3,996	4,046
Other Non-Current Assets	15	1,879	2,122
Current Assets			
Current Investments	16	15	33
Inventories	17	10,353	11,385
Trade Receivables	18	18,811	23,525
Cash and Bank Balances	19	1,053	926
Short-Term Loans and Advances	20	4,290	4,504
Other Current Assets	21	4,018	4,107
TOTAL		74,868	82,054
Significant Accounting Policies	1		

This is the Consolidated Balance Sheet referred to in our report of even date

The Notes referred to above form an integral part of the Consolidated financial statements

For and on behalf of
MITTAL CHAUDHRY & CO.
Chartered Accountants
Firm Registration No.002336N

Nitin Chaudhry

Partner

Membership No. F 91463

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer

Narender Sapra - Managing Director

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2016

			For the year Ended March 31, 2016 (Rs. in lacs)	For the year Ended March 31, 2015 (Rs. in lacs)
INCOME	Revenue from Operations (Gross)	22	114,951	123,992
	Less: Excise Duty		<u>46,148</u>	<u>40,850</u>
	Revenue from Operations (Net)		68,803	83,142
	Other Income	23	<u>400</u>	<u>352</u>
	Total Revenue		<u>69,203</u>	<u>83,494</u>
EXPENSES	Cost of Materials Consumed	24	31,778	38,868
	Purchases of Stock-in-Trade	25	2,219	4,750
	Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	26	597	191
	Employee Benefits Expense	27	7,129	7,733
	Finance Costs	28	4,063	3,133
	Depreciation and Amortisation Expense	32	1,271	1,243
	Other Expenses	29	<u>29,005</u>	<u>32,696</u>
	Total Expenses		<u>76,062</u>	<u>88,612</u>
	Profit/(Loss) before tax		<u>(6,859)</u>	<u>(5,118)</u>
	Less: Tax Expenses			
	Current tax :			
	- For the year		-	12
	- MAT Credit Entitlement		-	(10)
	Deferred Tax (benefit)/charge	5	<u>(159)</u>	<u>(1,267)</u>
			<u>(159)</u>	<u>(1,265)</u>
	Profit/(Loss) from Continuing Operations (after Tax)		<u>(6,700)</u>	<u>(3,853)</u>
	Less :- Share of Profit / (Loss) of Minority		(0)	1
	Add :- Share in Associate's Profit / (Loss) after tax		<u>(10)</u>	<u>0</u>
	Profit / (Loss) for the year after share of Associate & Minority interest for the year		<u>(6,710)</u>	<u>(3,852)</u>
	Discontinuing Operations			
	Profit / (Loss) from Discontinuing Operations	43	142	(406)
	Tax Expense from Discontinuing Operations		<u>8</u>	<u>48</u>
	Profit / (Loss) after tax from Discontinuing Operations		<u>134</u>	<u>(454)</u>
	Profit/(Loss) for the year after share of Associates & Minority interest for the year		<u>(6,576)</u>	<u>(4,306)</u>
	Earnings per Equity Share			
	Earnings per Share (Basic and Diluted) (Continuing operations) (Face Value of Rs. 10 each)	37	(15.37)	(8.83)
	Earnings per Share (Basic and Diluted) (Face Value of Rs. 10 each)	37	(15.07)	(9.87)
	Significant Accounting Policies	1		

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

The Notes referred to above form an integral part of the Consolidated financial statements

For and on behalf of
MITTAL CHAUDHRY & CO.
Chartered Accountants
Firm Registration No.002336N
Nitin Chaudhry
Partner
Membership No. F 91463

Narender Sapra - Managing Director

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Consolidated Cash Flow Statement

for the year ended 31st March, 2016



	2016 (Rs. in lacs)	2015 (Rs. in lacs)
A. Cash Flow from Operating Activities:		
Net Profit/(Loss) before tax	(6,717)	(5,525)
Adjustments for:		
Depreciation	1,271	1,243
Interest Expense	4,079	3,166
Interest Income	(129)	(616)
(Profit)/Loss on Fixed Assets sold (net)	(337)	(413)
Profit on sale of Investment in shares	-	(515)
Profit on redemption of shares	-	(7)
Dividend Received	-	(4)
Fixed Assets written off	-	4
Debts / Advances/Stock written off	742	259
Provision for Bad & Doubtful Debts and Advances	1,209	1,010
Provision for inventory for obsolete/damaged stock	11	7
Liability no longer required written back	(146)	(142)
Provision for Gratuity & Leave Encashment	(90)	90
Unrealised Foreign Exchange (gain)/loss (net)	(6)	1
Operating Profit before Working Capital Changes	(113)	(1,442)
Adjustments for changes in Working Capital :		
(Increase)/ Decrease in Trade Receivables	3,598	(2,012)
(Increase)/ Decrease in Short Term Loans & Advances	(203)	(157)
(Increase)/ Decrease in Long Term Loans & Advances	5	61
(Increase)/ Decrease in Other Current Assets	(109)	(189)
(Increase)/ Decrease in Inventories	294	43
Increase/ (Decrease) in Trade Payables	(2,595)	1,598
Increase/(Decrease) in other current liabilities	2,263	1,457
Increase/(Decrease) in Other Long Term Liabilities	(1,688)	1,098
Increase/(Decrease) in Long Term Provisions	-	(78)
Increase/(Decrease) in Short Term Provisions	(28)	1
Cash generated from operations	1,424	380
Taxes (Paid)/ Received (Net of TDS)	439	254
Net Cash from/ (used) Operating Activities	1863	635
B. Cash flow from Investing Activities:		
Purchase of Fixed Assets including Capital Work- in -Progress and Capital advances	(630)	(3,172)
Proceeds from Sale of Fixed Assets	592	538
Purchase of investments	(99)	(20)
Sale of investments	18	590
Dividend Received	-	4
Interest Received (Revenue)	74	562
Release/(Addition) of Cash (from)/for restrictive use	219	(759)
Net Cash from Investing Activities	174	(2,257)
C. Cash Flow from Financing Activities:		
Proceeds from short term Borrowings (Net)	(793)	3,351
Proceeds from long term Borrowings (Net)	3,299	1,279
Interest Paid	(4,416)	(3,139)
Net cash used in Financing Activities	(1,910)	1,491
Net Increase/ (Decrease) in Cash & Bank Balances	127	(131)
Cash and Cash equivalents at the beginning of the year	907	1,043
Other Bank Balance at the beginning of the year	19	14
Cash and Cash equivalents at the end of the year	1,034	907
Fixed Deposits with Banks	2	2
Margin Money Account	17	17
Cash and Bank Balances at the end of the year	1,053	926
Cash and Bank Balances Comprise		
Cash, Cheques & Drafts (in hand) and Remittances in transit	202	133
Balance with Scheduled Banks	851	793
	<u>1,053</u>	<u>926</u>
Cash and Cash Bank Balances Include :		
Cash and Bank Balances	1,053	926
Unrealised gain on foreign currency	-	-
Total Cash and Cash Equivalents	<u>1,053</u>	<u>926</u>
Cash flow from Discontinuing Operation included above in		
- Operating Activities	(146)	(530)
- Investing Activities	399	532
- Financing Activities	(156)	(184)

Notes :-

- The aforesaid Cash Flow Statement has been prepared under the "Indirect Method" and in accordance with Accounting Standard (AS)-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Fixed Deposits with banks having maturity period of more than one year (including those pledged with statutory authorities) have been disclosed in other non current assets (Note 15) and do not form part of cash and bank balances.
- Figures in brackets indicate cash outgo.
- Previous year's figures have been regrouped and recast wherever necessary to conform to the current year.

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

Significant Accounting Policies and Notes to Accounts form an integral part of the financial statements

Nitin Chaudhry

Partner
Membership No. F 91463
For and on behalf of
MITTAL CHAUDHRY & CO.
Chartered Accountants
Firm Registration No.002336N

Narender Sapra - Managing Director

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

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Chief Financial Officer

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

Directors

Notes on Consolidated

Financial Statements for the year ended 31st March, 2015

1 SIGNIFICANT ACCOUNTING POLICIES:

1.1. A) BASIS FOR PREPARATION OF ACCOUNTS

The consolidated financial statements of Jagatjit Industries Limited (the Company) and its subsidiaries and associate (together referred to as 'the Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on accrual basis under the historical cost convention, except for certain tangible assets which are being carried at revalued amounts.

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

B) BASIS OF CONSOLIDATION

The Financial Statements of the subsidiaries and associates used in the consolidation are drawn up to the same reporting date as that of the parent company i.e. year ended March 31,2016.

C) PRINCIPLES OF CONSOLIDATION

- i) The financial statements of the parent company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenditure after eliminating intra group balances and intra group transactions.
- ii) The financial statements of the parent company, its subsidiaries and associates have been consolidated using uniform accounting policies for like transactions and other events.
- iii) The consolidated financial statements include the share of profit of the associate company which has been accounted for using equity method as per Accounting Standard 23-Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit /loss from the associate company has been added / deducted to the cost of Investments.
- iv) Goodwill represents the difference between the company's share in the networth and cost of acquisition of subsidiary at each stage of acquisition of investment. Goodwill arising on consolidation is not amortised but is tested for impairment on annual basis.
- v) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit / loss after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

1.2. USE OF ESTIMATES

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3. FIXED ASSETS

a) Tangible:

Fixed Assets are stated at cost of acquisition / revalued amounts less accumulated depreciation. Cost of acquisition includes taxes, duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date.

Spares that can be used only with particular items of plant and machinery and such usage is expected to be irregular are capitalised.

b) Intangible:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

1.4. DEPRECIATION / AMORTISATION

a) Tangible:

Principal Straight Line Method (SLM) rates, in the manner prescribed by Schedule II of the Companies Act, 2013, have been adopted for the purpose of calculation of depreciation except for the amount added on revaluation of certain assets which are depreciated on the estimate provided by the valuer of the remaining useful life of such assets. Leasehold land is amortised over the period of lease. Depreciation on the assets which have been impaired is provided on the basis stated in note 1.5 below. In respect of following assets, where useful life is different than those prescribed in schedule II are used:-

Particulars	Depreciation
Boiler No-5	Over its useful life as technically assessed (35 Years)
Turbine 7 MW	Over its useful life as technically assessed (35 Years)
Evaporator Spent Wash	Over its useful life as technically assessed (35 Years)

b) Intangible:

Intangible assets are amortised on a straight line basis over their estimated useful lives and have been amortised @ 10% per annum.

1.5. IMPAIRMENT OF ASSETS

All assets other than inventories, investments and deferred tax assets, are reviewed for impairment, in accordance with Accounting Standard (AS 28), "Impairment of assets", issued by the Institute of Chartered Accountants of India, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss shall be increased or reversed depending on changes in circumstances. However the carrying amount after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.6. INVESTMENTS

Long Term Investments are stated at cost and provision for diminution is made to recognise a decline, other than temporary, in the value of investments. Current Investments are stated at lower of cost and fair value.

1.7. INVENTORIES

Inventories are valued at the lower of cost (inclusive of excise duty, as applicable) or net realisable value. Cost is determined on a weighted average basis and it includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.8. INCOME

- a) Sale is recognised on dispatches made from respective locations of the Company and is inclusive of excise duty on sales wherever payable by the Company. Sales include goods sold by contract manufacturers on behalf of the Company, since risk and reward belongs to the company in accordance with the terms of the relevant contract manufacturing agreements.
- b) Revenue from job work is recognised on the completion of a relevant job.
- c) Interest on Income Tax refunds, Insurance claims, Export benefits and Other refunds are accounted for as and when amounts receivable can be reasonably determined as being acceptable to authorities. Royalty income is accounted on an accrual basis in accordance with terms specified in the relevant agreements.

1.9. CASH AND CASH EQUIVALENTS:

Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is three months or less.

1.10. EMPLOYEE BENEFITS

- (i) Gratuity and leave encashment which are defined benefits, are accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary.
- (ii) Contributions payable to the Government provident fund and approved superannuation fund which are defined contribution schemes, are charged to Profit and Loss account.
- (iii) Long term compensated absences are provided for based on actuarial valuation carried by an actuary as at the end of the year.
- (iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

1.11. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at the date of the balance sheet. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the statement of Profit and Loss.

1.12. BORROWING COSTS

Borrowing costs attributable to the acquisition and/ or construction of qualifying assets are capitalised as a part of the cost of such assets, upto the date when such assets are ready for their intended use. Other Borrowing costs are charged to Statement of Profit and Loss.

1.13. LEASE ACCOUNTING

Operating Lease payments are recognized as an expense in the Profit and Loss Account on straight-line basis over the lease term.

1.14. TAXATION

Tax expense/ earning is the aggregate of current tax and deferred tax charged/ credited to Profit and Loss Account for the year. Current tax is the amount of tax payable in respect of taxable income for the year and measured by using the applicable tax rates and laws. Deferred tax assets and liabilities are recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized subject to the consideration of prudence and to the extent there is reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

1.15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recognised nor disclosed.

1.16. EARNINGS PER SHARE

The basic and dilutive earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares.

1.17. SEGMENT ACCOUNTING POLICIES

- a) Segment assets and liabilities:
All Segment assets and liabilities are directly attributable to the segment.
Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include inter-corporate deposits, share capital, reserves and surplus, borrowings, and income tax (both current and deferred).
- b) Segment revenue and expenses:
Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.
Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

Notes on Consolidated

Continued

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
2. SHARE CAPITAL	2.1 AUTHORISED CAPITAL		
	75,000,000 (Previous year—75,000,000) Equity Shares of Rs.10 each	7,500	7,500
	2.2 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
	46,148,112 (Previous year-46,148,112) Equity Shares of Rs.10 each fully paid up.	4,615	4,615
	2.3 DETAIL OF EQUITY SHARES ISSUED	No. of Shares	No. of Shares
	Original issue of Equity Shares	500,000	500,000
	Less : Equity Shares Forfeited due to non payment of calls	170,492	170,492
		329,508	329,508
	Add : Forfeited Equity Shares issued to existing share holders on pro-rata basis at Rs.2.50 per share	169,737	169,737
		499,245	499,245
	Add: Total Bonus Equity Shares issued from 1970 to 1994-95	23,732,979	23,732,979
	Add : GDR issue (Note 2.6 b)	25,210,000	25,210,000
	Add : Preferential allotment (Note 2.6 c)	2,500,000	2,500,000
	Less : Shares repurchased (Buy- Back)	5,794,112	5,794,112
	Total	46,148,112	46,148,112
	2.4 RECONCILIATION OF NUMBER OF SHARES & SHARE CAPITAL		
	Equity Shares	As on 31.03.2016	As on 31.03.2015
		No. of Equity Shares	No. of Equity Shares
		Rs. in lacs	Rs. in lacs
	At the beginning of the year	46,148,112	46,148,112
	Add : Issued during the year	-	-
	Less : Bought Back during the year	-	-
	Outstanding at the end of the year	46,148,112	46,148,112
	2.5 DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% EQUITY SHARES OF THE COMPANY #		
	Name of the Shareholders	As on 31.03.2016	As on 31.03.2015
		No. of Equity Shares	No. of Equity Shares
		Percentage holding	Percentage holding
	Equity Shares of Rs. 10/-each fully paid up held by:		
	a) The Bank of New York (the Depository) (Note 2.6 b)	25,210,000	25,210,000
	b) LPJ Holdings Pvt. Ltd.	7,418,648	7,418,648
	c) LPJ Holdings Pvt. Ltd. (Note 2.6 c)	2,500,000	2,500,000
	# As per the records of the Company, including its register of members.		
	2.7 TERMS/RIGHTS ATTACHED TO EQUITY SHARES		
	a) 18,438,112 shares referred to as equity shares are having face value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and dividend, if declared.		
	b) 25,210,000 underlying Equity Shares of Rs.10/- each fully paid up ranking pari-passu with existing shares were issued in the name of the Depository, The Bank of New York, representing the Global Depository Receipt (GDR) issue. GDRs do not carry any voting rights until they are converted into underlying equity shares.		
	c) 2,500,000 Equity Shares of Rs 10/- each are held by LPJ Holdings Pvt. Ltd., fully paid up at a premium of Rs 20/- per share, as a special series with differential rights to dividend and voting, were issued during the financial year 2004-05. These shares have no right to the dividend and each share carries twenty voting rights per share as compared to one voting right per existing equity share and were under the lock-in-period of three years from the date of allotment.		
	d) The holders of all the above equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in event of liquidation of the Company.		

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
3. RESERVES AND SURPLUS	Capital Reserve		
	Surplus on forfeited shares sold	0	0
	Capital Redemption Reserve		
	As per last Balance Sheet	580	580
	Revaluation Reserve		
	Revaluation Reserve as at the beginning of the year	11,748	11,985
	Less : Adjusted during the year	102	34
	Less : Transferred to Statement of Profit & Loss	187	203
	Closing balance	<u>11,459</u>	<u>11,748</u>
	Securities Premium Reserve		
	As per last Balance Sheet	3,697	3,697
	Closing balance	<u>3,697</u>	<u>3,697</u>
	General Reserve		
	As per last Balance Sheet	2,136	2,575
	Less : Transition Provision of depreciation*	-	439
Closing balance	<u>2,136</u>	<u>2,136</u>	
Surplus /(Deficit) as per Statement of Profit & Loss			
As per last Balance Sheet	4,304	8,612	
Add: Profit/(Loss) for the year	(6,576)	(4,308)	
	<u>(2,272)</u>	<u>4,304</u>	
Less: Minority Interest	<u>3</u>	<u>3</u>	
Closing balance	<u>(2,275)</u>	<u>4,301</u>	
TOTAL	<u>15,596</u>	<u>22,462</u>	
*This is on account of transitional provision of depreciation as per Schedule II of Companies Act, 2013 adjusted with W.D.V of Fixed Assets as on 01.04.2014. (Refer Note-41)			
4. LONG TERM BORROWINGS	Secured		
	From Banks		
	- Term Loan	13,905	9,827
	- Car Loans	93	14
	From others		
	- Car Loans	182	-
		<u>14,180</u>	<u>9,841</u>
	Unsecured		
	Fixed Deposits	661	897
	Fixed Deposits guaranteed by Directors	-	642
	Loans and advances from related parties	142	142
		<u>803</u>	<u>1,681</u>
	TOTAL	<u>14,983</u>	<u>11,522</u>

4.1 Nature of Security and terms of repayment for Long Term Secured Borrowings:

Nature of Security	Terms of Repayment
i. Term Loan amounting to Rs.93 lacs (Previous year Rs. 467 lacs) for installation of Water Pollution Control Equipments is secured by all the machineries and accessories including Civil work related to aforementioned equipments installed at its works at Jagatjit Nagar, Distt Kapurthala.	Repayable in 28 equal quarterly installments commencing from September, 2009. Last installment Due in June, 2016. Rate of Interest 13.65% p.a.(Previous year 14.00% p.a.) as at year end.
ii. Term Loan amounting to Rs. 30 lacs (Previous year Rs.168 lacs) for machinery (IS machine) is secured by all the machineries and accessories including civil work related to the aforementioned machinery installed at its works at Site IV , Plot No.17 Sahibabad Industrial Area Sahibabad (U.P).	Repayable in 20 equal quarterly installments commencing from September, 2011. Last installment due on July, 2016 Rate of interest 13.65% p.a (Previous year 14.00% p.a) as at year end.

Notes on Consolidated

Continued

- | | | |
|------|---|---|
| iii | Term Loan amounting to Rs.688 lacs (Previous year Rs. 1,112 lacs) for Boiler is secured by all the machineries and accessories including civil work related to the aforementioned machineries installed at its works at Jagatjit Nagar, Distt Kapurthala. | Repayable in 20 equal quarterly installments commencing from April, 2013. Last installment due on January, 2018. Rate of interest 12.65% p.a (Previous year 13.20% p.a) as at year end. |
| iv. | Term Loan amounting to Rs.232 lacs (Previous year Rs. 348 lacs) for turbine is secured by all the machineries and accessories including civil work related to turbine installed at its works at Jagatjit Nagar, Distt Kapurthala. | Repayable in 60 equal monthly installments commencing from April, 2013. Last installment due on March, 2018. Rate of interest 13.65% p.a. (Previous year 14.00% p.a) as at year end. |
| v | Term Loan amounting to Rs.Nil (Previous year Rs.5,759 lacs) is secured against lease rent receivables of leased space at Plot No. 78 Institutional area, Sector-18, Gurgaon, Haryana and 9th and 10th floor, Ashoka Estate, 24 Barakhamba Road, New Delhi for purpose of Working Capital needs of the company | Repayable in 88 structured monthly installments commencing from June, 2013. Last installment due on Sept. 2020. Rate of interest 11.65% p.a. (Previous year 12.00% p.a.) as at year end. |
| vi | Term Loan amounting to Rs.1,829 lacs (Previous year Rs. 2,016 lacs) for expansion of Malted Milkfood Plants secured against exclusive first charge on plant & machinery of the new Malted Milkfood Plant and country liquor plant including instrumentation etc. at its works at Jagatjit Nagar, Distt Kapurthala | Repayable in 60 monthly equal installments commencing from June, 2015. Last installment due on May, 2021. Rate of interest 13.65% p.a. (Previous year 13.25% p.a) as at year end. |
| vii | Term Loan amounting to Rs.6,533 lacs (Previous year Rs. 3,700 lacs) for General Corporate Purpose is secured by Exclusive charge by way of mortgage on Land & Building situated at Village Hamira, Distt Kapurthala and Escrow on Proceeds received from M/s. Galxo Smithkline and lien on Fixed Deposit in favour of IFCI. | Repayable in 18 structured quarterly installments commencing from August 2015 . Last installment due on November, 2019. Rate of interest 14.50% p.a. (Previous year 15% p.a.) as at year end. |
| viii | Term Loan amounting to Rs.7,908 lacs (Previous year Rs.Nil) is secured against lease rent receivables of leased space at Plot No. 78 Institutional area, Sector-18, Gurgaon, Haryana and 9th and 10th floor, Ashoka Estate, 24 Barakhamba Road, New Delhi for purpose of working Capital needs of the company | Repayable in 120 structured monthly installments commencing from April 2015 . Last installment due on March , 2025. Rate of interest 11.65% p.a. (Previous year Nil) as at year end. |
| ix | Car Loans are secured by hypothecation of the related cars. | Repayable in 36-60 equal monthly installments. Rate of interest 8.25% to 11.25% p.a. |

4.2 Terms of repayment for Long Term Unsecured Borrowings:

- | | | |
|------|---|--|
| i. | Unsecured Inter Corporate deposit Rs.59 lacs (Previous year Rs.59 lacs) from related party (Fast Buck Investment and Trading Pvt. Ltd). | Rate of Interest 8% on Rs. 24 lacs and 12% on Rs 35 lacs; Previous year 8% on Rs 24 lacs and 12% on Rs. 35 lacs. |
| ii. | Unsecured Inter Corporate deposit Rs. 83 lacs (Previous year Rs. 83 lacs) from related parties (Hybrid Holdings Pvt. Ltd. and Hyderabad Distilleries & Wineries Pvt. Ltd.). | Rate of interest Nil (Previous year Nil) |
| iii. | Unsecured loan of Rs. 0 lacs (Previous year Rs. 0 lacs) from director. | Rate of interest Nil (Previous year Nil) |

Note: Installments falling due in respect of all the above loans up to 31.3.2017 have been grouped under "Current maturity of long-term debt" (Refer Note 10).

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
5.	DEFERRED TAX LIABILITY (NET)		
	Deferred Tax Liability		
	Depreciation on Fixed Assets	2,246	2,083
	Total Deferred Tax Liabilities (A)	2,246	2,083
	Statutory Liabilities	174	161
	Employee Retirement Benefits	620	649
	Provision for Bad Debts	819	489
	Total Deferred Tax Assets (B)	1,613	1,299
	Net Deferred Tax liabilities (A-B)	633	784
	Deferred Tax benefit/(expense) for the year	151	*1415
	*This includes Amount Rs. 196 lacs on account of transitional provision of depreciation as per Schedule II of Companies Act, 2013		
	The deferred tax asset arising on carried forward losses and unabsorbed depreciation is not being recognized as a matter of prudence as their recoverability cannot be commented on a virtual certainty basis.		
6.	OTHER LONG TERM LIABILITIES		
	Security Deposits	258	1,946
	TOTAL	258	1,946
7.	LONG TERM PROVISIONS		
	Provision for employee benefits		
	- Gratuity	1,275	1,354
	- Compensated Absences	282	319
	Provisions for Litigations		
	- Service Tax	402	402
	- Sales Tax	24	24
	TOTAL	1,983	2,099
8.	SHORT TERM BORROWINGS		
	Secured		
	- Working Capital Loans from Banks (Refer Note 8.1)	5,769	7,569
	Unsecured		
	- Fixed Deposits (Refer Note 8.2)	500	2,892
	- Fixed Deposits guaranteed by Directors	628	729
	- Working Capital Loans from Banks (Refer Note 8.3)	3,500	-
	TOTAL	10,397	11,190
	8.1. Cash credit limits are part of working capital facilities availed from consortium of banks. These consortium limits are secured by first pari passu charge on stock and book debts.		
	8.2. The Company continued acceptance of deposits from the members only upto 10% of the paid up capital, free reserves and securities premium account upto 30th September 2015 during the financial year 2015-16.		
	8.3. This working capital loan is secured by fixed deposits furnished by third party to bank.		
9.	TRADE PAYABLES		
	Micro, Small and Medium Enterprises	105	180
	Others	12,287	15,007
	TOTAL	12,392	15,187
	9.1 This information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		
	Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006	As at March 31, 2016	As at March 31, 2015
	I The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
	- Principal Amount Unpaid	105	180
	- Interest due	7	8

Notes on Consolidated

Continued

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
II	The amount of interest paid by the buyer in term of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to suppliers beyond the appointed day during the year		
	- Payment made beyond the Appointed date	367	520
	- Interest paid beyond the Appointed date	-	-
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	18	28
IV	The amount of interest accrued and remaining unpaid at the end of the year	184	166
10. OTHER CURRENT LIABILITIES	Current maturities of long-term debt (Refer Note 10.1)	3,620	3,782
	Advances from Customers	638	891
	Unclaimed matured deposits (Refer Note 35)	163	124
	Interest accrued but not due	279	658
	Interest accrued and due	248	206
	Due to Directors	-	6
	Security Deposits	4,307	436
	Employee Benefits	904	965
	Statutory Liabilities	2,135	3,512
	Other Liabilities	1,265	1,215
	TOTAL	13,559	11,795
	10.1. This includes Car Loans secured by hypothecation of related cars amounting to Rs. 212 lacs (Previous Rs. 39 lacs)		
11. SHORT TERM PROVISIONS	Provision for employee benefits		
	- Gratuity	221	273
	- Compensated Absences	231	153
	Wealth Tax	-	28
	TOTAL	452	454

12. Fixed Assets

(Rs. in lacs)

	GROSS BLOCK-COST OR REVALUED VALUE					DEPRECIATION					NET BLOCK	
	As at April 1, 2015	Added on Revaluation	Additions	Deletion/ Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year	Impact of Transition to Schedule II of the Companies Act, 2013 (Refer Note-41)	Deletion/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
(i) Tangible Assets												
Land												
— Free Hold	4,276	-	-	-	4,276	-	-	-	-	-	4,276	4,276
— Lease Hold	286	-	-	-	286	56	3	-	-	59	227	230
Buildings	19,889	-	88	-	19,977	6,131	385	-	-	6,516	13,461	13,758
Plant & Machinery	30,700	-	362	1,381	29,681	20,602	722	-	1,380	19,944	9,737	10,098
Furniture & Fixtures	803	-	39	-	842	613	47	-	-	660	182	190
Vehicles-Owned	2,092	-	44	524	1,612	1,118	228	-	371	975	637	974
Office Equipments	983	-	44	7	1,020	835	70	-	7	898	122	148
Total Tangible Assets	59,029	-	577	1,912	57,694	29,355	1,455*	-	1,758	29,052	28,642	29,674
Previous Year	65,924	-	3,719	10614**	59,029	33,761	1,443*	635	6,484**	29,355		
(ii) Intangible Assets												
Goodwill	1249	-	-	-	1,249	-	-	-	-	-	1,249	1249
Patents, Trade Marks	29	-	-	-	29	16	3	-	-	19	10	13
Total Intangible Assets	1,278	-	-	-	1,278	16	3*	-	-	19	1,259	1,262
Previous Year	1,278	-	-	-	1,278	13	3*	-	-	16		

*Please refer Note 32

**Deletion/Adjustment include tangible assets retired from active use held for sale of the Glass Unit at Sahibabad (U.P) shown under 'Other Current Assets' (Refer Note-21) during financial year 2014-15 : gross block Rs. 10,311 lacs, accumulated depreciation Rs.6,365 lacs and net block Rs. 3,946 lacs.

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
13	NON CURRENT INVESTMENTS		
	TRADE INVESTMENTS		
	IN EQUITY SHARES		
	UNQUOTED		
	IN ASSOCIATES		
	Hyderabad Distilleries & Wineries Pvt. Ltd.		
	3,150 (Previous year-3,150) shares of Rs. 100 each fully paid	3	3
	Cost of acquisition		
	Add :- Group share of Profit/(Loss) up to 31.03.2016	193	204
		<u>196</u>	<u>207</u>
	OTHER-INVESTMENTS		
	IN EQUITY SHARES		
	QUOTED		
	Mohan Meakin Limited		
	281,961(Previous year-281,961) shares of Rs.5 each fully paid.	84	84
	Milkfood Limited		
	1,350 (Previous year-1,350) Shares of Rs .10 Each Fully paid	0	0
	Punjab National Bank Limited		
	4,965 (Previous year -4,965) shares of Rs.2 each fully paid (Previous year Rs. 10 each fully paid)	4	4
	75 Equity shares (March 31,2015 : 75) of Re.10 each held in Arlem Breweries Limited	0	0
	35 Equity shares (March 31,2015:35) of Rs.10 each held in Ceat Limited	0	0
	249 Equity shares (March 31,2015:249) of Rs.10 each held in Dalmia Industries Limited	0	0
	100 Equity shares (March 31,2015:100) of Rs. 10 each held in Electronics Limited	0	0
	4 Equity shares (March 31,2015:4) of Rs. 10 each held in GlaxoSmithKline	0	0
	65 Equity shares (March 31,2015:65) of Rs.10 each held in Haryana Breweries Limited	0	0
	10 Equity shares (March 31,2015:10) of Rs.10 each held in Hindustan Unilever Limited	0	0
	100 Equity shares (March 31,2015:100) of Rs.10 each held in Indage Vintners Limited	0	0
	1,075 Equity shares (March 31,2015:1,075) of Rs.10 each held in J.K.Satoh Agricultural Machine Limited	0	0
	200 Equity shares (March 31,2015:200) of Rs.10 each held in Jupiter Breweries Limited	0	0
	50 Equity shares (March 31,2015:50) of Rs.10 each held in Kothari Industrial Corporation Limited	0	0
	100 Equity shares (March 31,2015:100) of Rs. 10 each held in Lazard Credit-Capital Limited	0	0
	120 Equity shares (March 31,2015:120) of Rs.10 each held in Metal Box (India) Limited	0	0
	122 Equity shares (March 31,2015:122) of Rs. 10 each held in Modi Industries Limited	0	0
	100 Equity shares (March 31,2015:100) of Rs. 5 each held in Mohan Meakin Limited	0	0
	4 Equity shares (March 31,2015:4) of Rs. 10 each held in Nestle India Limited	0	0
	100 Equity shares (March 31,2015:100) of Rs.10 each held in Pampasar Distillery Limited	0	0
	137 Equity shares (March 31,2015:137) of Rs.10 each held in Poysha Industrial Co. Limited	0	0
	10 Equity shares (March 31,2015:10) of Rs. 2 each held in Radico Khaitan Limited	0	0
	80 Equity shares (March 31,2015:80) of Rs.10 each held in Rampur Fertilizers Limited	0	0
	10,000 Equity shares (March 31,2015:10,000) of Rs. 10 each held in Rodal Circaprint Electronics Limited	1	1
	12 Equity shares (March 31,2015:12) of Rs.100 each held in Shreno Limited	0	0
	500 Equity shares (March 31,2015:500) of Rs.10 each held in Sirmour-Sudburg Auto Limited	0	0
	103 Equity shares (March 31,2015:103) of Rs. 10 each held in SAB Miller India Ltd	0	0
	2,500 Equity shares (March 31,2015:2,500) of Rs. 10 each held in Taurus The Starshare	0	0
	140 Equity shares (March 31,2015:140) of Rs. 1 each held in Titan Industries Limited	0	0
	330 Equity shares (March 31,2015:330) of Rs. 1 each held in Triveni Engineering & Industries Ltd.	0	0

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Continued

	As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
5 Equity shares (March 31,2015:5) of Rs. 1 each held in United Breweries Limited	0	0
3 Equity shares (March 31,2015:3) of Rs.10 each held in United Breweries (Holdings) Limited	0	0
8 Equity shares (March 31,2015:8) of Rs. 10 each held in United Spirits Limited	0	0
100 Equity shares (March 31,2015:100) of Rs. 10 each held in Welga Foods Limited	0	0
40 Equity shares (March 31,2015:40) of Rs. 10 each held in Xerox Limited	0	0
UNQUOTED		
Chic Interiors Private Limited 1,752 (Previous year-1,752) shares of Rs.10 each fully paid (Sold during the year Nil (Previous year 1600 Shares) of Rs. 10 each fully paid)	0	0
LPJ Holdings Pvt Ltd 600 (Previous year-600) shares of Rs.10 each fully paid	81	81
50 Equity shares (March 31,2015:50) of Rs.100 each held in Janta Co-operative	0	0
2 Equity shares (March 31,2015:2) of Rs.10 each held in Panipat Co-operative	0	0
1 Equity shares (March 31,2015:1) of Rs. 4 each held in Traders Bank Limited	0	0
IN PREFERENCE SHARES		
UNQUOTED		
Qube Corporation Pvt. Ltd. 13,50,000 (Previous year 360,000 Cumulative Redeemable preference shares of Rs. 10 each) (Sold during the year Nil (Previous year 540,000) shares of Rs.10 each fully paid) (Purchased During the year 9,90,000 (Previous year Nil) shares of Rs.10 each fully paid)	135	36
IN GOVERNMENT SECURITIES		
UNQUOTED		
06 year National Saving Certificates (lodged with Govt. authorities)	1	1
TOTAL	503	415
Aggregate Value of Unquoted Investments	413	325
Aggregate Value of Quoted Investments	90	90
Market Value/NAV of Quoted Investments	416	419

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
14. LONG TERM LOANS AND ADVANCES	Capital Advances		
	Unsecured, considered good	3,142	3,132
		<u>3,142</u>	<u>3,132</u>
	Security Deposits		
	Unsecured, considered good	444	452
	Unsecured, considered doubtful	2	2
	Less: Provision for doubtful deposits	2	2
		<u>444</u>	<u>452</u>
	Loans and advances to related parties		
	Unsecured, considered good	9	6
		<u>9</u>	<u>6</u>
	Other loans and advances		
	Unsecured, considered good		
	Advance/claim recoverable in cash or in kind	401	456
Unsecured, considered doubtful	110	54	
Less: Provision for doubtful loans and advances	110	54	
	<u>401</u>	<u>456</u>	
TOTAL	<u>3,996</u>	<u>4,046</u>	
15. OTHER NON- CURRENT ASSETS	MAT Credit Receivable	1,079	1,079
	Fixed Deposits With Bank (Pledged as security)	664	883
	Advance Wealth tax (Net of Provision)	5	4
	Advance income tax (Net of Provision)	131	156
	TOTAL	<u>1,879</u>	<u>2,122</u>
16. CURRENT INVESTMENTS	Principal PNB Fixed Maturity Plan - Series B17-371 Days	-	5
	Principal PNB Long Term Equity Fund - 3 year Plan - Principal Emerging Bluechip Fund-Growth	-	8
	Canara Rebco Mutal Fund-Short Term fund (Growth Plan)	15	15
	Principal Mutual Fund		
	UTI Infrastructure Advantage Fund Series I	-	5
	TOTAL	<u>15</u>	<u>33</u>
	Aggregate Value of Quoted Investments/Mutual Funds	15	33
	Market Value/NAV of Quoted Investments/Mutual Funds	17	64

Notes on Consolidated

Continued

		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
17. INVENTORIES	Raw Materials and Packing Materials	4,395	3,994
	- In Transit	364	1,040
	Less : Provision for obsolete Inventory	21	18
		<u>4,738</u>	<u>5,016</u>
	Work-in-Progress	205	222
	Finished Goods	4,390	4,978
	Stock-in-Trade	65	57
	Store and Spares	837	899
	-In Transit	118	213
	TOTAL	<u>10,353</u>	<u>11,385</u>
17.1 Details of Raw and Packaging Materials			
	Grains	518	277
	Molasses	103	172
	ENA	1,027	601
	Chemicals	27	27
	Colour & Essence	98	83
	Bottles	1,283	1,092
	Tins & Other Containers	232	248
	Labels	265	410
	Seals	532	669
	Others	310	415
		<u>4,395</u>	<u>3,994</u>
17.2 Details of Work in Progress			
	Malt	6	4
	Glass	17	18
	Malt Extract	4	8
	Liquor	173	170
	Malted Milk Food	5	22
		<u>205</u>	<u>222</u>
17.3 Details of Finished Goods			
	Malt	312	139
	Malt Extract	140	8
	Liquor	3,734	4,507
	Glass	134	252
	Containers	9	9
	Others	61	63
		<u>4,390</u>	<u>4,978</u>
17.4 Details of Stock -in-trade			
	Petroleum and its Products	45	29
	Wine	-	-
	Liquor	20	28
		<u>65</u>	<u>57</u>



		As at March 31, 2016 (Rs. in lacs)	As at March 31, 2015 (Rs. in lacs)
18. TRADE RECEIVABLES	(a) Unsecured overdue for more than six months		
	Considered Good	3,358	3,527
	Considered Doubtful	1,547	554
	Less: Provision for doubtful receivables	1,547	554
	(b) Others		
	Considered Good	15,453	19,998
	TOTAL	18,811	23,525
19. CASH AND BANK BALANCES	(i) Cash & Cash Equivalents		
	Cash on hand	52	107
	Cheques on hand	27	14
	Funds in transit	123	12
	Balances with Banks		
	- Current Accounts	528	620
	- Fixed Deposits	304	154
	(With Original maturity period of up to 3 months)		
	(ii) Other Bank Balances		
	Fixed Deposits with Bank	2	2
Margin Money Accounts	17	17	
	TOTAL	1,053	926
20. SHORT TERM LOANS AND ADVANCES	Unsecured—Considered Good		
	Others Loan and Advance		
	- Balance with Revenue authorities	693	1,203
	- Advances to Suppliers	2,091	1,669
	- Security Deposits	72	81
	- Others	1,433	1,551
	Unsecured—Considered Doubtful		
	- Advances to Suppliers	979	818
	- Others	15	15
	- Less: Provision for Doubtful Advances	993	833
	TOTAL	4,290	4,504
21. OTHER CURRENT ASSETS	Interest Receivable	111	56
	Other Income Receivable	141	82
	Duty Drawback receivable	2	2
	Fixed Assets held for sale	3,764	3,967
	(Value at the lower of the estimated net realisable value & net book value)		
	TOTAL	4,018	4,107

Notes on Consolidated

Continued

		For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
22. REVENUE FROM OPERATIONS (GROSS)	Sale of Products		
	Manufactured Goods	100,882	107,649
	Traded Goods	2,291	5,696
		<u>103,173</u>	<u>113,345</u>
	Income from Services		
	Job Work (tax deducted at source Rs.46 lacs; Previous Year Rs. 123 lacs)	7,500	6,219
		<u>7,500</u>	<u>6,219</u>
	Other Operating Revenues		
	Rent (Tax deducted at source Rs.47 lacs; Previous year - Rs.183 lacs)	1,862	1,819
	Royalty (Tax Deducted at Source Rs 27 lacs; Previous year - Rs. Nil)	932	1,267
	Duty Drawbacks	16	-
	Scrap Sales	592	614
	Miscellaneous Income (Tax deducted at source Rs. 4 lacs; Previous year Rs.8 lacs)	876	728
		<u>4,278</u>	<u>4,428</u>
	Total Revenue from Operations	<u>114,951</u>	<u>123,992</u>
22.1	Details of Sale of Products (Net of discount)		
	(a) Manufactured Goods		
	Malt & Malt Extract	3,576	4,022
	Malted Milk Food	92	152
	Liquor	96,287	102,360
	Carbondioxide Gas	1	16
	Others	926	1,099
		<u>100,882</u>	<u>107,649</u>
	(b) Traded Goods		
	Petroleum and its Products	1,559	2,094
	Wine	-	250
	Liquor	704	2,783
	others	28	569
		<u>2,291</u>	<u>5,696</u>
	Total (a) + (b)	<u>103,173</u>	<u>113,345</u>
23. OTHER INCOME	Dividends		
	On Other Investments	-	-
	Interest		
	- Fixed Deposits — Gross (Tax deducted at source Rs.Nil; Previous year Rs 12 lacs)	91	97
	- Others - Gross (Including interest on income tax Refund Rs 37 lacs ; Previous year Rs.54 lacs) (Tax deducted at source Rs.Nil; Previous year Rs.45 lacs)	38	54
	Profit on Sale of Investments	-	10
	Profit on Sale of Fixed Assets	122	55
	Insurance Claims	2	14
	Liabilities/provisions no longer required written back	141	114
	Foreign Exchange Fluctuation (Net)	6	8
	TOTAL	<u>400</u>	<u>352</u>



		For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
24. COST OF MATERIALS CONSUMED	Opening Stocks	5,011	5,023
	Add: Purchases of raw and packing materials	31,504	38,856
		<u>36,515</u>	<u>43,879</u>
	Less: Closing Stocks	4,737	5,011
TOTAL	<u>31,778</u>	<u>38,868</u>	
24.1	Details of Raw and Packaging Materials Consumed		
	Grains	3,374	4,635
	Molasses	939	3,074
	ENA	11,544	11,618
	Bottles	9,309	11,055
	Tins & Other Containers	1,479	1,797
	Seals	2,361	3,600
	Milk	620	797
	Packing Materials	1,337	1,645
	Others	815	647
	TOTAL	<u>31,778</u>	<u>38,868</u>
25. PURCHASES OF STOCK-IN-TRADE	Petroleum and its Products	1,537	2,043
	Liquor	653	2,666
	Others	29	41
	TOTAL	<u>2,219</u>	<u>4,750</u>
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	Opening Stocks		
	Work-in-Progress	204	268
	Finished Goods	4,929	4,905
	Stock-in-Trade	57	208
		<u>5,190</u>	<u>5,381</u>
	Closing Stocks		
	Work-in-Progress	188	204
	Finished Goods	4,340	4,929
	Stock-in-Trade	65	57
		<u>4,593</u>	<u>5,190</u>
	Decrease/(Increase)	<u>597</u>	<u>191</u>
27. EMPLOYEE BENEFITS EXPENSES	Salaries, Wages, Bonus and Gratuity	6,266	6,592
	Contribution to Provident, Family Pension and Superannuation Funds	468	702
	Employees' State Insurance	160	177
	Staff Welfare Expenses	235	260
	TOTAL	<u>7,129</u>	<u>7,731</u>

Notes on Consolidated

Continued

		For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
28. FINANCE COST	On Fixed Loans	2,687	2,105
	Others	1,376	1,028
	TOTAL	<u>4,063</u>	<u>3,133</u>
29. OTHER EXPENSES	Manufacturing Expenses		
	Consumption of Stores and Spare parts excluding charged to other revenue heads Rs.3,296 lacs (Previous year - Rs. 4,086 lacs)	283	389
	Power and Fuel	3,337	4,198
	Repairs — Buildings	153	189
	Plant and Machinery	857	569
	Excise Duty*	148	37
	Other Expenses	2,748	2,863
	TOTAL	<u>7,526</u>	<u>8,245</u>
	*Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods (Refer Note 36).		
	Administration and Selling Expenses		
	Rent (Net)	292	286
	Lease Rental	65	197
	Rates & Taxes	3,681	3,670
	Insurance	233	260
	Travelling Expenses	721	1,005
	Repairs to Buildings	61	101
	Other Repairs & Maintenance	155	151
	Bad Debts, Advances and Stock written off	742	7
	Provision for Doubtful Debts and advances	1,209	1,010
	Provision for Inventory for obsolete stock	11	7
	Fixed Assets written off	-	4
	Loss on sale of Fixed Assets	83	11
	Reimbursement of Expenses to Directors	8	17
	Directors Fee	11	10
	Forwarding Charges	1,955	2,210
	Advertisement, Publicity and Sales Promotion	9,195	11,704
	Auditors' Remuneration#	31	25
	Legal & Professional Expenses	1,137	1,012
	Miscellaneous Expenses	1,889	2,764
	TOTAL	<u>21,479</u>	<u>24,451</u>
29.1 Auditors' Remuneration#	For Audit	20	15
	For Tax Audit	5	5
	For Limited Review	3	3
	For Other Services	2	1
	Out of Pocket Expenses	1	1
		<u>31</u>	<u>25</u>
29.2 Prior Period Expenses/Income	Other Expenses	4	13
	TOTAL	<u>4</u>	<u>13</u>

30. CONTINGENT LIABILITIES:

The following are the details of Contingent liabilities the outflow of which is uncertain at this stage:

- 30.1 Particulars of various claims against the Company not acknowledged as debts Rs. 7,237 lacs (Previous year Rs. 1,953 lacs):
- Claim by Punjab Government in respect of amount paid to Mahalaxmi Sugar Mills pending before the 'The Court of Civil Judge (Senior Division), Kapurthala' Rs. 22 lacs (Previous year Rs. 22 lacs).
 - Claim in respect of case filed by ESI Corporation Rs. 6 lacs (Previous year Rs. 6 lacs)
 - Employees related claims Rs. 194 lacs (Previous year Rs. 179 lacs)
 - In terms of Gas Sales Agreement dated 27.12.2008 between GAIL (India) Limited (supplier) and the company, for the supply of RLNG by former, the company has not utilised the minimum stipulated quantity of RLNG, due to closure of Glass unit situated at Sahibabad (UP). The supplier has raised demand towards Annual Take or Pay deficiency basis for contract year 2014, amounting to Rs. 1,746 lacs and for contract year 2015, amounting to Rs. 5,269 lacs, aggregating to Rs. 7,015 lacs.
The company has represented to the supplier, that due to reasons beyond their control, the Glass unit had to be closed down permanently and production discontinued. Consequently, as there no longer any requirement of gas the parties may be treated as discharged in this regard.
Further, management is confident that there will not be any material amount on resolution/ settlement.
 - There are certain claims against the Company relating to usage of trade mark etc., which have not been acknowledged as debts. The outcome of such claims is not ascertainable at this stage.
- 30.2 Particulars of various Excise & Service Tax demands under dispute Rs. 1,155 lacs (Previous year Rs. 1,150 lacs) which have not been deposited on account of dispute:
- Demand of Service Tax and penalty in respect of wrong avilment of Service Tax Cenvat Credit Rs. 261 lacs (Previous year Rs. 261 lacs).
 - Demand of Excise Duty in respect of reversal of Cenvat Credit on Turbine Rs. 74 lacs (Previous year Rs.74 lacs).
 - Demand in respect of service tax ,interest and penalty on income from Tie-up operations and royalty Rs. 569 lacs (Previous year Rs. 569 lacs).
 - Demand of cess and penalty under Central Excise Act on manufacturing of corrugated paper board Rs. 1 lac (Previous year Rs.1 lac).
 - Demand of service tax on renting of imovable property Rs. 127 lacs (Previous year Rs. 127 lacs).
 - Demand of service tax under service of supply if tengible goods Rs. 62 lacs (Previous year Rs. 62 lacs).
 - Demand of service tax and penalty under management , maintenance and repair services Rs. 48 lacs (Previous year Rs. 48 lacs).
 - Demand of Excise duty in respect of clearance of broken glass generated during the handling of bottles used for IMFL and country Liquor Rs. 13 lac (Previous year Rs 8 lac)
- 30.3 Particulars of various Sales tax demands under dispute Rs. 370 lacs (Previous year Rs. 6 lacs) :
- Demand of Sales Tax under Central Sales Tax Act on account of incomplete submission of sales tax forms Rs.6 lac (Previous year Rs.6 lacs).
 - Demand of Sales Tax & Penalty under Telangana VAT Act on account of VAT on Royalty Rs.103 lacs (Previous year Rs. Nil).
 - Demand of Sales Tax & penalty under Punjab VAT Act on account of input VAT credit denied on rice husk Rs. 221 lacs (Previous year Rs. Nil).
 - Demand of Sales Tax under Haryana VAT Act on account of disallowance of credit of excess VAT deposited due to rate difference Rs. 40 lacs (Previous year Rs. Nil).
- 30.4 Certain matters relating to various assessment years of Income Tax are pending at the various levels of tax authorities and High Court. Further the Income Tax Department has issued notice u/s 153A to the Company during F.Y. 2016-17 for assessment /reassessment of assessment years 2009-10 to 2015-16. The financial impact, if any, on the outcome of these matters is not determinable at this stage.

31. a) The company has consolidated the Balance Sheet & Profit and Loss Account of its following subsidiaries in its annual accounts.

S.No.	Name of the Subsidiary Company	Country of Incorporation	Ownership Interest	
			As on 31st March, 2016	As on 31st March, 2015
i)	JIL Trading Pvt. Ltd	India	100%	100%
ii)	S.R.K. Investments Pvt. Ltd.	India	100%	100%
iii)	Sea Bird Securities Pvt. Ltd.	India	80%	80%
iv)	L.P. Investments Ltd.	India	98.26%	98.26%

- b) The company has considered the Balance Sheet & Profit and Loss Account of its following Associates in its annual accounts.

S.No.	Name of the Associates	Country of Incorporation	Ownership Interest	
			As on 31st March, 2016	As on 31st March, 2015
i)	Hyderabad Distilleries & Wineries Pvt. Ltd	India	33.16%*	33.16%*

*held through subsidiary

These investments have been accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets.

- (c) Disclosure mandated by Schedule III of the Companies Act, 2013 by way of additional information for financial year 2015-16 :

Name of Entities	Net assets i.e. total assets minus total liabilities		Share of consolidated Profit/(loss)	
	As a % of consolidated net assets	Amount (Rs in lacs)	As a % of consolidated profits	Amount (Rs in lacs)
	Parent :			
Jagatjit Industries Ltd.	99.76	19,970	(99.99)	(6,565)
Subsidiary :				
Jil Trading Pvt Ltd	(0.04)	(8)	(0.00)	(0)
S.R.K. Investments Pvt Ltd	(0.03)	(6)	(0.00)	(0)
Sea Bird Securities Pvt Ltd	(0.01)	(2)	(0.00)	(0)
L.P. Investments Ltd	5.43	1,087	(0.00)	(0)
Sub Total	105.11	21,041	(100.00)	(6,566)
Inter-Company Elimination & Consolidation Adjustments	(5.10)	(1,023)	-	-
Grand Total	<u>100.00</u>	<u>20,018</u>	<u>(100.00)</u>	<u>(6,566)</u>
Minority Interest in Subsidiaries		3		0
Share of profit/(loss) in Associate				(10)
				<u>(6,576)</u>

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Disclosure mandated by Schedule III of the Companies Act, 2013 by way of additional information for financial year 2014-15 :

Name of Entities	Net assets i.e. total assets minus total liabilities		Share of consolidated Profit/(loss)	
	As a % of consolidated net assets	Amount (Rs in lacs)	As a % of consolidated profits	Amount (Rs in lacs)
Parent :				
Jagatjit Industries Ltd	99.81	26,824	(101.34)	(4,365)
Subsidiary :				
Jil Trading Pvt Ltd	(0.03)	(7)	0.00	(0)
S.R.K. Investments Pvt Ltd	(0.02)	(5)	0.00	(0)
Sea Bird Securities Pvt Ltd	(0.01)	(2)	0.01	(0)
L.P. Investments Ltd	4.05	1,088	1.33	57
Sub Total	103.80	27,899	(100)	(4,307)
Inter-Company Elimination & Consolidation Adjustments	(3.80)	(1,023)	-	-
Grand Total	100.00	26,876	(100)	(4,307)
Minority Interest in Subsidiaries		3		1
Share of profit/(loss) in Associate				(0)
				(4,308)

32. Land, Building and Plant & Machinery at various locations have been last revalued as on 31st March, 1998 by an independent approved valuer on a current replacement cost basis.

	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Depreciation for the year calculated in accordance with accounting policy mentioned [Refer Note 1.4 (a) and 12] on Tangible assets	1,455	1,443
Depreciation for the year calculated in accordance with accounting policy mentioned [Refer Note 1.4 (b) and 12] on Intangible assets	3	3
Less: Adjusted against Revaluation Reserve	187	203
Net depreciation for the year charged to Profit & Loss Account	1,271	1,243

33. The additions to fixed assets includes interest on borrowing which has been capitalised amounting to Rs. Nil (Previous year Rs. 113 lacs)
34. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,985 lacs (Previous year Rs. 2,000 lacs).
35. At the end of the year unclaimed deposits of Rs.163 lacs (previous year Rs. 124 lacs) disclosed under current liabilities are not required to be transferred to the Investor Education and Protection Fund (IEPF) in terms of section 205C of the Companies Act, 1956, as these deposits are unclaimed for less than 7 years from the date of their maturity. Additional unclaimed deposits of Rs. 1 lac as on 31.3.2016 (Previous year 0.49 lacs) lying unclaimed for more than 7 years have been deposited in the IEPF on 2nd June, 2016 (Previous year 11th April, 2015).
36. In accordance with ASI 14 on 'Disclosure of Revenue from Sales Transactions' issued by Institute of Chartered Accountants of India, excise duty on turnover amounting to Rs. 46,148 lacs (Previous year Rs. 40,850 lacs) has been reduced from turnover in Consolidated Statement of Profit & Loss. Differential excise duty on opening and closing stock of finished goods amounting to Rs. 148 lacs (Previous year Rs. 37 lacs) has been separately shown in Manufacturing Expenses under 'Other Expenses Schedule' (Refer Note 29).
37. Earnings per share (EPS) : Numerators and denominators used to calculate basic and diluted earning per share

	Year ended 31.03.2016 (Rs. in lacs)	Year ended 31.03.2015 (Rs. in lacs)
Net Profit/(Loss) attributable to Shareholders	(6,576)	(4,308)
Weighted Average Number of Equity Shares in issue	43,648,112*	43,648,112*
Basic / Diluted Earnings per share of Rs.10 each (Rs.)	(15.07)	(9.87)
Net Profit/(Loss) attributable to Shareholders from continuing operation	(6,710)	(3,852)
Weighted Average Number of Equity Shares in issue	43,648,112*	43,648,112*
Basic / Diluted Earnings per share of Rs.10 each (Rs.) from continuing operation	(15.37)	(8.83)

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

* The preferential allotment of 2,500,000 equity shares, having no right to dividend has not been considered in the above computation of EPS (Refer Note 2.6c).

38. EMPLOYEE BENEFITS

The Company has classified various employee benefits as under:

38.1 Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
(i) Employers' Contribution to Superannuation Fund	15	174
(ii) Employers' Contribution to Provident Fund	457	538
(iii) Employers' Contribution to Employees' State Insurance	161	178
Included in 'Contribution to Provident, Family Pension and Superannuation Funds' and 'Employees' State Insurance (Refer Note 27)		

38.2 Defined Benefit Plans

Valuation in respect of Gratuity and Leave Encashment have been carried out by independent actuary, as at 31st March, 2016, based on the following assumptions:

	Leave Encashment (Unfunded) (Rs. in lacs)	Gratuity (Unfunded) (Rs. in lacs)
(I) Assumptions		
(a) Discount Rate	7.85%	7.85%
(b) Rate of increase in Compensation Levels	5%	5%
(c) Rate of return of Plan Assets	N.A.	N.A.
(d) Expected Average remaining working lives of employees (in years)	4.89-17.71	4.89-17.71
(II) Change in the Present Value of Obligation		
(a) Present value of obligation as at April 1, 2015	472	1,627
(b) Interest cost	22	117
(c) Current service cost	235	122
(d) Benefit paid	(68)	(261)
(e) Actuarial (gain)/loss on obligations	(148)	(109)
(f) Present value of obligation as at March 31, 2016	513	1,496

	Leave Encashment (Unfunded) (Rs. in lacs)	Gratuity (Unfunded) (Rs. in lacs)
(III) Amount recognised in the Balance Sheet		
(a) Present value of obligation as at March 31, 2016	513	1,496
(b) Fair Value of Plan Assets as at the year end	-	-
(c) (Asset) / Liability recognised in the Balance Sheet	513	1,496
(IV) Expenses recognised in the Statement of Profit and Loss		
(a) Current service cost	235	122
(b) Interest cost	22	117
(c) Expected Return on Plan Assets	-	-
(d) Settlement Cost/Credit	(68)	(261)
(e) Actuarial (gain)/loss recognised in period	(148)	(109)
(f) Total Expenses recognised in the Statement of Profit and Loss	41	(131)

Valuation in respect of Gratuity and Leave Encashment was carried out by independent actuary, as on 31st March, 2015, based on the following assumptions:

	Leave Encashment (Unfunded) (Rs. in lacs)	Gratuity (Unfunded) (Rs. in lacs)
(I) Assumptions		
(a) Discount Rate	7.90%	7.90%
(b) Rate of increase in Compensation Levels	5%	5%
(c) Rate of return of Plan Assets	N.A.	N.A.
(d) Expected Average remaining working lives of employees (in years)	6.50-17.79	6.50-17.79
(II) Change in the Present Value of Obligation		
(a) Present value of obligation as at April 1, 2014	434	1,575
(b) Interest cost	21	111
(c) Current service cost	180	120
(d) Benefit paid	(53)	(351)
(e) Actuarial (gain)/loss on obligations	(110)	172
(f) Present value of obligation as at March 31, 2015	472	1,627
(III) Amount recognised in the Balance Sheet		
(a) Present value of obligation as at March 31, 2015	472	1,627
(b) Fair Value of Plan Assets as at the year end	-	-
(c) (Asset) / Liability recognised in the Balance Sheet	472	1,627
(IV) Expenses recognised in the Statement of Profit and Loss		
(a) Current service cost	180	120
(b) Interest cost	21	111
(c) Expected Return on Plan Assets	-	-
(d) Settlement Cost/Credit	(53)	(351)
(e) Actuarial (gain)/loss recognised in period	(110)	172
(f) Total Expenses recognised in the Statement of Profit and Loss	38	52

39. Segment Reporting

- i) Primary Segment Reporting (by Business Segments)
Composition of Business Segments

Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems. The Company's business segments are as under:

Beverages : Segment includes manufacturing and supply of Bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol and licensing use of its IMFL brands.

Food : Segment includes manufacturing and supplies of food products and providing services for manufacture of food products.

Others : Segment includes sale of Petroleum products and Khad . It also includes dividend from and profit on sale of investments.

- ii) As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers.

- iii) Inter Segment Pricing - At cost plus margin.

Information about Business Segment - Primary for the year 2014-15

	(Rs. in lacs)			
	Beverages	Food	Others	Total
REVENUE				
Sales (Net of Excise duty), Services and Other income	55,864	11,607	1,612	69,083
Inter Segment Sales	—	—	—	—
Unallocated Income	—	—	—	324
Total Revenue	<u>55,864</u>	<u>11,607</u>	<u>1,612</u>	<u>69,407</u>
RESULTS				
Segment Results (Refer Note vii below)	(1,133)	1,709	(141)	435
Unallocated expenditure				
Net of unallocated income				(3,202)
Interest Income				129
Interest Expense				(4,079)
Profit/(Loss) before exceptional items				(6,717)
Exceptional items				-
Profit/ (Loss) before tax				(6,717)
Less: Tax expense:				
Current Tax :				
- For the year				-
- MAT Credit Entitlement				-
Deferred Tax (benefit)/ charge				(151)
Profit/ (Loss) after tax				(6,566)
Less: Share of Minority Interest				-
Add: Share of Profit / (Loss) from Associate				(10)
Net Loss relating to the Group				(6,576)

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	(Rs. in lacs)				
	Beverages	Food	Others	Total	
OTHER INFORMATION					
Segment Assets (Refer Note ii below)	44,317	10,344	73	54,734	
Unallocated Assets				20,134	
Total Assets				74,868	
Segment Liabilities	18,792	1,618	2	20,412	
Unallocated Liabilities				34,245	
Total Liabilities				54,657	
Capital Expenditure	227	278	-	505	
Unallocated Capital Expenditure				76	
Total Capital Expenditure				581	
Depreciation	492	516	-	1,008	
Unallocated Depreciation				263	
Total				1,271	
Non - cash expenditure other than depreciation	1,732	19	-	1,751	
Unallocable Non Cash expenditure				212	
Total				1,963	
Information about Secondary Business Segments - Geographical by location of customers					
	Domestic		Overseas	Total	
Revenues (Net of Excise Duty)	68,949		458	69,407	
Other information:					
Carrying amount of segment assets by location of assets	74,868		-	74,868	
Addition to Fixed Assets/Capital Work- in- Progress (including Capital Advances)	581		-	581	
Information about Business Segment - Primary for the year 2014-15					
	Beverages	Food	Packaging	Others	Total
REVENUE					
Sales (Net of Excise duty), Services and Other income	69,777	10,880	55	2,679	83,391
Inter Segment Sales	—	—	—	—	—
Unallocated Income	—	—	—	—	383
Total Revenue	69,777	10,880	55	2,679	83,774
RESULTS					
Segment Results (Refer Note vii below)	56	810	(761)	545	650
Unallocated expenditure					(3,173)
Net of unallocated income					167
Interest Income					(3,169)
Interest Expense					(5,525)
Profit/(Loss) before exceptional items					—
Exceptional items					(5,525)
Profit/ (Loss) before tax					(5,525)
Less: Tax expense:					
Current Tax :					12
- For the year					(10)
- MAT Credit Entitlement					(1,219)
Deferred Tax (benefit)/ charge					(4,308)
Profit/ (Loss) after tax					1
Less: Share of Minority Interest					-
Add: Share profit/(Loss) from Associate					(4,307)
Net Loss relating to the Group					
OTHER INFORMATION					
Segment Assets (Refer Note ii below)	51,249	10,346	4,560	419	66,574
Unallocated Assets					15,480
Total Assets					82,054
Segment Liabilities	23,789	1,627	214	90	25,720
Unallocated Liabilities					29,257
Total Liabilities					54,977
Capital Expenditure	181	3,004	—	—	3,185
Unallocated Capital Expenditure					54
Total Capital Expenditure					3,239
Depreciation	535	454	—	—	989
Unallocated Depreciation					254
Total					1,243
Non - cash expenditure other than depreciation	1,017	11	252	—	1,280
Unallocable Non Cash expenditure					—
Total					1,280
Information about Secondary Business Segments - Geographical by location of customers					
	Domestic		Overseas	Total	
Revenues (Net of Excise Duty)	82,920		854	83,774	
Other information:					
Carrying amount of segment assets by location of assets	82,054		-	82,054	
Addition to Fixed Assets/Capital Work- in- Progress (including Capital Advances)	3,239		-	3,239	

NOTES:

- i) The Company is focused on the segment of Beverages (including Liquor) in India. The commercial terms and conditions of Liquor sales being identical in India, there are no differential risks and return on the basis of such business segmentation. The Company's year to date export turnover being less than 1% of its total turnover (Previous year more than 1%), the commercial risks and returns involved on the basis of geographic segmentation are therefore considered insignificant and immaterial.

- ii) Segment assets include Capital Work- in- Progress & Capital Advances aggregating to Rs. 3,191 lacs (Previous year-Rs. 3,187 lacs). While most assets are directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis.
- iii) Capital expenditure pertains to additions made to Fixed Assets/ Capital Work-in-Progress (including Capital Advances) during the year.
- iv) Unallocated assets includes land, administration building and cash & bank balances etc. at Jagatjit Nagar.
- v) Unallocated liabilities include interest bearing liabilities and tax provisions and deferred tax liability.
- vi) Non cash items includes bad debts, advances and stocks written off, provision for doubtful debts & advances and fixed assets written off.
- vii) Sales Services and other Income of Beverages segment includes rental income (net) of Rs. 1,610 lacs (Previous year Rs. 1,617 lacs) from the surplus properties of the Company.
- viii) The Packaging segment is not appearing this year as it does not satisfy the threshold limits stipulated in AS-17 issued by the Institute of Chartered Accountants of India (ICAI).
In the previous year that is F.Y. 2014-15, Packaging Segment included manufacturing and supplies of Glass to open market and for its captive consumption.

40. Related Party Disclosures

In accordance with the requirements of "Accounting Standard 18" issued by The Institute of Chartered Accountants of India on the Related Party Disclosures, the transactions and Related Parties with whom transactions have taken place during the year are as follows:

40.1 Enterprises over which Major shareholders, Key Management Personnel and their relatives have significant influence / control :

Milkfood Ltd.
Hyderabad Distilleries & Wineries Pvt. Ltd. (Associate)
Fast Buck Investments & Trading Pvt. Ltd.
Jagatjit Industries Limited Employees Superannuation Scheme
Pashupati Properties & Estates Pvt. Limited
Cube Corporation Pvt. Ltd.
Hybrid Holdings Pvt. Ltd

40.2 Key Management Personnel and their relatives:

Mr. Narender Sapra (Managing Director)
Mr. Ravi Manchanda (Director)
Mrs. Nimmi Manchanda (Relative of Director)

40.3 Details of transactions carried out with the related parties in the ordinary course of business:

(Rs. in lacs)

PARTICULARS OF TRANSACTIONS	For the Year ended March 31, 2016			For the Year ended March 31, 2015		
	With Persons Mentioned in Note 40.1	With Persons Mentioned in Note 40.2	Total	With Persons Mentioned in Note 40.1	With Persons Mentioned in Note 40.2	Total
Sales of Goods (Refer Note 3 below.)	29	-	29	40	-	40
Royalty Received (Hyderabad Distilleries & Wineries Pvt. Ltd.)	4	-	4	9	-	9
Purchases of goods (Milkfood Limited)	-	-	-	14	-	14
Interest accrued (Refer Note 4 below)	6	-	6	6	-	6
Reimbursement of Payments Made on Behalf of Company (Refer Note 5 below)	49	-	49	81	-	81
Expenses paid by Company on Behalf of related party (Refer Note 6 below)	171	-	171	106	-	106
Rent received (Milkfood Limited)	4	-	4	4	-	4
Loans including interest repaid (Refer Note 7 below)	9	-	9	3	-	3
Managerial Remuneration including salary & reimbursement of expenses of Key Management Personnel (Refer Note 2 below)	-	150	150	-	587	587
Advance Given (Refer Note 8 below)	-	-	-	-	100	100
Bottling Charges paid (Hyderabad Distilleries & Wineries Pvt. Ltd.)	504	-	504	285	-	285
Redistillation Charges paid (Hyderabad Distilleries & Wineries Pvt. Ltd.)	65	-	65	-	-	-
Lease Rent paid (Refer Note 9 below)	67	-	67	147	8	155
Contribution to Superannuation Fund (Jagatjit Industries Limited Employees Superannuation Scheme)	7	-	7	79	-	79
BALANCES OUTSTANDING AT THE YEAR END						
Payable (Net of Receivable)	(88)	-	(88)	102	-	102
Unsecured Loans (Including interest accrued) (Refer Note 10 below)	157	-	157	160	-	160
Investments (Note 11)	138	-	138	39	-	39

Notes:

- 1) The above information has been compiled on the basis of disclosures received from all directors of the Company.
- 2) Managerial Remuneration (These payments do not include expenses incurred by / reimbursed to directors during the course of performance of duties).
Mr. Narender Sapra (Managing Director) Rs.103 lacs (Previous year Rs. 101 lacs)
Mr. Ravi Manchanda (Director) Rs.47 lacs (Previous year Rs.45 lacs)
Key Management Persons and their relatives does not include the persons who were directors any time during the previous financial year but did not hold any position of director during the current financial year.
- 3) Sales of Goods (Refer Note 3 below.)
Milkfood Ltd. Rs. 8 lacs (Previous year Rs. Nil)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 21 lacs (Previous year Rs.40 lacs)
- 4) Interest Accrued is in respect of the following :
Fast Buck Investments & Trading Pvt. Ltd. Rs. 6 lacs (Previous year Rs. 6 lacs)
- 5) Reimbursement of Payments Made on behalf of the Company is in respect of the following :
Milkfood Ltd. Rs. 29 lacs (Previous year Rs. 71 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 20 (Previous year Rs.10 lacs)
- 6) Expenses paid by the Company on behalf of related parties is in respect of the following :
Milkfood Ltd. Rs. 14 lacs (Previous year Rs. 20 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 157 lacs (Previous year Rs. 86 lacs)
- 7) Loans including interest repaid is in respect of the following :
Fast Buck Investments & Trading Pvt. Ltd. Rs. 9 lacs (Previous year Rs. 3 lacs)
- 8) Advances Given
Relatives of Director Rs. Nil lac (Previous year Rs. 100 lacs)

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- 9) Lease Rent paid
Pashupati Properties & Estates Pvt. Limited Rs. 12 lacs (Previous year Rs. 12 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. Rs. 55 lacs (Previous year Rs. 135 lacs)
Mrs. Nimmi Manchanda Rs. Nil (Previous year Rs. 8 lacs)
- 10) Unsecured Loans (Including interest accrued)
Fast Back Investments & Trading Pvt. Ltd. Rs. 74 lacs (Previous Year Rs. 77 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd Rs. 81 lacs (Previous Year rs. 81 lacs)
Hybrid Holdings Pvt. Ltd. 2 lacs (Previous Year 2 lacs)
- 11) Investments
Cube Corporation Pvt. Ltd. Rs. 135 lacs (Previous year Rs. 36 lacs)
Hyderabad Distilleries & Wineries Pvt. Ltd. (Associate) Rs. 3 lacs (Previous year Rs. 3 lacs).
41. In the previous financial year, the Company has provided first time for depreciation adopting the useful lives of the assets (except for some plant and Machinery) as prescribed in Schedule II of the Companies Act, 2013. However some plants and machinery have been depreciated on the re-evaluated useful life assessed by the technical experts which are different from the useful life prescribed in Schedule - II read with the relevant provisions thereof. Had the Company continued with the previously assessed useful life, charge for depreciation and loss for the period ended 31st March, 2015 would have been higher by Rs.575 Lacs for the assets held as at 1st April, 2014. Further, based on transitional provisions provided in clause 7(b) of Schedule II of the Companies Act,2013, an amount of Rs.439 lacs (net of deferred tax assets Rs.196 lacs) representing the carrying value of those Assets which have become nil, has been charged to the retained earnings as at 1st April, 2014.
42. During the year, net profit amounting to Rs 324 lacs and (previous year Rs 375 lacs) has been earned by the Company from sale of its second industrial property situated In Block C, Sector 57, Noida, Gautam Budh Nagar (U.P).
43. The company has discontinued its operation for Packaging Division with effect from 1st April, 2014. The disclosures as required under Accounting Standard -24 are given below.

	For the year ended March 31, 2016 (Rs. in lacs)	For the year ended March 31, 2015 (Rs. in lacs)
Revenue		
Miscellaneous Income	5	27
Interest		
-Fixed Deposits	-	16
Profit on Sale of Fixed Assets	323	375
Liabilities/provisions no longer required written back	5	28
Total Revenue	<u>333</u>	<u>446</u>
Expenses		
Changes in inventories of Finished Goods, Work-in-Process and Stock- in -Trade	-	51
Employee Benefits Expenses		
Salaries, Wages, Bonus and Gratuity	44	272
Contribution to Provident, Family Pension and Superannuation Funds	4	10
Employees' State Insurance	0	1
Staff Welfare Expenses	2	3
	<u>50</u>	<u>286</u>
Finance Cost		
On Fixed Loans	16	36
Others	0	1
	<u>16</u>	<u>37</u>
Other Expenses		
Manufacturing Expenses		
Power and Fuel	9	83
Administration and Selling Expenses		
Rates & Taxes	7	4
Insurance	4	11
Travelling Expenses	12	15
Other Repairs & Maintenance	35	57
Bad Debts, Advances and Stock written off	0	252
Loss on sale of Fixed Assets	26	6
Advertisement, Publicity and Sales Promotion	3	4
Legal & Professional Expenses	8	17
Miscellaneous Expenses	21	29
	<u>125</u>	<u>478</u>
Total Expenses	191	852
Profit/(Loss) for the year	142	(406)
Less: Tax Expense	8	48
Profit/(Loss) after Tax for the year	134	(454)
Total Assets	1,454	1,193
Total Liabilities	190	355
Cash Flow from discontinuing operations included in above		
- Operating activities	(146)	(530)
- Investing activities	399	532
- Financing activities	(156)	(184)

44. Previous year's figures have been regrouped / reclassified whenever necessary to correspond with the current year's classification/ disclosure.

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(All amount in Rs. Lacs unless otherwise stated)

Sl. No.	Particulars	Details	Details	Details	Details
1.	Name of the subsidiary	JIL Trading Private Limited	L.P. Investments Limited	Sea Bird Securities Private Limited	S. R. K. Investments Private Limited
2.	Reporting period	31.03.2016	31.03.2016	31.03.2016	31.03.2016
3.	Share capital	1	1038.25	1	1
4.	Reserves & surplus	(8.65)	(1199.79)	(3.05)	(6.59)
5.	Total assets	0.59	23.66	81.08	2972.23
6.	Total Liabilities	0.59	23.66	81.08	2972.23
7.	Investments	-	3.24	81	-
8.	Turnover	-	0.004	-	-
9.	Profit before taxation	(0.13)	(0.33)	(0.13)	(0.19)
10.	Provision for taxation	-	-	-	-
11.	Profit after taxation	(0.13)	(0.33)	(0.13)	(0.19)
12.	Proposed Dividend	-	-	-	-
13.	% of shareholding	100	98.26	80	100

Notes :

- Names of subsidiaries which are yet to commence operations – NIL
- Name of subsidiary which has been liquidated or sold during the year – NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(All amount in Rs. Lacs unless otherwise stated)

Sl. No.	Name of associate	Hyderabad Distilleries & Wineries Private Ltd.
1.	Latest audited Balance Sheet Date	31.03.2016
2.	Shares of Associate held by the company on the year end :	
	(i) No. of shares	3124*
	(ii) Amount of Investment	3.12*
	(iii) Extend of Holding%	32.88*
3.	Description of how there is significant influence	*
4.	Reason why the associate is not consolidated	Consolidated
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	191.34
6.	Profit/Loss for the year	
	i. Considered in Consolidation	(10.14)
	ii. Not Considered in Consolidation	(20.71)

* The Company holds 1650 equity shares of Rs.100/- each aggregating to Rs.1,65,000/- M/s L. P. Investments Limited, (a subsidiary Company in which Jagatjit Industries Limited holds 98.26% of capital) is holding 1500 equity shares of Rs.100/- each aggregating to Rs.1,50,000/- (the indirect holding of the Company amounts to 1474 equity shares). Taken together direct and indirect holding of the Company aggregates to 3124 equity shares of Rs.100/- each amounting to Rs.3.12 Lacs which is 32.88% of the capital of M/s Hyderabad Distilleries & Wineries Private Ltd..

Notes :

- Names of associates or joint ventures which are yet to commence operations – NIL
- Names of associates or joint ventures which have been liquidated or ceased during the year - NIL

Narender Sapra - Managing Director

Kiran Kapur
Anjali Varma
Sonya Jaiswal
Ravi Manchanda

} *Directors*

New Delhi
2nd September, 2016

K.K. Kohli
Company Secretary

Anil Girotra
Chief Financial Officer



