JUBILANT INDUSTRIES

August 04, 2017

BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P.J. Tower
Dalal Street, Fort
Mumbai-400001

Scrip Code: 533320

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra Kurla Complex
Bandra (E)
Mumbai-400051

Scrip Code: JUBLINDS

Sub: Notice of 11th Annual General Meeting and Book Closure

Dear Sir,

Pursuant to relevant Rules and Regulations, we wish to inform you that:

1. the 11th Annual General Meeting (AGM) of the Company will be held on Tuesday, August 29, 2017 at 1:30 P.M. (IST) at Bhartiagram, Gajraula, Distt. Amroha - 244 223, Uttar Pradesh.

2. We have provided the facility to vote by electronic means (e-voting) on all resolutions as set out in the notice of AGM to those members, who are holding share either in physical or in electronic form as on the cut-off date i.e. Tuesday, August 22, 2017. The remote e-voting will commence at 9:00 A.M. (IST) on Saturday, August 26, 2017 and end at 5:00 P.M. (IST) on Monday, August 28, 2017.

3. Notice of AGM including e-voting instructions alongwith Annual Report 2016-17, is being sent to the shareholders through permitted mode.

   The shareholders, who have registered their email id, are being sent the above documents through email. The shareholders, who have not registered their email id, are being sent the above documents by post.

4. The Register of Members and the Share Transfer Books of the Company will remain closed **from Saturday, August 19, 2017 to Tuesday, August 29, 2017 (both days inclusive)** for the purpose of AGM.

We are also enclosing the Notice of AGM and the Annual Report 2016-17.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For **Jubilant Industries Limited**

JUBILANT INDUSTRIES LIMITED

Dinesh Kumar Gupta
Company Secretary
Encl: a/a

Jubilant Industries Limited
Plot No. 15, Knowledge Park II,
Greater Noida, Distt. Gautam
Budh Nagar - 201 306, UP, India
Tel: +91 120 7186000
Fax: +91 120 7186140
www.jubilantindustries.com

investorsjil@jubl.com

Regd Office:
Bhartiagram, Gajraula
Distt. Amroha-244 223
UP, India
CIN: L24100UP2007PLC032909

JUBILANT INDUSTRIES LIMITED
(CIN: L24100UP2007PLC032909)
Registered Office: Bhartiagram, Gajraula,
District Amroha - 244 223,
Uttar Pradesh, India
E-mail: investorsjil@jubl.com
Website: www.jubilantindustries.com
Phone : +91-5924-252353-60
Fax : +91-5924-252 352

NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of Jubilant Industries Limited will be held as under:-

DAY	**:**	**TUESDAY**
DATE	**:**	**AUGUST 29, 2017**
TIME	**:**	**1:30 P.M.**
VENUE	**:**	**REGISTERED OFFICE:** **BHARTIAGRAM, GAJRAULA** **DISTRICT AMROHA - 244 223** **UTTAR PRADESH, INDIA**

to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
   a) the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2017, the Reports of the Board of Directors and Auditors thereon; and
   b) the Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2017 and Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Shamit Bhartia [DIN: 00020623], who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and to authorise the Board of Directors of the Company to fix their remuneration and for that purpose, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), appointment of M/s K.N. Gutgutia & Co., Chartered Accountants, (Firm Registration Number 304153E with the Institute of Chartered Accountants of India) be and is hereby ratified as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually determined between the said Auditors and Board of Directors of the Company."

By **Order of the Board**
For Jubilant Industries Limited

Dinesh Kumar Gupta
Company Secretary

May 24, 2017

NOTES:

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

   THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED IN ORIGINAL AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/ PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for another person or member.
2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
3. Brief profile and other information of Director proposed to be re-appointed is annexed.
4. The Register of Members and Share Transfer Books of the Company will remain close from **Saturday, August 19, 2017** to **Tuesday, August 29, 2017** (both days inclusive) for the purpose of Annual General Meeting.
5. **Change of Address or Other Particulars**

   Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ("NECS") mandates, etc. under the signature of the registered holder(s) to:

   - The Registrar and Transfer Agent ("RTA") of the Company in respect of shares held in physical form; and

- The Depository Participants in respect of shares held in electronic form.

6. Pursuant to Section 72 of the Companies Act, 2013 ('the Act'), member(s) of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialised form, the nomination form may be filed with the concerned Depository Participant.

7. The Company has a dedicated E-mail address **investorsjil@jubl.com** for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.

   The Company's website **www.jubilantindustries.com** has a dedicated section on Investors.

   The Notice of the AGM and the Annual Report for the Financial Year 2016-17 will also be available on the Company's website.

8. Unpaid/Unclaimed dividend for the Financial Year 2010-11, must be claimed on or before September 24, 2018, as the amount remaining unclaimed after the said date, would be transferred to Investor Education & Protection Fund within a period of 30 days thereof.

9. Pursuant to Clause 5A of the earstwhile Listing Agreement with the Stock Exchanges, members who had not claimed share certificates had been sent three reminder letters to claim their equity shares. Thereafter, in terms of the Listing Agreement, the equity shares, which remained unclaimed, were transferred during the year 2011-12 to JIL-Unclaimed Suspense Account. As on March 31, 2017, 36,436 Equity Shares pertaining to 1,400 shareholders are lying in this account. The voting rights on the said shares will remain frozen till the rightful owners of such shares claim the shares. Members may approach RTA to get their shares released from this Account.

10. Queries on the Annual Report and operations of the Company, if any, may please be sent to the Company at least seven days prior to the date of the AGM so that answers may be provided at the Meeting.

11. All share and dividend related correspondence may be sent to RTA at the following address:

    Alankit Assignments Limited
    (Unit: Jubilant Industries Limited)
    1E/ 13, Alankit Heights,
    Jhandewalan Extension,
    New Delhi - 110 055, India
    Phone : +91 - 11 - 2354 1234/ 4254 1234
    Fax : +91 - 11 - 4154 3474
    E-mail : rta@alankit.com

    In all correspondence, please quote your DP ID & Client ID or Folio Number.

12. **Green Initiative** – Members who are yet to register/ update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode.

    Members holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at rta@alankit.com or investorsjil@jubl.com

13. Notice of the AGM (along with Attendance Slip, Proxy Form and Route Map) and the Annual Report for the Financial Year 2016-17 are being sent electronically to the members whose E-mail IDs are registered with the Company/ Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have requested for physical copy or who have not registered their email address, physical copies of the Notice and Annual Report are being sent through permitted mode.

14. Certificate from the Auditors of the Company certifying that JIL Employees Stock Option Scheme, 2013 is being implemented in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014, will be available for inspection by the members at the AGM.

15. SEBI has placed the Company's shares under compulsory demat i.e. transactions in the Company's shares are required to be done only in the demat form. Further, considering the advantages of scripless trading like exemption from stamp duty, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc., members are requested to consider dematerialisation of their shareholding, if not already done, to avoid inconvenience in future.

16. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11:00 a.m. and 1:00 p.m. upto the date of the AGM.

17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

18. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

19. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

20. **Voting Options:**

    The business set out in the Notice of the AGM may be

transacted through electronic voting system or Polling Paper. The Company is providing facility for voting by electronic means. Information relating to e-Voting facility and voting at the AGM is given below:

(1) Voting through electronic means

I. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide facility to the members to exercise their right to vote on resolutions proposed to be considered at AGM by electronic means and the items of business given in the Notice of the AGM may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by NSDL.

II. The facility for voting through Polling Paper ("Poll") shall also be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the Meeting through Poll at the AGM.

III. Members who have cast their vote by remote e-Voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-Voting period commences at 9:00 a.m. (IST) on Saturday, August 26, 2017 and ends at 5:00 p.m. (IST) on Monday, August 28, 2017. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date Tuesday, August 22, 2017 ("Cut-off date"), may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The instructions for remote e-Voting are as under:

A. <u>In case of members receiving an e-mail from NSDL</u>

(i) Open e-mail and open PDF file viz.; "Remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password for remote e-Voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put User ID and Password noted in step (i) above. Click Login.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

(v) After successful login, you can change the password with new password of your choice. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.

(vi) Home page of remote e-Voting opens, click on remote e-Voting> Active Voting Cycles.

(vii) Select Electronic Voting Event Number ("EVEN") of Jubilant Industries Limited as given in the body of e-mail.

(viii) Now you are ready for remote e-Voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once the votes on the resolutions are cast, the member shall not be allowed to change these subsequently and to cast vote again.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer through e-mail at contact@cssanjaygrover.in with a copy marked to evoting@nsdl.co.in.

B. <u>In case of members receiving physical copies of the Notice of the AGM</u>

(i) Initial Password, along with User ID and EVEN is provided at the bottom of Attendance Slip.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(2) Voting at AGM

The members who have not cast their vote by remote

e-Voting can exercise their voting rights at the AGM. The Company will make arrangements of Polling Papers in this regard at the AGM venue.

(3) Other Instructions

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call at toll free no.: 1800-222-990.

II. If you are already registered with NSDL for remote e-Voting, you can use your existing User ID and Password for casting your vote.

III. You can also update your mobile number and Email ID in the user profile details of the folio which may be used for sending future communication(s).

IV. Voting rights (for voting through remote e-Voting as well as Polling Paper) shall be reckoned on the paid up value of the shares registered in the name of the members of the Company as on Cut-off date i.e. Tuesday, August 22, 2017.

V. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of the AGM and holding shares as of the Cut-off date i.e. Tuesday, August 22, 2017 may obtain the User ID and Password by sending a request (alongwith Name, Folio No./ DP ID & Client ID, as the case may be and shareholding) at evoting@nsdl.co.in or RTA at rta@alankit.com

However, if you are already registered with NSDL for remote e-Voting then you can use your existing User ID and Password for casting your vote. If you forgot your Password, you can reset your Password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact NSDL on toll free no.: 1800-222-990.

In case of any queries or grievances connected with voting by electronic means, you may contact Mr. Rajiv Ranjan, Assistant Manager, NSDL through e-mail at evoting@nsdl.co.in/ rajivr@nsdl.co.in or on Toll Free No.: 1800-222-990/ Telephone No.: 022-2499 4738 or Mr. J.K. Singla, Senior Manager, M/s. Alankit Assignments Limited through email at rta@alankit.com or on Telephone No.: 011-4254 1234.

VI. A member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.

VII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through Polling Paper.

A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.

VIII. Mr. Sanjay Grover, a Practicing Company Secretary (FCS No. 4223, C.P. No.: 3850) of M/s Sanjay Grover & Associates, Company Secretaries, has been appointed as "Scrutinizer" to scrutinize the remote e-Voting and Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available at the AGM for the same.

IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of Polling Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

X. Please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of Polling Paper at the AGM. Votes cast under Poll taken together with the votes cast through remote e-Voting shall be counted for the purpose of passing of resolution(s). No voting by show of hands will be allowed at the AGM.

XI. The Scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-Voting, will, not later than forty-eight (48) hours of conclusion of the AGM, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a Director authorised by him in writing.

XII. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jubilantindustries.com and on the website of NSDL immediately after the declaration of result by the Chairman or a Director authorized by him and the results shall also be communicated to the Stock Exchanges. The results shall be displayed at the Registered Office at Bhartiagram, Gajraula, District Amroha-244 223 and the Corporate Office at 1A, Sector 16A, Noida-201 301, U.P.

XIII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the 11th AGM scheduled to be held on Tuesday, August 29, 2017.

ANNEXURE TO NOTICE

INFORMATION PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 READ WITH THE PROVISIONS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2") ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA REGARDING THE DIRECTOR PROPOSED TO BE RE-APPOINTED

1. MR. SHAMIT BHARTIA

Mr. Shamit Bhartia, aged 38 years, is Non-Executive Director of Jubilant Industries Limited. He holds Bachelors' degree in Economics from Dartmouth College (USA). His functional areas of expertise is Business Financial Analysis and Planning.

He is on the Board of the Company since January 14, 2012. He holds 6,561 equity shares of the Company. He also holds directorships in the following companies:

Indian Public Companies:

- HT Learning Centers Ltd.
- Jubilant Agri and Consumer Products Ltd.
- HT Media Ltd.
- The Hindustan Times Ltd.
- Earthstone Holding (Two) Ltd.
- Hindustan Media Ventures Ltd.
- Firefly e-Ventures Ltd.
- HT Digital Media Holdings Ltd.
- Goldmerry Investment & Trading Company Ltd.

Other Companies:

- Indian Country Homes Pvt. Ltd.
- High Street Capital Pvt. Ltd.
- Jubilant Motorworks Pvt. Ltd.
- India Education Services Pvt. Ltd.
- SSB Trustee Company Pvt. Ltd.
- Shobhana Trustee Company Pvt. Ltd.
- SS Trustee Company Pvt. Ltd.
- SBS Trustee Company Pvt. Ltd.
- Jubilant Motorworks (South) Pvt. Ltd.

Details of his Committee Chairmanship/memberships are given below:

Sr. No.	Name of Company	Name of Committee	Chairman/ Member
1	HT Media Ltd.	Audit Committee	Member
		Banking & Finance Committee	Member
2	The Hindustan Times Ltd.	Corporate Social Responsibility Committee	Member
3	Jubilant Industries Limited	Nomination, Remuneration and Compensation Committee	Member
4	Jubilant Agri and Consumer Products Ltd.	Restructuring Committee	Member
		Finance Committee	Member
		Nomination and Remuneration Committee	Member
5	Jubilant Motorworks Private Ltd.	Corporate Social Responsibility Committee	Member

During the Financial Year ended March 31, 2017, Mr. Shamit Bhartia attended all four meetings of Board of Directors of the Company held on May 23, 2016, August 10, 2016, October 28, 2016 and February 8, 2017.

On reappointment, Mr. Bhartia shall be liable to retire by rotation. Mr. Shamit Bhartia being brother of Mr. Priyavrat Bhartia, Director, is related to him. He is not related to any other Director and Key Managerial Personnel of the Company.

By **Order of the Board**
For Jubilant Industries Limited

Dinesh Kumar Gupta
Company Secretary

May 24, 2017

JUBILANT INDUSTRIES LIMITED

Route Map of the venue of the 11th Annual General Meeting

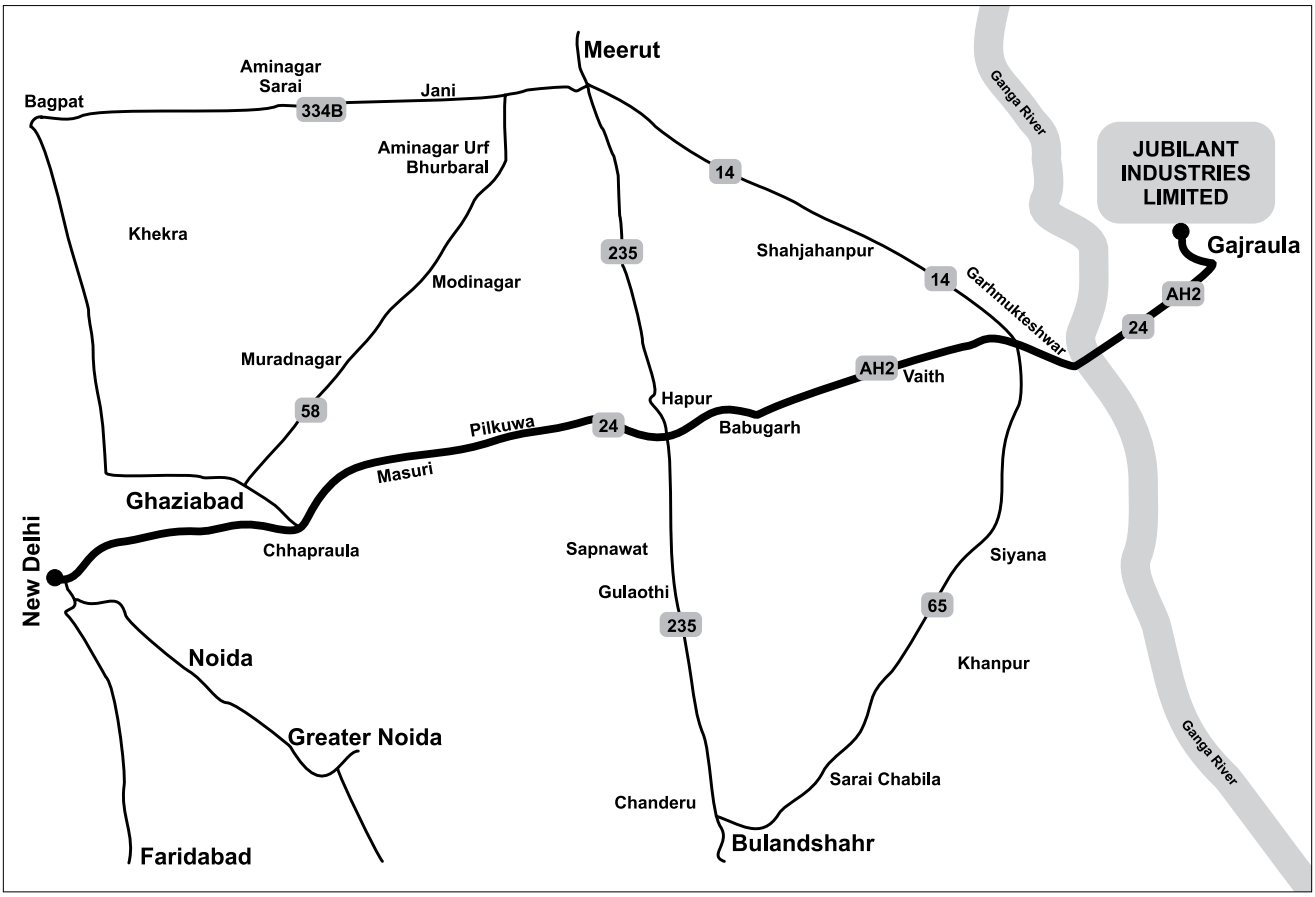
Day : Tuesday

Date : August 29, 2017

Time : 1:30 P.M.

Venue : **Registered Office**
Bhartiagram, Gajraula,
District Amroha - 244 223
Uttar Pradesh

Route Map of the venue of the 11th Annual General Meeting



Web-link for Route Map : distancebetween.info/delhi/gajraula/road_map

JUBILANT INDUSTRIES LIMITED

(CIN: L24100UP2007PLC032909)
Registered Office: Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India
E-mail: investorsjil@jubl.com; Website: www.jubilantindustries.com;
Phone: +91-5924-252353-60; Fax: +91-5924-252 352

ATTENDANCE SLIP: AGM 2017

Name of person attending: _____

Capacity: Member ☐ Proxy ☐ Authorised Representative ☐
(Please √ appropriate box)

I hereby record my presence at the **11th Annual General Meeting** being held on Tuesday, August 29, 2017 at 1:30 P.M. at the Registered Office of the Company.

_____
Member's / Proxy's Signature

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD

PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE

JUBILANT INDUSTRIES LIMITED

(CIN: L24100UP2007PLC032909)
Registered Office: Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India
E-mail: investorsjil@jubl.com; Website: www.jubilantindustries.com;
Phone: +91-5924-252353-60; Fax: +91-5924-252 352

PROXY FORM: AGM 2017
[FORM MGT – 11]

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

Name of member(s):	
Registered Address:	
E-mail ID:	
Folio No./DP ID & Client ID:	

I/We, being the member(s) holding ..... shares of JUBILANT INDUSTRIES LIMITED, hereby appoint:

1. Name: ..... Address: .....
   E-mail ID: ..... Signature: ..... or failing him
2. Name: ..... Address: .....
   E-mail ID: ..... Signature: ..... or failing him
3. Name: ..... Address: .....
   E-mail ID: ..... Signature: .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **11th Annual General Meeting** of the Company, to be held on Tuesday, August 29, 2017 at 1:30 P.M. at Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(s)	For	Against
Ordinary Business			
1	Consider and adopt: (a) Audited Standalone Financial Statement together with the Reports of the Board of Directors and Auditors thereon (b) Audited Consolidated Financial Statement and Report of the Auditors thereon		
2	Re-appointment of Mr. Shamit Bhartia, who retires by rotation and being eligible offers himself for re-appointment		
3	Ratification of appointment of M/s K.N. Gutgutia & Co., Chartered Accountants, as the Statutory Auditors of the Company		

Signed this ..... day of 2017

....
Signature of proxy holder(s) (Signature of Member)

Affix Revenue Stamp of ₹ 1

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

JUBILANT INDUSTRIES



ANNUAL REPORT 2016-17

CONSUMER PRODUCTS | AGRICULTURE | FOOD POLYMERS | VP LATEX

Corporate Information

REGISTERED OFFICE
Bhartiagram, Gajraula
District Amroha - 244 223
Uttar Pradesh, India
Tel.: +91-5924-252351-60
Email: investorsjil@jubl.com
Website: www.jubilantindustries.com

CORPORATE IDENTITY NUMBER (CIN)
L24100UP2007PLC032909

CORPORATE OFFICE

1A, Sector 16A,
NOIDA - 201 301
Uttar Pradesh, India

STATUTORY AUDITORS
K.N. Gutgutia & Co.
11K, Gopala Tower,
25, Rajendra Place,
New Delhi - 110 008, India

INTERNAL AUDITORS
Ernst & Young LLP
Golf View Corporate Tower B,
Sector 42, Sector Road,
Gurugram - 122 002,
Haryana, India

COMPANY SECRETARY
Dinesh Kumar Gupta

REGISTRAR AND SHARE TRANSFER AGENT
Alankit Assignments Limited
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi - 110 055, India
Tel.: +91-11-23541234, 42541234
Email: rta@alankit.com

BANKERS
Axis Bank Limited
Corporation Bank
IDBI Bank Limited
Yes Bank Limited

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Details of Subsidiary Companies

Company Introduction

Jubilant Industries Limited (JIL) is a well-diversified Public Listed Company, which along with its subsidiary Jubilant Agri and Consumer Products Limited (JACPL), operates into sectors like Performance Polymers; Consumer Products; Fertilizers; and Agrochemicals. We are one of the leading manufacturers of Single Super Phosphate (SSP), Poly Vinyl Acetate (PVAc), Vinyl Pyridine (VP) Latex and Wood Adhesives in the country. The Company has a broad product portfolio, covering large range of products for both B2B and B2C customers.

The equity shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited.

BUSINESS SEGMENTS

The Company operates in two business segments:

Agribusiness: The Company is among the top domestic players in Single Super Phosphate. With a strong brand 'Ramban', we are the leading SSP supplier in Uttar Pradesh. The contribution of this segment to total revenue from operations is 25%.

Performance Polymers: The business under performance polymer segment includes Consumer Products like Wood Adhesives and Wood Finishes; and Specialty polymers like VP Latex, and Food Polymers and an IMFL bottling plant at Nira. The contribution of this segment to total revenue from operations is 75%.

MANUFACTURING FACILITIES

The Company along with its subsidiary has five manufacturing facilities across the country. Two in the state of Uttar Pradesh (Gajraula and Sahibabad), one in Rajasthan (Kapasan, Chitorgarh), one in Gujarat (Savli, Baroda) and an IMFL bottling plant at Nira, Maharashtra.

OUR BRANDS

Jivanjor
NAYA YUG, NAYA JOD

CHARMWOOD

रामबाण®
सफल किसान की पहचान...

VAMIPOL

ENCORD
VP Latex for Tyres

Board of Directors



Mr. Hari S. Bhartia
Chairman



Mr. Priyavrat Bhartia
Director



Mr. Shamit Bhartia
Director



Mr. Ghanshyam Dass
Director



Mr. R. Bupathy
Director



Mr. S. K. Roongta
Director



Ms. Shivpriya Nanda
Director



Mr. Videh Kumar Jaipuriar
Managing Director

Chairman's Message

Dear Shareholders,

I am happy to share my thoughts with you at the end of an interesting year!

Financial Year 2016-17 has been a mixed year. Company's business gets directly impacted by performance of Construction Sector, Agriculture and Transport. While there was good news on Agriculture front, which grew by 4.9% against last year growth of 0.7%, Construction grew by 1.7% against last year growth of 5%.

FY 2017 Financial Highlights

Your company has been able to improve its performance in agri-sector due to positive environmental factors.

The Consolidated Revenue from operations of the company dropped by 15%, to reach ₹ 551 Crore in FY 2017, as compared to ₹ 652 Crore in FY 2016. Earnings before interest, taxes, exceptional items, depreciation and amortization (EBITDA) stands at ₹ 40 Crore in FY 2017. The drop in revenue is mainly on account of spin-off of Retail business in last year.

Agribusiness generated revenue from operations of ₹ 138 Crore, with an increase of 1% YoY. Performance Polymer segment witnessed a drop of 1% in revenues from operations to ₹ 413 Crore.

After accounting for depreciation and amortization of ₹ 9 Crore, the Company's PBIT stands at ₹ 31 Crore. After accounting for financial charges of ₹ 30 Crore, and exceptional items of ₹ 2 Crore, PBT stands at ₹ (1) Crore and Profit/(Loss) after Tax at ₹ (19) Crore.



FY 2018 Outlook

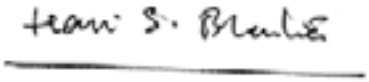
Overall, current year should deliver much improved numbers due to strong performance by Agribusiness and growth driven by Consumer Products.

Good monsoon should help the Fertilizer business. Our focus on distribution and new product introduction in Consumer Products Division should help us gain market share. While volume pressure in Food Polymers business continues, we are focusing on establishing Ester Gum as a new product line. VP Latex business is expected to do well with the prediction of good growth in Commercial Vehicles sales.

Your company is fully align to GST transition, and expect smooth transition to the new Indirect-Tax regime.

I take this opportunity to thank all our employees, customers, vendors, bankers and shareholders for their continued support.

Best Wishes.



Hari S Bhartia
Chairman
Date: 24th May 2017

Awards & Accolades

Greentech Environmental Award 2016 - GOLD AWARD



JACPL Gajraula plant has received India's Prestigious **17th Annual Greentech Environment GOLD AWARD** in Chemical Sector for outstanding achievement in **Environment Management**.

Fame Excellence Award 2016 - GOLD AWARD



JACPL Gajraula plant has received the **GOLD AWARD** for outstanding achievements in **Quality Excellence** in India's Prestigious **FAME Excellence Award - 2016.**

Safety Management Award 2016 - GOLD AWARD



JACPL Gajraula plant has received the **GOLD AWARD** in Chemical Sector for **outstanding achievement in Safety Management.**

Greentech HR Award 2016 - SILVER AWARD



JACPL Gajraula plant has received the **SILVER AWARD** for outstanding achievements in **Training Excellence** in India's Prestigious **"6th Annual Greentech HR Award - 2016".**

Management Discussion and Analysis

India is an important player in the global trade of chemicals, fertilizers, plastics and allied products. The chemical industry has seen an increasing shift towards Asia, where Indian chemical industry stands out to be the third largest producer and 6th in the world in terms of output as per IBEF report published in February 2017.

Indian economy continues to maintain a growth rate in excess of 7% and is one of the fastest growing large economies in the world.. The growth was lower than last year growth of 7.6%. All the sectors except agriculture has shown lower growth this year as compared to last year. Agriculture has got benefited due to a good monsoon this year. Demonetisation announced by the Government on November 8 was one of the major steps taken to reduce tax fraud and corruption and push India towards digitization. This had a negative impact in many sectors in the months of November and December but the economy seems to have bounced back.

India is an important player in the global trade of chemicals, fertilizers, plastics and allied products. The chemical industry has seen an increasing shift towards Asia, where Indian chemical industry stands out to be the third largest producer and 6th in the world in terms of output as per IBEF report published in February 2017. Chemical Industry currently contributes to more than 2% of Indian economy (IBEF).

Jubilant Industries focus on expanding business in newer markets and product categories has resulted in addition of new customers and new geographies. The company has also been able to concentrate on more profitable segments of the business.

Industry Scenario

We operate in diverse sectors ranging from fertilizer; food ingredients; tyre production inputs; and wood-working etc. Our performance is not only an indicator of the strategies we have adopted but it also depends upon the behavior of different sectors to whom we cater.

Indian P&K market saw a mixed trend in FY17. While phosphatic demand dropped due to high opening inventory and lower international prices but MOP import was higher by 15%. SSP consumption in UP was almost stagnant over last year whereas it reduced by 10% on an all India basis.

Indian Adhesive industry's volume growth was impacted especially in the second half of financial year due to demonetization, however we have been successfully able to grow at a pace better than the industry growth. Reduction in VAM prices have provided relief to adhesive manufacturers and their margins improved over previous year.

A slowdown in economy coupled with dumping of Chinese tyres have hit the Indian tyre manufacturers in 2016-17 as per ATMA. The Truck and Bus Radials (TBR) have been hit the most with production dropping down by as much as 20% in the second half of the financial year 2016-17 compared to the peak in June 2016. Interestingly, demonetization has, to some level benefited the TBR segment as the currency crunch brought down the un-organized segment import of Chinese TBR tyres temporarily. But its adverse effect was witnessed in the rural-demand dependent two wheeler (2W) and tractor segments, where purchases were deferred. Exports, however have continued to deliver a healthy double digit growth. Over the next three years, exports are projected to grow at 6-8% led by stable demand and increased acceptance of Indian tyres in overseas markets, both in terms of quality and pricing.

Our Latex business did well in the exports markets, helped by new customer acquisitions. Domestic market posted a growth in line with the market growth. Food Polymer business saw an expansion of the product portfolio with the introduction of Ester Gum. Successes were also seen in the food polymer business in terms of adding new customers in our SPVA business both in food as well as industrial applications.



Financials

Consolidated financial results of the Company are analyzed and presented below:

Consolidated Profit & Loss	FY 2017 (₹ in millions)	FY 2016 (₹ in millions)
Revenue from Operations	5,511	6,525
Other Income	26	29
Total Revenue	**5,537**	**6,554**
Expenses		
Cost of Materials Consumed	2,580	2,425
Purchase of Stock-in-trade	88	775
Change in Inventories of Finished Goods, Work-in-progress & Stock-in trade	(71)	195
Excise Duty on Sales	420	448
Employee Expense	723	838
Other Expenses	1,395	1,536
Total Expenses	5,135	6,217
EBITDA	**402**	**337**
Depreciation & Amortisation Expenses	91	176
Finance Cost	298	414
Exceptional Items	14	754
Tax Expenses	18	(912)
Net Profit After Tax	**(19)**	**(95)**

Revenue: The Consolidated Revenue from Operations during FY 2017 stands at ₹ 5,511million against ₹ 6,525 million in FY 2016, reflecting a drop of around 16% . The drop in revenue is mainly on account of sale of Retail business; reduced prices of Butadiene and VAM (where selling prices are a function of raw material prices); and reduced volumes in Agribusinesses due to focus on profitable markets.

Total Expenditure: Total Expenditure stands at ₹ 5,135 million in FY 2017 as against ₹ 6,217 million in FY 2016. Major expense heads for the Company include Raw Material costs, Manufacturing costs, Employee benefits expenses and Selling General & Administrative expenses.

EBITDA: In FY 2017, the Company's EBITDA stood at ₹ 402 million, compared to ₹ 337 million in FY 2016

PAT: After accounting for depreciation and amortisation of ₹ 91 million and exceptional items of ₹ 15 million, the Company's PBIT stands at ₹ 297 million. After accounting for financial charges of ₹ 298 million, PBT stands at ₹ (1) million. Profit after Tax of Company stands at ₹ (19) million.

Business Segments

Business segment wise consolidated net sales

Composition of Sales (₹ in millions)	FY 2017	FY 2016
Agribusiness	1,378	1,360
Performance Polymers	4,133	4,178
Retail	-	987
Total	**5,511**	**6,525**

Agribusiness

Business Profile – Agribusiness has a range of agri-input products in Crop Nutrition, Crop Growth Regulator and Crop Protection categories under the brand "Ramban". The brand has strong reputation in Uttar Pradesh and many other North India markets.The Company is engaged in the manufacturing of SSP, Organic Manure Granules, Sulphuric Acid and trading of agrochemical products.

Industry Overview – Chemical Fertilizer is a key input to help growth of India's agriculture output.

The industry helps agriculture sector for meeting food grain requirements of the growing population of the country.



The industry not only helps India become self-reliant in food grain production but also contributes significantly to enhance employment in the country.

The Indian fertilizer industry consists of two key segments – Urea fertilizer and Non-Urea fertilizers:

- The Urea fertilizer accounts for over 50 percent of the total fertilizer consumption. This is regulated by the government as the price and the subsidy are fixed by the government.
- While, the Non-Urea segment consists of Di Ammonium Phosphate (DAP), Single Super Phosphate (SSP), NPK and Muriate of Potash (MOP) fertilizers. This functions under a fixed subsidy and variable pricing freedom being granted by the government since April 2011.

DAP, NP / NPK and SSP are the main forms of Phosphate fertilizers used in India. SSP is a multi-nutrient fertilizer containing 'Phosphate' as primary nutrient and 'Sulphur' and 'Calcium' as secondary nutrients. It is preferred by small and marginal farmers due to lowest price per kg and is the cheaper source of Sulphur.

In India, SSP contributes around 15-20% to the total Phosphate fertiliser usage, while in countries like Egypt, New Zealand, Brazil, Australia etc; the average contribution of SSP to the total Phosphate fertilisers is much higher.

Business Performance – In FY 2017, we were able to improve our operating efficiencies over last year. Our focus on seling more in our economic zone helped us improve our market share in relevant markets with better profitability. This also helped us improve trade debtors.

Business Strategy – In SSP, focus will be on increasing market share in economic zone through intensive marketing activities to improve profitability, improving sales of value added products like Boronated SSP and increasing sales in-house products like organic fertilizers, *Shaktizyme* and *Nutravita.* Effort will also be on improving sales of agrochemical product VAM-C, a plant growth regulator, which gives promising results in crops like Soybean.

Performance Polymers

Consumer Products

Business Profile – The Consumer Products business operates in the space of Wood Working Adhesives and Wood Finishes. Our Adhesive brands '*Jivanjo*r', ''*Polystic*'' and '*Hero*'' and Wood Finishes brand '*Charmwood*' has strong market acceptance and is known for its product quality among the influencers and consumers.

- '*Jivanjo*r' Adhesives are very popular in the wood-working industry. The Company's water based adhesives are ready to use adhesives which set rapidly at room temperature & offer superior bond strength that enhances the durability of furniture and fixtures. The Company also offers contact adhesives, which are Synthetic Rubber based adhesives for exceptional fast drying and for vertical lamination. This year, we have also introduced a new brand under '*Jivanjo*r'umbrella, called '*Lamini Nxt*' in the Rubber based adhesive segment.
- Our Wood Finishes brand '*Charmwood*' offers complete wood finishing system, stains and ancillaries for decoration & protection of wooden furniture. The wood finishing system includes Melamine finish (including Non Yellowing finish), Nitrocellulose finish & PU Alkyd finish. These systems offer exceptional fast drying properties, tough coatings and superior resistance. We also offer a wide range of stains that can be mixed to generate unique colours to meet different consumer needs. The range also includes ancillaries like sealers & thinners, required for the purpose of successful application.

With a nationwide network, both our brands '*Jivanjo*r' and '*Charmwood*' are major players in their respective segments. We have a pan India presence with a strong distribution network of dealers and distributors.

Industry Overview – Adhesives have wide application and are used by numerous end user industries such as



'*Jivanjo*r' Adhesives are very popular in the wood-working industry. Wood Finishes brand '*Charmwood*' offers complete wood finishing system, stains and ancillaries for decoration & protection of wooden furniture.

The gum industry is consolidated with top two companies' together accounting for around 60% market share. The global market share for the top five chewing gum companies are estimated to be around 83%. The remaining 17% of the global market is serviced by an estimated 200 to 250 smaller gum companies.



packaging, construction, furniture, automotive, assembly operations, etc. Construction industry growth and rising GDP levels are the key drivers for the industry

Furniture industry is one of the largest consumers of adhesives. The overall slowdown in construction industry has impacted the volume growth in Adhesives and Wood Finishes. FY 2017 has been a slow year for Wood Adhesive industry with volume growth getting impacted due to demonetisation effect on construction industry in Q3. Wood Finish market is expected to grow faster than adhesives due to lower penetration currently. The end users are upgrading from basic Varnish and Nitrocellulose finishes to more value added finishes like Melamine and PU (Polyurethane) for superior aesthetics and performance. This is further driving the value growth.

Business Performance – FY 2017 has been good year for Jubilant's consumer products division, as we have been successfully able to grow our adhesives business at pace better than the industry growth. The business launched some new products and also increased the distribution reach. This is likely to increase our sales volume in the coming year.

Business Strategy – Our business focus is on:

- Channel and Influencer Management
- Product Mix improvement towards premium segment
- Launching new products to complete our portfolio

In Adhesives, the key aim of the business is to grow faster than the category in order to garner incremental market shares.

In Wood Finishes, we want to streamline our product portfolio and introduce some premium products. This is being done with tie-up with an international company on the product and technology fronts. The business is also focusing on expanding reach in OEMs and Project channel.

Food Polymers

Business Profile – Jubilant is one of the three global suppliers of Polyvinyl Acetate (PVAc) to chewing gum industry. PVAc is the major raw material for making gum base for chewing gum and bubble gum. Our brand names under this category are '*Vamipol 5*', '*Vamipol 14*', '*Vamipol 15*', '*Vamipol 17*', '*Vamipol 30*', '*Vamipol 60*' and '*Vamipol 100*'. The customer profile of the Company in this business includes the market leaders in chewing gum industry worldwide. In FY 2017, the business has expanded its portfolio with foray into the Ester Gum business with applications in both Food and industrial spaces.

Industry Overview – The gum industry is consolidated with top two companies' together accounting for around 60% market share. The global market share for the top five chewing gum companies are estimated to be around 83%. The remaining 17% of the global market is serviced by an estimated 200 to 250 smaller gum companies.

The Global Gum Industry continued to struggle in 2016, despite turnaround in the North American market and selected European markets. The main cause of the decline being the continued slowdown in China. FY2018 is also expected to be on a similar lines with a flat or a marginal growth driven by markets other than China.

Sugar free gums, which attracts health conscious consumers, and which also provide additional benefits of dental care, and also functional gums like 'energy gums' are expected to see a higher growth albeit with a lower base.

Chewing gum has several direct substitutes such as mints, mouth-freshening sprays, and bubble gum. Apart from the direct substitutes, there are some indirect ones, like candies and toffee. The preference for mints over chewing gum is likely to affect the demand for gums in coming times.



Business Performance – The core business has struggled in FY2017. Tough market conditions, increasing competitive pressures and a drop in demand by key customers has halted growth in FY2017. On a positive note, the year also saw in-roads into alternative applications for PVAc and the introduction of Estergum into the portfolio.

Business Strategy – The business strategy revolves around two key pivots – New customers, and New Product applications. During FY 2017, the business has worked around these pivots and has been able to include some new customers in the Americas and Middle East in food as well as industrial applications of PVAc. The business continues to have strong plans for new customer acquisitions in the food applications space with both SPVA and Ester Gum and also increase foot print in the industrial applications space.

Latex Business

Business Profile – Jubilant ranks No. 1 in India and No. 2 globally, in manufacturing of VP Latex (Vinyl Pyridine Latex) used in dipping of automobile tyre cord and conveyor belt fabric. The Company also produces SBR and NBR Latex. The Company is bulk supplier of these lattices to global automobile tyre manufactures and dippers. The products under this category are '*Encord VP Latex*' and '*Encord SBR Latex*'. Another product '*Encord NBR Latex*' is used in automotive gasket jointing.

Industry Overview – VP Latex is used to impregnate man made fabrics and enable the adhesion of fabrics to the rubber of automobile tyres and conveyor belts.

Tyre industry, which is our direct customer, is facing large competition from cheap imports from China which is likely to impact their profitability in future.They continue to lose market share to imports they cannot compete with.

ICRA expects the domestic tyre demand to grow by 4-6% between FY 2016-18.

Business Performance – Entry into the USA Latex market has helped post a healthy exports growth for the business. Steep rise in raw material cost continued to keep the domestic business challenged.

Business Strategy – As in FY 2017, business development activities across Asia and America are likely to remain a key priority during FY 2018. With the US market opening up again to Chinese tyres, ATMA predicts an ease in pressure from Chinese imports in India in FY 2018. However, business will have to be extra vigilant with its development initiatives in the US. In addition, renewed focus will be on new futuristic product developments.

Research & Development Initiatives

Research & Development plays an important role in innovation and developing new technologies and new infrastructure that can be leveraged for seamless scale up of new products. Six Sigma with R&D inputs, also play a critical role to foster the implementation of new technologies and enhance the efficiency of our manufacturing plants.

Jubilant has successfully developed new grades of SPVA for chewing gum and industrial applications. Jubilant is commercializing different grades of Ester Gum.

Newer grades of Adhesives, and Wood Finishes are under development and ready for commercialization.

R&D provides a huge influx of knowledge, which ensures enhanced services to customers. Jubilant has successfully developed new technology platforms in latex business, relevant to unmet customer needs.

Manufacturing

Jubilant's quest for sustainable growth has been supported by all its manufacturing locations by leveraging operational efficiency, waste reduction, waste recycle and reuse, resource conservation, and process innovation without dilution of focus on product quality, overall safety and operational flexibility and its ability to fulfill its customer needs.

Sustainable growth has also been supported by proactive approach to regulatory compliances. During the year, on line monitoring instruments installed on all the stacks and waste water lines of Gajraula Plant were stabilized and have been continuously transferring 'on line' emission and effluent data to CPCB. Work on compliance to USFSMA for manufacturing facility of Food Polymer business continued during the year.

Use of rice husk replacing nonrenewable fuel - coal for hot air generators continued during the year as an effort for sustainable growth To embed continuous improvement into the company DNA, and to further enhance its People, Process and System capabilities, various transformation methodologies like TPM and Lean Six Sigma have been deployed across the manufacturing function.

During the year under review, Company's efforts in its drive for sustainable growth and continuous improvement were recognized in various national forums. Our Gajraula plant received Annual Greentech award in Gold category in Chemical sector for outstanding achievement in Safety Management System for 2016, Greentech Gold Award

We foster a conducive work environment that enhances professional and personal growth. Our strong team culture of mutual trust, oneness, learning, care and concern is a key inspiration to meet tomorrow's challenges.



in Chemical sector for outstanding achievement in Environment Management System, Greentech Silver Award for Training Excellence. Efforts of Gajraula plant in quality improvement were also recognized by a Gold award in 'Fame Excellence Award – 2016' for Quality Excellence.

Supply Chain Management

The Company continued its strategic supply contracts for key raw materials of its food polymers business. Other strategic supply contracts for raw materials of Agri business as well as VP Latex business were re-negotiated which gave cost reduction as well as improved working capital. This also helped our suppliers in better planning as well as our Company in continuous product availability.

The restructuring exercise for finished goods, logistics and distribution structure of the Company's consumer products business, continued this year as well. This will help in creating a robust distribution structure post GST implementation The Company increased its reach by expanding its consumer products' distribution network to many newer markets within India.

Supply chain worked towards packaging improvement in both B2B as well as B2C businesses by introducing differentiated materials and methods of packaging. This exercise specifically helped in the company's consumer products business in gaining end-consumer delight.

Human Resources – the 'Catalyst' for Growth

Our Human Resource philosophy is based on the plinth of "Caring, Sharing & Growing" which is our stated Promise to our employees & the same is demonstrated adequately in our People Strategy Framework. Our unwavering faith in the ideology that sustainable progress has to be holistic; positively impacting all employees & needs to be driven through the internal talent, paves way for creating sustainable & pragmatic people plans. We leverage human capital for competitiveness by nurturing knowledge, entrepreneurship and creativity. The 4 pillars of our strategy is to Attract, Retain, Develop and Engage talent through innovation & the resultant business solutions to precisely meet our challenges. We are proactive in being in touch with market intelligence & the talent identification to be able to support businesses at the right time. The Company has a team of about 650 empoyees distributed across its corporate office in Noida, manufacturing units and sales and distribution offices, across India to manage the strategic, tactical & operational requirements.

At, JIL we have integrated our HR team & practices to remain closely aligned to businesses & foster the spirit of a true business partnership. This enables us to be closer to employees & closer to market resulting in creating a phenomenal value transition for our employees. Our policies & people management framework is periodically evaluated to ensure relevance & parity across the competition. We believe that people are the differentiating assets for us and hence we invest in enabling training programs across the spectrum. We invest significantly in training and development to bridge the skill voids for our employees on a continual basis. At JIL, working up the ladder is an element of career planning with accelerated growth for high potential key talent and career progression for the employee base. The annual performance management exercise is fair & transparent & enables parity across roles that operate in different geographies however ensuring adequate opportunity to manage the regional challenges. We encourage people to explore opportunities in harmony with their natural talent and nurture them to grow through deputations, cross-functional movements, Internal Job postings and planned role rotations.

We embed a sense of inclusion and equality in our people. In action, this is visible through an inclusive work environment that enhances professional and personal growth. Our culture of creating & sustaining a strong team based on mutual trust, oneness, learning, care and concern is a key inspiration to proactively address and meet tomorrow's challenges.



Internal Financial Control Framework

Section 134(5) (e) of the Companies Act, 2013 requires a Company to lay down internal financial controls system (IFC) and to ensure that these are adequate and operating effectively. Internal financial controls, here, means the policy and procedure adopted by the Company 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.

The above requirement has the following elements:

- Orderly and efficient conduct of business
- Safeguarding of its assets
- Adherence to Company's policies
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information

At Jubilant Industries Limited, the internal financial controls systems are in place and incorporates all the five elements as mentioned above. In addition, the Company has a transparent framework for periodic evaluation of the internal financial controls in form of internal audit exercise carried out through the year and online controls self-assessment, thereby reinforcing the commitment to adopt best corporate governance practices. Policy and procedure adopted by Jubilant Industries to adhere to IFC elements is given below:

Orderly and efficient conduct of business

The Company has a well laid down organizational structure which defines the authority-responsibility relationship. The Company has a formal financial planning and budgeting system in place encompassing the short term as well as long term planning. In order to ensure that the decisions are made and action taken at an appropriate level, the Board of Directors of the Company have formulated the Delegation of Authority which has been designed to ensure that there is judicious balance of authority and responsibility. The adherence to Delegation of Authority is part of the internal audit plan. To improve the controls in operations, we have established the concept of financial decision making through operational committees. The entire Purchase, Credit Control and Capital Expenditure decisions are taken jointly in committees. The key roles of these business committees are as under:

a) Purchase Committee which ensures high quality purchases at economical cost and maintains reliability of supplies from reputed Suppliers with long-term relationships
b) Capex Committee which ensures cost reduction with proper negotiation and monitors time & cost overrun.
c) Credit Committee which evaluates the credit risk and approves the maximum credit which can be provided to a customer. This committee approves the credit limits at the beginning of the year and is empowered to make changes as and when required.

The Company also has the risk management framework in place which has been discussed under the heading "Our Vision on Risk Management".

Compliance with respect to various statutes, rules and regulations applicable to the Company is managed by Secretarial department. Status of compliance is governed through an intranet based application 'Statutory Compliance Reporting System' (SCRS). Respective control owners certify the compliances on a quarterly basis in SCRS and a compliance report is prepared through SCRS. The objective of the SCRS certification is to ensure that the compliances are effectively managed and controlled and that they support the Company's business objectives and corporate policy requirements.

Safeguarding of its assets

The Company has taken an industrial risk policy for all of its plant as well as corporate office to safeguard its assets. The Company also carries out a physical verification of its assets.

Adherence to Company's policies

The Company has two tier policies and procedures viz Entity Level Controls and Process Level Controls. The entity level control includes a comprehensive code of conduct and code of ethics. We also have process level controls which cover a wide range of key operating financial and compliance related areas like Accounting, Order to cash, Procurement to payment, Inventory and Production etc.

Self-assessment certifications of controls are being done by the Control Owners through a verifiable and transparent sign-off process and such certifications are reinforced by Activity and Location Owners, as they give in-principle approval to the self-assessment by the Control Owners. Result of Controls Manager certification is prepared and presented to the audit committee every quarter by the CFO for exception review.

Controls certification is also being validated by the in-house team through review of the assertions certified by the

The Company has in place a well-established processes and guidelines along with a strong reviewing and monitoring system at the Board and senior management levels.



Control Owners on sample basis regularly across business units, plants, branches and corporate office and validation results of Controls Manager certification are prepared and presented annually to the audit committee.

The above policies are periodically reviewed and refreshed in line with the change in business and regulatory requirements.

The Audit Committee, on a quarterly and annual basis, reviews the adequacy and effectiveness of the internal controls being exercised by various business and support functions.

Prevention and detection of frauds and errors

In order to prevent and detect frauds and errors, perpetual internal audit activity is carried out by M/s Ernst & Young LLP. Action points and suggestions made by them are discussed in Sub Audit Committee meeting before presenting the same to the Audit Committee. Subsequently, follow-up audits are also carried out by in-house internal audit team to ensure implementation of the suggestions. In addition, special audits are carried by the in-house audit team in areas that may be vulnerable to fraud.

Accuracy and completeness of the accounting records

The Company has a very well documented and updated Accounting Manual based on the existing Indian Generally Accepted Accounting Principles (GAAP). The Accounting Manual contains detailed guidelines on all aspects of accounting applicable to the Company and has been prepared in line with all applicable accounting standards, guidance notes and expert opinions. This helps in ensuring that the accounts and finance team is well updated on the applicable accounting requirements.

Our Vision on Risk Management

To establish and maintain enterprise wide risk management capabilities for active monitoring and mitigation of organizational risks on a continuous and sustainable basis.

Risk Management Strategy

The Company has a strong risk management framework in place that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. The Company has in place a well-established processes and guidelines along with a strong reviewing and monitoring system at the Board and senior management levels.

Our senior management team sets the overall tone and risk culture through defined and communicated corporate values, clearly assigned risk responsibilities and appropriately delegated authority. We have laid down procedures to inform Board members about the risk assessment and risk minimization procedures. As an organization, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

Risk Management Structure

Our risk management structure comprises of the Board of Directors and Audit Committee at the Apex level, supported by the Managing Director, Heads of Businesses, Functional Heads, and Unit Heads. As risk owners, the Heads are entrusted with the responsibility of identification and monitoring of risks. These are then discussed and deliberated at various review forums chaired by the Managing Director and actions are drawn upon. The Audit Committee, Managing Director, and CFO act as a governing body to monitor the effectiveness of the internal financial controls framework.

Risk Mitigation Methodology

We have a comprehensive internal audit plan and a robust Enterprise Risk Management (ERM) exercise which helps to identify risks at an early stage and take appropriate steps to mitigate the same. We have completed five years of our certification process wherein, all concerned Control Owners certify the correctness of controls related to key



operating, financial and compliance, every quarter. This has made our internal controls and processes stronger and also serves as the basis for compliance with regulatory requirements.

Management's Assessment of Risk

The Company identifies and evaluates several risk factors and draw out appropriate mitigation plans associated with the same. Some of the key risks affecting its business are laid out below:

Competition

The Company operates in a competitive business environment in each of its business segments. Climatic conditions have a pivotal role to play in Agribusiness prospects. Uncertainty in monsoons & non-uniform distribution of rainfall has repercussions like sudden change in cropping pattern, pest attack, and changes in output prices of commodities. All these factors hugely impact the demand & supply balance of fertilizers.

Market players which resort into supply of low quality products at lower prices also prove to be a major competitive risk. The risk manifests in the form of a number of low quality products, new entrants resorting to penetration pricing to capture market share as well as competing with established players with a diversified product portfolio and established distribution channels, which allows them benefit of economies in supply chain. The movement of bulk fertilizers requires timely availability of carriers & railway wagons (rakes) which at times get affected due to movement of other commodities at the same time In addition, price movements in the international market for alternatives to SSP such as DAP & NPK complexes, poses risk in the form of consumer preference for these alternative products thereby impacting demand for SSP.

In Agribusiness, the Company has added many dealers in primary market & entered into niche markets to build up strong distribution network and also to sustain our present market share by focusing on institutional sales & increased market share in primary market. To meet market requirement the stock are pre-positioned in strategic locations/warehouses during the off-season so that customer satisfaction levels & marketability improves during peak consumption months.

In Wood Adhesives and Wood Finishes business, low involvement of consumer and price sensitivity makes the Company dependent on Channel and Influencer for creating demand for its products. Regional players, due to lower overhead costs and higher trade schemes put pressure on margins. The Company has worked out strategies to expand distribution channel, build up product portfolio in high growth segments and strengthen brand usage among influencers with loyalty programs and various interactive marketing initiatives.

In Food Polymer and Latex business, the Company faces competition from international territories including China in terms of cost advantage enjoyed by our competitors. Further for these export oriented businesses, we face competition from European competitors. Due to depreciation in the value of the Euro, European suppliers are aggressively dropping prices to garner business. The Company has strong customer and account management programs to secure long term commitments from our customers. Also, it has plans in place to identify new geographies, re-align its product and market mix. The Food Polymers business has extended the Polyvinyl Acetate grades (till now being supplied only as a Food Additive) for Industrial applications to hedge against current risk of supplies to a single industry (chewing gum).

Cost Competitiveness

The Company believes that its growth and market position is due to the quality that it stands for. Rising input prices amidst inflationary market conditions pose a risk to the Company's ability to remain price competitive and build profitability to drive future growth. Volatility in prices of raw materials such as Sulphur, Sulphuric Acid, Rock Phosphate, VAM, Catalysts, and Butadiene etc. and any surge in logistics cost may have a significant impact on operating margins.

The Company continues to take initiatives to reduce costs by business excellence initiatives. Wherever feasible, the Company is entering into long term contracts with volume and price commitments. Alternative supply sources are being identified to negate the adverse impact of short supply of raw materials and R&D initiatives being evaluated to develop cheaper / easily available alternatives. The focus is also on improving profitability by increasing supply chain and R&D effectiveness, thereby reducing manufacturing costs.

Foreign Currency Fluctuations

Foreign currency exposures arising out of international revenues and significant import of key raw materials could adversely impact the profit margins of the Company. Depreciating rupee poses a risk of imports becoming dearer and raw materials more expensive. Further, volatility and uncertainty in Forex rates creates challenges in determining the right price of the product in the market.

To mitigate foreign currency related risks, the Company has a strategy in place to take measured risks through hedges and forward covers. The risk management team formulates policies and guidelines which are periodically reviewed to align with external environment and business exigency.

Capacity Planning and Optimization

As a part of its growth strategy, the Company makes investments to expand capacity and service capabilities and focuses on debottlenecking the existing plants. Debottlenecking/process improvements helped in generation of additional capacity with the available resources in Sulphuric acid. This is critical to achieve our business objectives of driving growth and maintaining market leadership. Non availability of sufficient capacity due to delayed commissioning, cost overruns and inability to deliver as per standards can significantly impact achievement of revenue targets, margins and expected return on investment (ROI). It can also result in customer dissatisfaction and adverse impact on reputation. Uncontrollable breakdowns and idle capacities contribute to inefficiencies in manufacturing process. Similarly, unutilized capacity for short periods due to power breakdown, unavailability of labor, transport strike etc. may impact the ability to meet customer demand and garner market share.

The Company has robust processes in place to continuously monitor planned capacities and utilization ratio, aligned with good manufacturing practices and stringent plant maintenance plan. The Company takes additional initiatives to commit to customer orders only after taking into consideration the key capital projects planned for execution. The Company's growth objectives are aligned with project team execution plan. It periodically embarks on de-bottlenecking and other initiatives to improve efficiencies and build additional capacities.



Portfolio and mix: Product and Customer Concentration

A balanced portfolio in terms of customers, markets and products is critical for the Company to be able to execute business strategies and monitor the impact of decisions. Any change in customer's organization behavior, needs or expectations may adversely impact the competitive position and margins of the Company. A high customer concentration poses a risk of sudden fall in revenue and margins and share of business due to any change in consumers' needs and trends, preference for a competitor and /or liquidity crunch due to inability to collect dues from customers.

To meet emerging nutrient deficiency in crop produce which creates malnutrition condition, fertilizer industry in collaboration with Government of India makes continuous efforts to provide nutrient rich fertilizers to farmers. This helps farmers maintain crop yields & thus get higher returns. JUBILANT also played its role in maintaining soil health & increasing crop yields by introducing one more product under FCO –*Boronated Granular SSP.*

Our organic fertilizers in the portfolio viz. *ShaktiZyme* & *Nutravita* are meant for improvising soil condition in the long run & thus contributing to sustainability. Likewise, crop growth regulator '*VAM-C*' has shown significant results over legumes, apart from grapes, soybean etc.

An over-dependence on single product or few customers as in case of Food Polymers and Latex business, may adversely impact the realisation of long term business objectives in the event of any regulation limiting the end use application. Failure to effectively / optimally utilize co-products as per strategy may result in inventory build-up, distress sale and forced losses.

The Company regularly reviews its portfolio based on product, customer and geography and draws out strategies to achieve the desired mix. With robust customer and account management programs in place, it safeguards itself against any shift in customer preference. To mitigate the risk emerging from over-dependence on few / single products, it has committed investments in R&D to broaden its product mix and widen the portfolio to identify newer applications for its product range. In Food Polymers business, a new product line has been set up and production is expected to commence soon.

As a part of business planning and periodic review meetings, the Company strives to identify and explore new profitable markets for its products as well as new downstream opportunities in terms of applications and alternative uses of the products available in its portfolio.

Human Resources-Acquire and Retain Professional Talent

It is paramount for us to have an elaborate Human Resource Plan to support the capability required in the seeding years to support our expansion initiatives. The focus continues on attracting the right talent, engaging & retaining the talent and also provide developmental inputs, critical to maintain desired operational standards. Additional focus is needed to develop a credible succession plan for key positions,

ensuring no adverse impact on the business objectives, in case of unexpected departures in key positions.

The Company has initiated various talent engagement & development programs. The framework to identify & differentiate "High Performance High Potential" employees has been created with special focus on "Action-Learning" projects, training and developing existing talent and building a strong Employer branding, which would help in attracting & retaining the best available talent in the Industry. The successors to the business heads are being engaged to lead cross functional teams and are structurally involved in strategy and operational discussion to build up the holistic knowledge of the business. The Campus connect program has been institutionalized to infuse fresh and quality talent at the entry levels with an assured fast track career path. The search partner engagement program enables the Company to reinforce its employer branding that has translated in to successful lateral hiring at key positions.

To execute its growth and diversification plans, the Company continues to hire new, highly skilled scientific and technical personnel and has also introduced rewards and recognition policies for effective employee engagement. Focused capability building through need based training programs are provided to identified employees at all levels.

Distribution Channel and Brand Recall

For better brand recall & to impart product knowledge, it is important to engage with all stakeholders regularly through various activities. In Agribusiness, various activities are conducted at field level to generate awareness among the farming community/dealer/retailer etc. These activities include spot farmer meetings, dealer & retailer meetings, farmer consultations/ visits, jeep campaigns, field demonstrations, kisan melas & field days. Crop & region specific POP material also aid in raising product awareness among the stakeholders.

In Wood Adhesives and Wood Finishes business, the Company competes with both national players with established brands as well as regional players with lower costs and personalised connect with dealers and distributors. As distributors and dealers play a significant role in driving consumer behavior, managing their loyalty, continuity and commitment is of paramount importance to succeed. Managing field inventory is, therefore, critical as aged inventory with distributors and dealers exerts additional working capital pressure on the trade channel resulting in low satisfaction levels and higher attrition at dealer level. This creates the risk of default and resultant pressure on realisations.

The Company has earmarked several brand building initiatives to carry-out tailored programs for specific markets to maximise return on investment (ROI) on such initiatives. To widen its distribution network, it plans to expand its distribution footprint in unrepresented markets and dealer-segments. Also, processes are being streamlined to manage distributor inventory and its liquidation which would in return offer better returns to distributors and hence secure their long term loyalty and commitment.



In Consumer Products business, the Company has started interactive CRM program to effectively reach out to its various stakeholders.

R&D Effectiveness

Innovation in terms of new products, new applications and new cost saving techniques of manufacturing and building a robust product pipeline is critical to the success of the Company. Failure in innovation and inability to build a robust product pipeline, which can be commercialized in a timely manner, may adversely impact the Company's competitive position. Risk of developing products which do not meet the required quality parameters may also significantly impact the Company's reputation and result in loss of future business. It is equally critical for the business to innovate new applications to maintain its leadership position.

The Company has robust plans in place with earmarked budgets and investments in R&D aligned to the business plans. Business teams keep a constant check on new technological advancements and work with R&D to sponsor these specific projects. This is complemented by a dedicated R&D team which keeps itself abreast of the regulations, upcoming technology changes and leading practices.

Compliance and Regulatory

We need to comply with a broad range of statutory compliances like obtaining approvals, licenses, registrations and permits for smooth working of our business, and failure to obtain or renew them in a timely manner may adversely impact the routine operations. For businesses like Latex and SPVA, compliance has become a critical factor due to ever increasing demand from key customers to obtain international approvals and licenses. Failure to achieve regulatory approval of new products can mean that we do not recoup our R&D investment through the sale of final



products. Any change in regulations or reassessment of safety and efficacy of products based on new scientific knowledge or other factors could result in the amendment or withdrawal of existing approvals to market our products, which in turn could result in revenue loss. This may occur even if regulators take action falling short of actual withdrawal. We have adopted measures to address these stricter regulations by increasing the efficiency of our R&D process, reducing the impact of extended testing and making our products available in time.

In Food Polymers business, plans have been implemented to comply with regulations that have come in force in the recent past, both in India and in relevant markets. Further, developments in the regulatory space are being continuously monitored.

Environment Health and Safety (EHS)

In the current business climate of reputational threats and rising political backlash, corporates need to tread carefully to maintain public trust. Social acceptance and Corporate Social Responsibility (CSR) have become increasingly important over the last decade. Non-compliance with stringent emission standards for the manufacturing facilities and other environmental regulations may adversely affect the business. Manufacturing of the Company's products involves hazardous chemicals, processes and by-products and is subject to stringent regulations. Proximity of plant locations to residential colonies amidst rapidly changing urbanisation dynamics poses additional risk to its business.

The Company anticipates that environmental laws and regulations in the jurisdictions, where it operates, may become more restrictive and be enforced more strictly in future. It also anticipates that customer requirements as to the quality and safety of products will continue to increase. In anticipation of such requirements, the Company has incurred substantial expenditure and allocated other resources to proactively adopt and implement manufacturing processes to increase its adherence to environmental quality standards and enhance its industrial safety levels.

The challenges due to the Company's operations related to EHS aspects of the business, employees and society are mapped and mitigated through a series of systematic and disciplined sets of policies and procedures.

Business Interruption due to Force Majeure

The Company's core manufacturing facility for a majority of its business is concentrated at Gajraula, India. Any disruption or stoppage of work at this facility, for any reasons, may adversely affect our business. Besides, the presence of a majority of the workforce in the residential colony adjoining our plant premises ensures sustenance of plant operations under challenging circumstances.

Other external interruptions - Fertilizers being partly subsidized important Agri input; are under government regulations. Any changes in government policies need creation of awareness among dealers, retailers, and farmers etc to ensure smooth implementation at ground level. In Agribusiness, these administrative controls impact cash flows & impose additional cost to business.

Recent example of one such policy measure is DBT for Fertilizers (Direct Benefit Transfer). In this, subsidy would be reimbursed to industry after sale of fertilizer by retailer to farmer through use of PoS machine while currently the industry gets subsidy on sale of fertilizers to the dealer/ retailer. For implementation of same - technological constraints/infrastructure, manpower training & other concerns are to be taken care of, failing which will directly lead to subsidy loss.

In Food Polymers business, adequate finished goods inventory is being maintained at stock points within the factory, as also close to the main markets/customers, to maintain supplies to key customers in the event of any stoppage of manufacturing operations. This inventory cover, however, would be for a limited period. The risk of impact on business in case of a prolonged stoppage / interruption of operations remain.

In Latex business, the manufacturing facility is at Samlaya, Vadodara, India. Any disruption or stoppage of work at this facility, for any reasons, may adversely affect our business.

Industrial All Risk insurance protection has been taken by Jubilant to ensure continuity in its earning capacity.

Directors' Report

Your Directors have pleasure in presenting the Eleventh Annual Report together with audited financial statements & accounts for the financial year ended March 31, 2017.

1. FINANCIAL RESULTS

(₹ in million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Total Revenue from Operations	5511.35	6524.62	278.60	401.46
Total Expenses	5524.20	6806.83	300.84	408.91
Operating Profit/(Loss)	(12.85)	(282.21)	(22.24)	(7.45)
Other Income	25.72	29.15	17.65	0.14
Profit/(Loss) before Exceptional Items & Tax	12.87	(253.06)	(4.59)	(7.31)
Exceptional Items	14.55	753.40	5.93	4.04
Tax Expenses	17.60	(911.90)	-	(0.52)
Net Profit/(Loss)	(19.28)	(94.56)	(10.52)	(10.83)
Balance brought forward	(737.21)	(642.65)	1,433.66	1,444.49
Balance to be carried forward	(756.49)	(737.21)	1,423.14	1,433.66

2. STATE OF COMPANY'S AFFAIR & OPERATIONS

The Company is engaged in manufacturing of Indian Made Foreign Liquor (IMFL) products for the various established brands in India, engaged in liquor business.

With a capacity of 100,000 cases/month and configuration of 5 automatic/semi-automatic lines, it can handle all sizes of the bottles. All lines are well equipped with required vats for storage of ENA, Blending and equipped automatic machines rinsing, filling, sealing & labelling which provides flexibility for bottling various sizes of IMFL. We have fully equipped state of art laboratory, chilling unit for the scotch blending and well established Water treatment plant with RO facility to support our bottling plant.

Consolidated Financials

In FY2017 the consolidated revenue from operations was ₹5511.35 million. EBITDA for the year stood at ₹401.48 million. Net loss was ₹19.28 million and EPS on consolidated basis stood at ₹(1.62).

Standalone Financials

In FY2017 total revenue from operations was ₹278.60 million. EBITDA for the year stood at ₹(2.71) million, Net loss was ₹10.52 million and EPS on consolidated basis stood at ₹(0.88).

The Consolidated Financial Statements, prepared in accordance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Accounting Standard-21 on Consolidated Financial Statements (AS-21), form part of the Annual Report.

3. DIVIDEND AND TRANSFER TO RESERVES

Keeping in view the losses, the Board of Directors has not recommended any dividend for the financial year 2016-17. Accordingly, there has been no transfer to general reserves.

4. CAPITAL STRUCTURE / STOCK OPTION

Authorised Share Capital

The authorized share capital of the Company as at March 31, 2017 was ₹ 150 million.

Paid-up Share Capital

During the year, 28,470 equity shares were allotted pursuant to exercise of Stock Options. As at March 31, 2017 the paid-up share capital stands at ₹119.15 million comprising of 1,19,15,070 equity shares of ₹10/- each fully paid up.

Employee Stock Options Scheme

At present, the Company has one Employee Stock Option (ESOP) Scheme, namely JIL Employees Stock Option Scheme 2013. The Nomination, Remuneration and Compensation Committee administers and monitors the Company's ESOP Scheme.

During FY 2016-17, 1,00,038 option was granted on October 28, 2016 under the ESOP Scheme and 28,470 options were exercised on September

23, 2016. The details pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 [the 'SEBI (ESOP) Regulations'], has been placed on the website of the Company and weblink of the same is http://www.jubilantindustries.com/pdfs/disclosure-pursuant-provisions-sebi-2014-fy-2016-2017.pdf.

The Company has received a certificate from the Auditors of the Company certifying that the ESOP Scheme has been implemented in accordance with the SEBI (ESOP) Regulations. The certificate would be placed at the Annual General Meeting for inspection by members. A copy of the same will also be available for inspection at the Company's registered office.

5. SUBSIDIARIES

The Company has two wholly owned subsidiary companies, Jubilant Agri and Consumer Products Limited (JACPL) and Jubilant Industries Inc., USA.

- **Jubilant Agri and Consumer Products Limited**

  During the year under review, JACPL has been engaged in the business of Agri Products comprising of wide range of crop nutrition, crop growth and crop protection, Performance Polymers comprising of consumer products, Food Polymers and VP Latex.

  During FY 2017, JACPL has revenue from operations of ₹5195.37 million. The net loss after tax for the FY 2017 is ₹4.79 million.

  In terms of Regulation 16 of the Listing Regulations, JACPL is a material non-listed wholly owned indian subsidiary of the Company.

- **Jubilant Industries Inc. USA**

  Jubilant Industries Inc. USA is a wholly owned subsidiary of the Company. During FY 2017, it has been engaged in overseas trading of Solid Poly Vinyl Acetate and VP Latex. It had revenue from operations of ₹363.01 million. Net loss after tax for the FY 2017 was ₹4.60 million.

The salient features of performance and financial position of Company's subsidiaries is given in Form AOC-1 attached to the financial statements.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment, Re-appointment and Resignations

Mr. Shamit Bhartia will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Brief resume of Mr. Shamit Bhartia with other details as stipulated under Secretarial Standard – 2 and Regulation 36 of the Listing Regulations, are provided in the Notice convening the 11th AGM.

Key Managerial Personnel

Mr. Sandeep Kumar Shaw, Chief Financial Officer, has resigned w.e.f. April 28, 2017. The Board in its meeting held on May 24, 2017 has appointed Mr. Umesh Sharma as the Chief Financial Officer of the Company and also designated him as Key Managerial Personnel of the Company.

Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Regulation 16 of the Listing Regulations.

Meetings of the Board

A tentative calendar of Meeting is prepared and circulated in advance to the Directors. The intervening gap between the meetings was within the period prescribed under the Act, Secretarial Standard - 1 and Listing Regulations.

During the year ended March 31, 2017, the Board met 4 times. The details of Board/Committee Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

Appointment and Remuneration Policy

The Company has implemented Appointment and Remuneration Policy, pursuant to the provisions of Section 178 of the Act read with Regulation 19 of the Listing Regulations. The Policy has been disclosed in the Corporate Governance Report attached to this Report.

Board Evaluation

A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors forms part of the Corporate Governance Report.

7. DISCLOSURE ON AUDIT COMMITTEE

The Audit Committee as on March 31, 2017 comprises of Mr. R. Bupathy as Chairman, Mr. S. K. Roongta and Mr. Ghanshyam Dass as members.

Further, all the recommendations made by Audit Committee were accepted by the Board of Directors.

8. AUDITORS & AUDIT REPORTS

Statutory Auditors

In terms of the provisions of Section 139 of the Act, M/s. K. N. Gutgutia & Co., Chartered Accountants, were appointed as the Company's Statutory Auditors by the shareholders at their 8th AGM held on September 02, 2014, for a period of five years i.e. till the conclusion of 13th AGM.

The said appointment is subject to ratification by the members at every AGM. Accordingly, the appointment of M/s. K. N. Gutgutia & Co., Chartered Accountants,

as the Company's Statutory Auditors, from the conclusion of 11th AGM till the conclusion of 12th AGM, is placed for ratification by the members. The Company has received certificate from the Auditors to the effect that ratification of their appointment, if made, shall be in accordance with the provisions of Section 141 of the Act.

The reports of Statutory Auditors on Standalone and Consolidated Financial Statements forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Sanjay Grover & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is attached as **Annexure 1** to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

The Board has re-appointed M/s Sanjay Grover & Associates, Company Secretaries, as Secretarial Auditors of the Company for FY 2017-18.

9. RISK MANAGEMENT

Today's business environment remains challenging for the Corporate World and risk management retains its high position on every organization's agenda. The Company has several risk factors which could potentially impact its business objectives, if not perceived and mitigated in a timely manner. With an effective risk management framework in place, the Company looks at these risks as challenges and opportunities to create value for its stakeholders. With its established processes and guidelines in place, combined with a strong oversight and monitoring system at the Board and senior management levels, the Company has a robust risk management strategy in place.

The senior management team sets the overall tone and risk culture of the organization through defined and communicated corporate values, clearly assigned risk responsibilities, appropriately delegated authority, and a set of processes and guidelines which are presented to the Board especially with respect to risk assessment and risk minimization procedures. As an organization, it promotes strong ethical values and high levels of integrity in all its activities, which in itself is a significant risk mitigator.

With the growth strategy in place, risk management holds the key to the success of our journey of continued competitive sustainability in attaining desired business objectives.

A detailed note on Risk Management is given as part of "Management Discussion & Analysis".

10. HUMAN RESOURCES

The Company recognizes that its people are the eminent source of competitiveness and therefore it's our constant endeavor to support and build people capabilities and to make them attain better results.

With an aim to be the employer of choice, we encourage leadership & commitment through various measures to maintain management quality, improved employee productivity and employee satisfaction through a neutral and congenial culture.

The cornerstone continues to be on most ingenious HR practices of attracting the right & the best talent available, Engaging and retaining them and also provide developmental inputs, critical to maintain desired operational standards, Develop a credible succession plan for key positions, ensuring no adverse impact on the business objectives, in case of unexpected departures in key positions.

The Company continues to invest in various talent engagement & development programs for its employees in an integrated approach. The framework is to provide comprehensive range of training interventions to nationwide employees by special focus on "Action-Learning" projects, Breakthrough Workshops, orbit shifts, Young leaders acceleration Program, Talent & Succession planning. Training and developing existing talent by identifying & differentiating "High Performance High Potential".

The successors to the business heads are being engaged to lead cross functional teams and are structurally involved in strategy and operational discussion to build up the holistic knowledge of the business and create a win-win situation for both the employees and the organization.

To execute its growth and diversification plans, the Company continues to hire new, highly skilled scientific and technical personnel also the search partner engagement program enables the Company to reinforce its employer branding that has translated in to successful lateral hiring at key positions. We have also introduced rewards and recognition policies for we believe that each individual's success contributes to the sustained success of the organization.

The Company has adopted a Policy on Prevention of Sexual Harassment at workplace under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case was reported during the year under review under the policy.

11. AWARDS AND ACCOLADES

During the year, one of the units of JACPL received various awards and accolades like:

- 17th Annual Greentech Environment GOLD AWARD in Chemical Sector for outstanding achievement in Environment Management;

- SILVER AWARD for outstanding achievements in Training Excellence in India's prestigious "6th Annual Greentech HR Award - 2016;
- GOLD AWARD for outstanding achievements in Quality Excellence in India's Prestigious "FAME Excellence Award - 2016;
- GOLD AWARD in Chemical Sector for outstanding achievement in Safety Management.

12. SUSTAINABILITY REPORT

The Company firmly believes in inclusive growth of its business with the Environmental enrichment and Social development based on the triple bottom line concept of Sustainable Development.

The Company published its Corporate Sustainability Report 2016-17 conforming to Global Reporting Initiative (GRI) G4 reporting guidelines fulfilling the 'In Accordance'-Comprehensive reporting criteria. As a green initiative, this report is available on the website of the Company **(www.jubilantindustries.com)** and GRI database. As an extension of the green initiative to minimise the impact on environment, the Annual Report is emailed to shareholders whose email id is registered with the Company/Depositories to reduce use of paper.

Sustainability initiatives have been undertaken for reduction of emission parameters, energy consumption and greenhouse gas emission. Energy Conservation drive have been carried out to strengthen the awareness and participation of employees in reducing avoidable Energy losses. Waste water generated in fertilizer plant is completely recycled and reused. In other plants it is treated and disposed as per Consent conditions. Natural Resource conservation measures have been strengthen through reuse of hazardous wastes i.e. silica sludge, sulphur sludge and fly-ash in the fertilizer plant. Further Renewable fuel (Rice Husk) have been successfully used, completely eliminating use of coal in hot air generators of the Company in the reporting year. Suppliers assessment process has been strengthened through checklist based review on relevant sustainability aspects and indicators.

13. CORPORATE SOCIAL RESPONSIBILITY

The Company through Jubilant Bhartia Foundation (JBF), the social wing of Jubilant Bhartia Group, has been working with various stakeholders to bring about progressive social change by knowledge generation & sharing, experiential learning and entrepreneurial ecosystem. The Company has identified four core focus areas towards community development and runs various activities under these:

- Universalize elementary education through Project Muskaan,
- Improving health indices through innovative services of Swasthya Prahari,
- Improving Employability of Local Youths through Vocational Training Programmes such as Project Samriddhi.
- Building Farming capability and Cattle care through Project Krishi Paathshala.

While there was no prescribed limit for CSR expenditure but Jubilant Bhartia Foundation continued its activities surrounding to Company's manufacturing locations.

A summary of the activities of JBF is provided on its website www.jubilantbhartiafoundation.com.

Annual Report on CSR activities of the Company for the financial year 2016-17 has been attached as **Annexure 2** and forms part of this Report.

14. INVESTOR SERVICES

In its endeavour to improve investor services, your Company has taken the following initiatives:

- An Investor Section on the website of the Company (www.jubilantindustries.com) has been created.
- There is a dedicated e-mail id investorsjil@jubl.com for sending communications to the Company Secretary.

Members may lodge their requests, complaints and suggestions on this e-mail as well.

15. GREEN INITIATIVES

Your Company, being committed to policy of sustainable development, has taken several green initiatives which include:

- Conducting Paperless Board/Committee Meetings;
- Uploading the Corporate Sustainability Report on the website of the Company (instead of circulating in paper or CD form) and providing its weblink to the shareholders alongwith the Annual Report; and
- Emailing Annual Reports and other documents to shareholders who have opted for the electronic version.

16. CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the Listing Regulations, forms part of this Report. A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2017. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the CEO and CFO confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

17. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis Report, as stipulated under the Listing Regulations is presented in a separate Section forming part of this Annual Report.

18. OTHER STATUTORY DISCLOSURES

i. Extract of Annual Return: Pursuant to provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form No. MGT – 9 is attached as **Annexure 3** to this Report.

ii. Deposits: The Company did not invite/accept any deposits covered under Chapter V of the Act. Accordingly no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.

iii. Loans, Guarantees and Investments: The details of Loans, Guarantees and Investments covered under Section 186 of the Act form part of the notes to the financial statements.

iv. Particulars of Contracts or Arrangements with the Related Parties: The Company had formulated a policy on Related Party Transactions ('RPTs'), dealing with the review and approval of RPTs. Prior omnibus approval is obtained for RPTs which are of repetitive nature. All RPTs are placed before the Audit Committee for review and approval.

All RPTs entered into during FY 2016-17 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2016-17 by the Company as defined in the Policy on RPTs. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC 2 is not applicable. Your Directors draw attention of the members to Note no. 35 to the Standalone Financial Statements which sets out the Related Party disclosures.

v. Material Changes in Financial Position: No material change or commitment has occurred after the close of the Financial Year 2016-17 till the date of this Report, which affects the financial position of the Company.

vi. Significant or Material orders: There is no significant or material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

vii. Vigil Mechanism/Whistle Blower Policy: The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report and form an integral part of this report.

viii. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo: The Company being engaged in the business of manufacturing of IMFL, most of the information as required under Section 134 the Act, read with Rule 8 Companies (Accounts) Rules, 2014 as amended is not applicable. However, the information as applicable has been given in **Annexure 4** and forms part of this Report.

ix. Particular of Employees: Particulars as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure 5** and forms part of this Report.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors, based on the representation received from the management, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2017 and of the profit and loss of the company for the year ended March 31, 2017;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

Based on the framework of internal financial controls including the Control Manager for

financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-17; and

- 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.

20. ACKNOWLEDGMENTS

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government Authorities. Your Directors thank the Shareholders, Financial institutions, Banks/ other Lenders, Customers, Vendors and other business associates for the confidence reposed in the Company and its management and look forward to their continued support. The Board places on record its appreciation for the dedication and commitment of the employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

For and on behalf of the Board

Place : NOIDA
Date : May 24, 2017

Hari S. Bhartia
Chairman

Annexure 1

Secretarial Audit Report

For the Financial Year ended March 31, 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Jubilant Industries Limited
(CIN: L24100UP2007PLC032909)
Bhartigram Gajraula, District Amroha - 244 223
Uttar Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jubilant 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.

We report that-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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, 2017 ("Audit Period") 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, 2017 according to the provisions of:-

(i) The Companies Act, 2013 (the Act) and the rules made thereunder/Companies Act, 1956 (wherever applicable);

(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 and External Commercial Borrowings;

(v) The following Regulations 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, 2015/ 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;

  (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

* No event took place under these regulations during the Audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company is engaged in contract manufacturing of Indian Made Foreign Liquor (IMFL) for one of the established brand in India at Nira (Maharashtra). Food Safety and Standards Act, 2006 and rules made thereunder is the law specifically applicable to the Company.

We have checked the Compliance Management System of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the Compliance Management System of the Company seems adequate to ensure compliance of laws, specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the Board of Directors took place during the period under review.

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

for Sanjay Grover & Associates
Company Secretary
Firm Registration No.: P2001DE052900

Sanjay Grover
Managing Partner
CP No.: 3850

New Delhi
May 24, 2017

Annexure 2

Annual Report on Corporate Social Responsibility (CSR) Activities

Financial Year 2016-17

1. A brief outline of the Company's Corporate Social Responsibility Policy ("CSR Policy"), including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs

Corporate Social Responsibility ("CSR") at Jubilant is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

CSR segment of the organisation is guided by the Sustainability Mission of the Company. In compliance with the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has taken the following steps:

- Adoption of CSR Policy which has been placed on the Company's website www.jubilantindustries.com.
- Approval by the Committee to implement CSR activities through "Jubilant Bhartia Foundation", a not-for-profit organisation registered under Section 25 of the Companies Act, 1956 (corresponding to Section 8 of the Act).
- While implementing CSR projects, the Company shall give priority to the area around its manufacturing locations in India.
- The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
  - **Project Arogya and Swasthya Prahari:** Improving health indices through innovative services and promoting health seeking behavior;
  - **Project Muskaan:** Universalising elementary education and improving quality parameters for primary education through community involvement; and
  - **Project Samridhi:** Enhancing alternate livelihood opportunity and income of Farmers.

2. The Composition of the CSR Committee.

The composition of the CSR Committee of the Board is as under.

S. No.	Name	Designation
1	Mr. Hari S. Bhartia, Chairman	Non-executive Director
2	Mr. Priyavrat Bhartia	Non-executive Director
3	Mr. Ghanshyam Dass	Independent Director
4	Mr. Videh Kumar Jaipuriar	Managing Director

3. Average net profit of the company for last three financial years: Losses of ₹ 10.87 million

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above):

Due to losses, No CSR expenditure has been done during financial year 2016-17.

5. Details of CSR spend during the Financial Year 2016-17

(a) Total amount to be spent as per budget for the financial year 2016-17 : Nil

(b) Amount unspent, vis-à-vis prescribed CSR expenditure as per Section 135(5) of the Act : Nil

(c) Manner in which the amount spent during the year is detailed below:

(₹ in million)

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs		Amount outlay (budget) Project or Programs wise	Amount spent on the Projects or Programs:		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local area or other	State and district where Projects or Programs was undertaken		Direct expenditure on Projects or Programs	Overheads		
NOT APPLICABLE									

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.**

   Not applicable.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.**

   The CSR Committee confirms that the implementation and monitoring of the CSR policy, is in compliance with CSR objectives and Policy of the Company.

For Jubilant Industries Limited

Videh Kumar Jaipuriar	**Hari S. Bhartia**
Managing Director	Chairman
	CSR Committee

Annexure 3

Extract of Annual Return

(Form No. MGT-9)

As on the Financial Year ended on March 31, 2017

[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	L24100UP2007PLC032909
(ii)	Registration Details	February 23, 2007
(iii)	Name of the Company	Jubilant Industries Limited
(iv)	Category/Sub-Category of the Company	Public Company/ Limited by Shares
(v)	Address of the Registered Office and Contact details	Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India Tel: +91-5924-252353-60
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, If any	Alankit Assignments Limited 1E/13, Alankit Heights, Jhandewalan Extension New Delhi-110055 Tel: +91-11-23541234, 42541234

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:

S. No.	Name & Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacturing of Indian Made Foreign Liquor	32	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
1	Jubilant Agri and Consumer Products Limited, Bhartiagram, Gajraula, District Amroha -244223, Uttar Pradesh, India	U52100UP2008PLC035862	Subsidiary	100%	Sec 2(87)
2	Jubilant Industries INC., 790 Township Line RD STE 175 Yardley, PA 19067-4249.	N.A.	Subsidiary	100%	Sec 2(87)

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

(i) Category-wise Shareholding

Category of Shareholder	No. of shares held at the beginning of the year (April 01, 2016)				No. of shares held at the end of the year (March 31, 2017)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter									
(1) Indian									
a) Individuals/ HUF	28498	-	28498	0.24	28498	-	28498	0.24	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7786792	-	7786792	65.51	7786792	-	7786792	65.35	(0.16)
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Others	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	**7815290**	**-**	**7815290**	**65.75**	**7815290**	**-**	**7815290**	**65.59**	**(0.16)**
(2) Foreign									
a) NRIs – Individuals	72825	-	72825	0.61	72825	-	72825	0.61	-
b) Other – Individuals									
c) Bodies Corp.	278522	-	278522	2.34	278522	-	278522	2.34	-
d) Banks/FI	-	-	-	-	-	-	-	-	
e) Any Others	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	**351347**	**-**	**351347**	**2.95**	**351347**	**-**	**351347**	**2.95**	**-**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**8166637**	**-**	**8166637**	**68.7**	**8166637**	**-**	**8166637**	**68.54**	**(0.16)**
B. Public shareholding									
(1) Institutions									
a) Mutual Funds	80	540	620	0.01	80	540	620	0.01	-
b) Banks/FI	8878	1063	9941	0.08	8546	1063	9609	0.08	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)									
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	160	160	0	-	160	160	0	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	**8958**	**1763**	**10721**	**0.09**	**8626**	**1763**	**10389**	**0.09**	**-**
(2) Non-Institutions									
a) Bodies Corp									
i) Indian	606841	1092	607933	5.11	581720	1092	582812	4.89	(0.22)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individuals shareholders holding nominal share capital up to ₹ 1 lakh	1564994	135772	1700766	14.31	1747926	130693	1878619	15.77	1.46

	Category of Shareholder	No. of shares held at the beginning of the year (April 01, 2016)				No. of shares held at the end of the year (March 31, 2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	923844	-	923844	7.77	756721	-	756721	6.35	(1.42)
	c) Others									
	i) The Custodian Special Court	-	2850	2850	0.02	-	2850	2850	0.02	-
	ii) Trust	171805	-	171805	1.45	171881	-	171881	1.43	(0.01)
	iii) Non-resident Indians	292977	9067	302044	2.54	336265	8896	345161	2.90	0.36
	Sub-Total (B)(2)	**3560461**	**148781**	**3709242**	**31.21**	**3594513**	**143531**	**3738044**	**31.37**	**0.16**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**3569419**	**150544**	**3719963**	**31.3**	**3603139**	**145294**	**3748433**	**31.46**	**0.16**
C.	**TOTAL (A)+(B)**	**11736056**	**150544**	**11886600**	**100**	**11769776**	**145294**	**11915070**	**100**	**-**
	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	**11736056**	**150544**	**11886600**	**100**	**11769776**	**145294**	**11915070**	**100**	**-**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2016)			Share holding at the end of the year (March 31, 2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encum-bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encum-bered to total shares	
1.	Mr. Shyam Sunder Bhartia	72825	0.61	0.00	72825	0.61	0.00	0.00
2.	Mr. Hari Shankar Bhartia	20873	0.18	0.00	20873	0.18	0.00	0.00
3.	Mr. Priyavrat Bhartia	253	0.00	0.00	253	0.00	0.00	0.00
4.	Mr. Shamit Bhartia	6561	0.06	0.00	6561	0.06	0.00	0.00
5.	Ms. Kavita Bhartia	613	0.01	0.00	613	0.01	0.00	0.00
6.	Ms. Aashti Bhartia	99	0.00	0.00	99	0.00	0.00	0.00
7.	Mr. Arjun Shankar Bhartia	99	0.00	0.00	99	0.00	0.00	0.00
8.	Jubilant Stock Holding Private Limited	1329757	11.19	0.00	0.00	0.00	0.00	(11.19)
9.	Vam Holdings Limited	284070	2.39	0.00	284070	2.39	0.00	0.00
10.	Jubilant Capital Private Limited	1166600	9.81	0.00	0.00	0.00	0.00	(9.81)
11.	Jubilant Securities Private Limited	1051075	8.84	0.00	0.00	0.00	0.00	(8.84)
12.	Jaytee Private Limited	380	0.00	0.00	380	0.00	0.00	0.00
13.	Nikita Resources Private Limited	175227	1.47	0.00	0.00	0.00	0.00	(1.47)
14	Rance Investment Holdings Limited	120000	1.01	0.00	120000	1.01	0.00	0.00
.15.	Cumin Investments Limited	120000	1.01	0.00	120000	1.01	0.00	0.00
16.	Torino Overseas Limited	38522	0.33	0.00	38522	0.32	0.00	(0.01)
17.	Jubilant Infrastructure Limited	50000	0.42	0.00	50000	0.42	0.00	0.00
18.	Jubilant Enpro Private Limited	3729683	31.38	0.00	0.00	0.00	0.00	(31.38)
19.	KBHSB Property Trustee Company Pvt. Ltd.	0.00	0.00	0.00	1166600	9.79	0.00	9.79
20.	KBHB Investment Holding Private Limited	0.00	0.00	0.00	1226302	10.29	0.00	10.29
21.	HSSS Investment Holding Pvt. Ltd.	0.00	0.00	0.00	5059440	42.46	0.00	42.46
	TOTAL	**8166637**	**68.70**	**0.00**	**8166637**	**68.54**	**0.00**	**(0.16)**

(iii) Change in Promoters' Shareholding

Name	Shareholding at the beginning of the year		Date	Increase/ decrease during the year	Reasons	Cumulative Shareholding during the year/Shareholding at the end of the year	
	No. of Shares	% of total shares of the company				No. of shares	% of total shares of the company
Jubilant Enpro Private Limited	37,29,683	31.48	1-Apr-16	-			
			23-Mar-17	-37,29,683	Inter-se Transfer	0	0
Jubilant Stock Holding Private Limited	1329757	11.19	1-Apr-16				
			23-Mar-17	-1329757	Inter-se Transfer	0	0
Jubilant Capital Private Limited	1166600	9.81	1-Apr-16				
			23-Mar-17	-1166600	Inter-se Transfer	0	0
Jubilant Securities Private Limited	1051075	8.84	1-Apr-16				
			23-Mar-17	-1051075	Inter-se Transfer	0	0
Nikita Resources Private Limited	175227	1.47	1-Apr-16				
			23-Mar-17	-175227	Inter-se Transfer	0	0
KBHSB Property Trustee Company Pvt. Ltd.	0	0	1-Apr-16				
			23-Mar-17	1166600	Inter-se Transfer	1166600	9.79
KBHB Investment Holding Private Limited	0	0	1-Apr-16				
			23-Mar-17	1226302	Inter-se Transfer	1226302	10.29
HSSS Investment Holding Pvt. Ltd.	0	0	1-Apr-16				
			23-Mar-17	5059440	Inter-se Transfer	5059440	42.46

There was no change in the shareholding of other promoters during the year.

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

S. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Pace Stock Broking Services Private Limited**				
	At the beginning of the year	172556	1.45	172556	1.45
	Bought during the year	36204	0.30	208760	1.75
	Sold during the year	86216	0.72	122544	1.03
	At the end of the year	122544	1.03	122544	1.03
2	**Jubilant Employees Welfare Trust**				
	At the beginning of the year	171802	1.44	171802	1.44
	Bought during the year	-	-	171802	1.44
	Sold during the year	924	0.01	170878	1.43
	At the end of the year	170878	1.43	170878	1.43
3	**Chetan Jayantilal Shah**				
	At the beginning of the year	115000	0.97	115000	0.97
	Bought during the year	-	-	115000	0.97

S. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sold during the year	-	-	115000	0.97
	At the end of the year	115000	0.97	115000	0.97
4	**Bhadra Jayantilal Shah**				
	At the beginning of the year	110000	0.92	110000	0.92
	Bought during the year	-	-	110000	0.92
	Sold during the year	-	-	110000	0.92
	At the end of the year	110000	0.92	110000	0.92
5	**Sonal Chetan Shah**				
	At the beginning of the year	110000	0.92	110000	0.92
	Bought during the year	-	-	110000	0.92
	Sold during the year	-	-	110000	0.92
	At the end of the year	110000	0.92	110000	0.92
6	**Jayantilal Premji Shah**				
	At the beginning of the year	85000	0.71	85000	0.71
	Bought during the year	-	-	85000	0.71
	Sold during the year	-	-	85000	0.71
	At the end of the year	85000	0.71	85000	0.71
7	**Porinju V Veliyath**				
	At the beginning of the year	85000	0.71	85000	0.71
	Bought during the year	-	-	85000	0.71
	Sold during the year	85000	0.71	-	-
	At the end of the year	-	-	-	-
8	**Naveen Bothra**				
	At the beginning of the year	84024	0.71	84024	0.71
	Bought during the year	45976	0.39	130000	1.10
	Sold during the year	40000	0.34	90000	0.75
	At the end of the year	90000	0.75	90000	0.75
9	**Goldflag Holdings Private Limited**				
	At the beginning of the year	-	-	-	-
	Bought during the year	70,000	0.59	70,000	0.59
	Sold during the year	-	-	70,000	0.59
	At the end of the year	70,000	0.58	70,000	0.58
10	**Swarnalatha S**				
	At the beginning of the year	-	-	-	-
	Bought during the year	60,000	0.50	60,000	0.50
	Sold during the year	-	-	60,000	0.50
	At the end of the year	60,000	0.50	60,000	0.50

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name & Designation	Shareholding at the beginning of the year (April 1, 2016		Date wise Increase/ Decrease in Share Holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity, etc.)		Cumulative Shareholding during the year (2016-17)		At the end of the year (March 31, 2017)	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Hari S Bhartia, Chairman	20,873	0.18			20,873	0.18	20,873	0.18
2	Mr. Priyavrat Bhartia, Director	253	0.00			253	0.00	253	0.00
3	Mr. Shamit Bhartia, Director	6,561	0.06			6,561	0.06	6,561	0.06
4	Mr. Ghanshyam Dass, Director	-	-			-	-	-	-
5	Mr. Ramanathan Bupathy, Director	-	-			-	-	-	-
6	Mr. S. K. Roongta, Director	-	-			-	-	-	-
7	Ms. Shivpriya Nanda, Director	-	-			-	-	-	-
8	Mr. Videh Kumar Jaipuriar, Managing Director	20,000	0.17	September 23, 2016 (Allotment of Shares pursuant to exercise of Stock options)	8,000	20,000	28,000	0.23	
				November 03, 2016 (Sale)	1,000	27,000	0.23		
				November 09, 2016 (Sale)	2,000	25,000	0.21		
				November 10, 2016 (Sale)	2,000	23,000	0.19		
				November 11, 2016 (Sale)	52	22,948	0.18		
				November 17, 2016 (Sale)	2,000	20,948	0.18		
				November 28, 2016 (Sale)	44	20,904	0.18		
				November 29, 2016 (Sale)	5,000	15,904	0.13		
				December 23, 2016 (Buy)	1,000	16,904	0.14		
				December 23, 2016 (Sale)	6,000	10,904	0.09	10,904	0.09
9	Mr. Sandeep Kumar Shaw, Chief Financial Officer	-	-	September 23, 2016 (Allotment of Shares pursuant to exercise of Stock options)	1,969	1,970	0.01		
				December 02, 2016 (Sale)	1,967	1	0.00	1	0.00
10	Mr. Dinesh Kumar Gupta, Company Secretary	287	0.00	November 04, 2016 (Sale)	287	0	0.00	0	0.00

V. INDEBTEDNESS

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

Particulars	Secured	Unsecured	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	10	-	10
ii) Interest due but not paid	-	1.38	-	1.38
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**-**	**11.38**	**-**	**11.38**
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction	-	-	-	-
ii) Reduction	-	11.38	-	11.38
Net Change	**-**	**11.38**	**-**	**11.38**
Indebtedness at the end of the financial year				
ii) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**-**	**-**	**-**	**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other directors:

(i) Independent Directors:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Director				Total
		Mr. Ghanshyam Dass	Mr. R Bupathy	Mr. S. K. Roongta	Ms. Shivpriya Nanda	
1.	Fee for attending Board/ Committee meetings	3,20,000	3,00,000	3,35,000	1,95,000	11,50,000
2.	Commission	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-
	Total	**3,20,000**	**3,00,000**	**3,35,000**	**1,95,000**	**11,50,000**

(ii) Other Non-Executive Director: NIL

Note: No managerial remuneration has been paid to Non-Executive Directors during the Financial Year 2016-17. Hence, computation of ceiling of managerial remuneration is not given.

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager/ Whole-time Director

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Sandeep Kumar Shaw Chief Financial Officer	Mr. Dinesh Kumar Gupta Company Secretary	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	2,37,766	29,03,323	31,41,089
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,069	65,773	68,842
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others (Provident Fund)	-	189,009	189,009
	Total	**240,835**	**3,158,105**	**3,398,940**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ punishment/ compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board

Place : NOIDA
Date : May 24, 2017

Hari S. Bhartia
Chairman

Annexure 4

Disclosure under Section 134(3)(M) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy

1) Improving power factor to 0.99 under rated load condition
2) OPE improvement,
3) Awareness developed through training
4) Shutting down unnecessary computer, printer, office light,

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company recognizes that climate change mitigation require significant consideration in business decisions. To bring down the carbon foot print, the Company continuously strives to use renewable energy.

(iii) Capital investment on energy conservation equipments

Nil.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption

Owing to the nature of operations of the Company, the information pertaining to Technology Absorption is not applicable to the Company. However, the Company endeavors to avail the latest technology trends and practices in its operations.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution

None.

iii) Imported Technology

Not Applicable.

iv) Expenditure incurred on Research and Development

None.

C. FOREIGN EXCHANGE EARNING AND OUTGO – None

For and on behalf of the Board

Place : NOIDA
Date : May 24, 2017

Hari S. Bhartia
Chairman

Annexure 5

Particulars prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART-A

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2016-17:

Sl. No.	Name and Designation of Director/KMP	Remuneration during the financial year 2016-17 (in ₹)	% increase in Remuneration	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Hari S. Bhartia Chairman (Non-Executive)	-	-	-
2.	Mr. Priyavrat Bhartia Non-Executive Director	-	-	-
3.	Mr. Shamit Bhartia Non-Executive Director	-	-	-
4.	Mr. Ghanshyam Dass Independent Director	3,20,000	120.69*	0.26
5.	Mr. R. Bupathy Independent Director	3,00,000	71.43*	0.24
6.	Mr. S.K. Roongta Independent Director	3,35,000	74.03*	2.69
7.	Ms. Shivpriya Nanda Independent Director	1,95,000	85.71*	0.16
8.	Mr. Videh Kr. Jaipuriar# Managing Director	-	-	-
9.	Mr. Sandeep Kr. Shaw# Chief Financial Officer	2,40,835	5.03	0.19
10.	Mr. Dinesh Kumar Gupta Company Secretary	31,58,105	NA	2.53

* *Independent Directors have been paid remuneration by way of sitting fees. Increase in remuneration of Independent Directors has been because of increase in sitting fees paid per meeting effective from August 10, 2016.*

\# *Received remuneration from Company's wholly owned subsidiary.*

Median of Total Cost to Company (CTC) on payable basis has been taken for all on-roll employees as on March 31, 2017. Median Salary of all on-roll employees is ₹ 12,49,376.

(ii) The percentage increase in the median remuneration of employees in the Financial Year 2016-17 was 11%;

(iii) 04 permanent employees were on the rolls of Company as on March 31, 2017.

(iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration of the employees other than managerial remuneration was 16% in the Financial Year 2016-17. No remuneration has been paid to managerial personnel during the Financial Year 2016-17.

(v) Affirmation that the remuneration is as per the as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid as per the Appointment and Remuneration Policy for Directors, Key Managerial Personnel and other employees.

PART-B

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
A. Top Ten Employees in terms of remuneration drawn during the Financial Year 2016-17									
1	Abasaheb Bhagawan Bhosale	Deputy Manager - QA	B.Sc. (Chemistry), Diploma in Industrial Fermentation & Alcohol Tech	20	1-Mar-04	43	1,234,972	Blender (Sr Chemist)	UDV India Limited (Diageo)
2	Dinesh Kumar Gupta	Company Secretary	FCS, CFA, LLB	16	16-Jun-15	37	31,58,105	Senior Manager	Bharti Airtel Limited
3	Sandeep Kumar Shaw	Chief Financial Officer	CWA, FCA	25	17-Nov-10	49	240,835	Financial Controller	Jindal ITF Limited
4	S E Chavan	Senior Manager - Production	B.Sc. (Chemistry)	29	1-Mar-04	54	1,594,606	Team Leader - Production	UDV India Limited (Diageo)
B. Employed for full year and in receipt of remuneration for the year which in aggregate was not less than ₹ 10,200,000 per annum (other than those mentioned in Para A above)									
NONE									
C. Employed for part of the year and in receipt of remuneration which in aggregate was not less than ₹ 850,000 per month (other than those mentioned in Para A above)									
NONE									

Notes:

1. All above persons are/ were full time employees of the Company.
2. None of the other employees is related to any Director of the Company.
4. None of the above employees is covered under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. Remuneration comprises salary, allowances, perquisites/ taxable value of perquisites etc. including perquisite value of ESOPs exercised, if any.

For and on behalf of the Board

Hari S. Bhartia
Chairman

Place : NOIDA
Date : May 24, 2017

Report on Corporate Governance

A) Company's Philosophy:

At Jubilant Industries Limited ("the Company" or "Jubilant"), Corporate Governance is both a tradition and a way of life. We believe in delivering on our promise of Caring, Sharing, Growing, which translates into:

"We will, with utmost care for the environment, continue to enhance value for our customers by providing innovative products and economically efficient solutions and for our shareholders through sales growth, cost effectiveness and wise investment of resources."

The Company's Corporate Governance philosophy is led by core principles of:

- Caring for the environment which includes caring for the society around us.
- Enhancement of stakeholders' value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation.
- Transparency, promptness and fairness in disclosures to and communication with all stakeholders including shareholders, government authorities, customers, suppliers, lenders, employees and the community at large.
- Complying with laws in letter as well as in spirit.

Highlights of Company's Corporate Governance regime are:

- Broad based and well represented Board with fair mix of Executive, Non-Executive and Independent Directors bringing in expertise in diverse areas with half of the Board being Independent.
- Constitution of several Board Committees for focused attention and proactive flow of information and informed decisions.
- Active employee participation in place; one top executive on the Board of Directors.
- Emphasis on ethical business conduct by the Board, management and employees to ensure integrity, transparency, independence and accountability in dealing with stakeholders.
- Established Code of Conduct for Directors and Senior Management, Instituted Whistle Blower policy and Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- Focus on hiring, nurturing and retaining best talent and to promote a culture of excellence across the organisation. Exhaustive HRD Policies cover succession planning, training & development and employee grievance handling.
- Organisation wide 'Velocity' initiatives taken which include world-class improvement methodologies such as Six Sigma, Lean and World Class manufacturing.
- Employee Stock Option Plan – to attract, reward and retain key senior executives.
- Exhaustive and unique system of internal controls & checks spanning over 1200 control points monitored through especially designed software.
- Robust Risk Management framework for identifying various risks, assessing their probability as well as likely impact and finalizing risk mitigation and minimization plans.
- Timely, transparent and regular disclosures.
- Effective control on statutory compliances by quarterly reporting and presentation.
- Paperless meetings of Board and Committees.
- Communication with shareholders including emailing of Annual Reports, other documents and Corporate Sustainability Report.
- Comprehensive Corporate Sustainability Management System focusing on triple bottom - line reporting on economic, environment and society parameters as per Global Reporting Initiatives standards with a stated policy on sustainability.

Jubilant is in full compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), which regulate Corporate Governance practices for listed Companies.

B) Board of Directors:

(i) Composition

The Board comprises of eight Directors out of which four are Non-Executive Independent Directors including a Woman Director, three are Promoter Non-Executive Directors and one Managing Director.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be reappointed for another term of five consecutive years. The date of appointment and tenure of the existing Independent Directors are given below:

S. No.	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1	Mr. Ghanshyam Dass	September 02, 2014	March 31, 2019
2	Mr. R. Bupathy	September 02, 2014	March 31, 2019
3	Mr. S. K. Roongta	September 02, 2014	March 31, 2019
4	Ms. Shivpriya Nanda	September 02, 2014	March 31, 2019

The letters of appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

(ii) Key functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of Jubilant are:

a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;

b. Monitoring effectiveness of the Company's governance, policies & practices and making changes as needed;

c. Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning;

d. Aligning key executive and Board remuneration with the long term interests of the Company and its shareholders;

e. Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;

f. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;

g. Ensuring integrity of the company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;

h. Overseeing the process of disclosure and communications;

i. Monitoring and reviewing Board's Evaluation framework.

(iii) Meetings of the Board

Meetings of the Board are generally held at the Corporate office of the Company at 1A, Sector 16A, Noida - 201301, Uttar Pradesh, India. During the financial year under review, the Board met four times i.e. on May 23, 2016; August 10, 2016; October 28, 2016 and February 08, 2017.

The Company has held minimum one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the provisions of the Companies Act, 2013 (the 'Act'), Secretarial Standand-1 and Listing Regulations.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the Agenda for the scheduled Board/Committee meeting.

Agenda papers are sent electronically to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/respective Committee in its next Meeting.

Composition of the Board of Directors as on March 31, 2017 and attendance at the Board meetings held during the Financial Year ended March 31, 2017 and at the last Annual General Meeting ('AGM') are given in table below:

Name and Designation	Category	Attendance at Meetings	
		Board Meetings	Last AGM
		Attended	Attended
Mr. Hari S. Bhartia Chairman	Non-Executive and Promoter	4/4	No
Mr. Priyavrat Bhartia# Director	Non-Executive and Promoter	1/4	No
Mr. Shamit Bhartia# Director	Non-Executive and Promoter	4/4	No
Mr. Ghanshyam Dass Director	Non-Executive and Independent	4/4	No
Mr. R. Bupathy Director	Non-Executive and Independent	4/4	Yes
Mr. S. K. Roongta Director	Non-Executive and Independent	4/4	No
Ms. Shivpriya Nanda Director	Non-Executive and Independent	4/4	No
Mr. Videh Kumar Jaipuriar Managing Director	Executive	4/4	Yes

 # Mr. Priyavrat Bhartia and Mr. Shamit Bhartia, being brothers, are related to each other.

(iv) Other Directorships

The number of directorships in other bodies corporate and memberships/chairmanships of Board Committees held by the Directors as on March 31, 2017 are given in table below:

Name of Director	No. of Directorships in Other Bodies Corporate#				No. of Chairmanship / Membership of Committees*	
	Public Listed	Public Unlisted	Private	Foreign	Chairmanships	Memberships
Mr. Hari S. Bhartia	3	0	11	1	-	-
Mr. Priyavrat Bhartia	2	7	9	-	-	5
Mr. Shamit Bhartia	2	7	9	-	-	1
Mr. Ghanshyam Dass	1	4	4	-	1	5
Mr. R. Bupathy	1	1	3	-	3	1
Mr. S. K. Roongta	2	6	-	-	1	4
Ms. Shivpriya Nanda	-	2	-	-	-	1
Mr. Videh Kumar Jaipuriar	-	2	-	-	-	2

 # Excluding Jubilant Industries Limited, Section 8 companies and Limited Liability Partnerships.

** Pursuant to Regulation 26 of Listing Regulations, membership of Audit Committees and Stakeholders Relationship Committees of Indian Public Limited Companies, whether listed or not have been considered. Committees of Jubilant Industries Limited are also included.*

(v) Information given to the Board

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, *inter-alia*, includes the following:

- Annual operating plans, budgets and any updates;
- Capital budgets and any updates;
- Annual and Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of various Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;

- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Minutes of Board Meetings of unlisted subsidiary company(s);
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints; and
- Quarterly Compliance Report on Corporate Governance.

(vi) Board Process

In sync with its policy of environmental preservation, the Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors in electronic form.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/Committee.

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

(vii) Independent Directors' Meeting

Independent Directors met on May 24, 2017, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, *inter alia*, evaluated performance of the Non-Independent Directors and the Board of Directors as a whole. They also reviewed the performance of Chairman of the Company, taking into account the views of executive directors and non-executive directors; for the Financial Year ended March 31, 2017. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(viii) Familiarisation Programme for Independent Directors

The Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website (www.jubilantindustries.com). The weblink for the same is: http://www.jubilantindustries.com/pdfs/Familiarisation-Programme-for-Independent-Directors-2017.pdf.

C) Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

The minutes of the meetings of all Committees of the Board are placed quarterly at Board meetings for noting.

Details of the Committees of the Board and other related information are provided hereunder:

Audit Committee Mr. R. Bupathy (Chairman) Mr. Ghanshyam Dass Mr. S. K. Roongta **Stakeholders Relationship Committee** Mr. S. K. Roongta (Chairman) Mr. Priyavrat Bhartia Mr. Videh Kumar Jaipuriar **Finance Committee** Mr. Hari S. Bhartia (Chairman) Mr. Priyavrat Bhartia Mr. Videh Kumar Jaipuriar **Restructuring Committee** Mr. Hari S. Bhartia (Chairman) Mr. Priyavrat Bhartia Mr. Videh Kumar Jaipuriar	**Nomination, Remuneration and Compensation Committee** Mr. Ghanshyam Dass (Chairman) Mr. Priyavrat Bhartia Mr. Shamit Bhartia Mr. R. Bupathy Mr. S. K. Roongta **Sustainability and Corporate Social Responsibility Committee** Mr. Hari S. Bhartia (Chairman) Mr. Priyavrat Bhartia Mr. Ghanshyam Dass Mr. Videh Kumar Jaipuriar **Business Strategy Committee** Mr. Ghanshyam Dass Ms. Shivpriya Nanda Mr. Videh Kumar Jaipuriar Mr. S.K. Roongta

Details of Meetings of the Board/Committees held during the year and attendance of Directors:

Name of the Committee	Meetings held	Hari S. Bhartia	Priyavrat Bhartia	Shamit Bhartia	Ghanshyam Dass	R. Bupathy	S. K. Roongta	Shivpriya Nanda	Videh Kumar Jaipuriar
Audit	4	N.A.	N.A.	N.A.	4	4	4	N.A	N.A.
Stakeholders Relationship	4	N.A.	1	N.A.	N.A.	N.A.	4	N.A.	4
Sustainability & CSR	2	2	0	N.A.	2	N.A.	N.A.	N.A.	2
Nomination, Remuneration and Compensation	3	N.A.	0	3	3	3	3	N.A.	N.A.
Finance	2	1	1	N.A.	N.A.	N.A.	N.A.	N.A.	2

N.A. – Not a member of the Committee

No meeting of Restructuring Committee & Business Strategy Committee was held during the year.

The Company Secretary officiates as the Secretary of the Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

AUDIT COMMITTEE

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

(i) Terms of reference:

The Audit Committee functions according to its terms of reference that define its composition, authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 18 of Listing Regulations which, *inter-alia*, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration, terms of appointment of auditors of the Company including their replacement or removal;
3. Approval of payment to statutory auditors for any other permitted services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.

d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Draft Auditors' report including qualifications, if any;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing and monitoring, with the management, the statement of uses/application of funds raised through an issue/public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;

7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes;

8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

9. Discussion with internal auditors on any significant findings and follow up thereon;

10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism);

14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

15. Approval or any subsequent modification of transactions of the Company with related parties;

16. Scrutiny of inter-corporate loans and investments;

17. Valuation of undertakings or assets of the Company, wherever it is necessary;

18. Evaluation of internal financial controls and risk management system;

19. Review of Management discussion and analysis of financial condition and results of operations;

20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;

21. Review of Internal audit reports relating to internal control weaknesses;

22. Review of Financial statement, in particular, investments made by the subsidiary company(s);

23. Review of appointment, removal and terms of reference of Chief Internal Auditor;

24. Recommend appointment and remuneration of Cost Auditors;

25. Any other role as prescribed by the Companies Act, 2013 and the Listing Regulations.

(ii) Invitees:

Managing Director and Chief Financial Officer are permanent invitees to all Audit Committee meetings.

Statutory Auditors, Internal Audit firm's representatives, Cost Auditor, and other executives, as desired by the Committee, attend the meetings as invitees.

(iii) Meetings and Quorum

Audit Committee meets at least four times in a year with a gap of not more than 120 days between two consecutive meetings. During the year the Committee met four times i.e. on May 23, 2016; August 10, 2016; October 28, 2016 and February 08, 2017.

The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater with atleast two Independent Directors.

NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The Nomination, Remuneration and Compensation Committee, constituted under Section 178 of the Act and Regulation 19 of Listing Regulations, functions

according to its terms of reference that define its composition, authority, responsibility and reporting functions which, *inter-alia*, include the following:

(i) Terms of Reference:

1. To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/removal;
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment /removal;
3. To formulate criteria for performance evaluation of independent directors and the Board and to carry out evaluation of every director's performance;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
5. To devise a policy on Board diversity;
6. To formulate and recommend to the Board policies relating to the remuneration for:
   a. Directors;
   b. Key Managerial Personnel; and
   c. Other Employees of the Company;
7. To recommend remuneration payable to Managing Directors and Whole-time Directors;
8. To review and recommend nature of services rendered by any director in other capacity and requisite qualification thereof;
9. To discharge the roles envisaged under the SEBI (Share Based Employee Benefits) Regulations, 2014;
10. Any other role as may be prescribed by law, from time to time.

(ii) Meetings and Quorum

The Committee meets as often as required. During the year the Committee met thrice i.e. on May 23, 2016; August 10, 2016 and October 28, 2016. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees, *inter-alia*, redressal of shareholder and investor grievances, transfer/transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the Listing Regulations. The Committee meets as often as required. Additionally, the Board has authorised the CFO and the Company Secretary to jointly exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

(i) Terms of Reference:

1. To address security holders' complaints/ grievances like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/ interest, etc;
2. To deal with all matters relating to issue of duplicate certificates, transmission of securities, etc;
3. To approve transfer of securities as per powers delegated by the Board and to note transfer of securities approved by the Chief Financial Officer and the Company Secretary of the Company; and
4. Other areas of Stakeholders' service.

(ii) Meetings and Quorum

The Committee meets as often as required. During the year under review, the Committee met four times i.e. on on May 23, 2016; August 10, 2016; October 28, 2016 and February 08, 2017.

The quorum for the meetings is either two members or one third of the members of the Committee, whichever is greater.

(iii) Investors' Grievances/Complaints

During the year, the Company received 03 complaints, which were resolved. No complaint was pending as on March 31, 2017.

(iv) Transfers, Transmissions etc. approved

During the year under review, the Company received 75 cases (involving 2,430 equity shares) of share transfer/transmission out of which 33 cases (involving 1,228 equity shares) were transferred/ transmitted and 42 cases (involving 1,202 equity shares) were rejected for technical reasons.

The Company had 18,696 shareholders as on March 31, 2017.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sustainability & CSR Committee has been constituted to review and oversee the Sustainability and Corporate Social Responsibility ('CSR') initiatives of the Company.

The role of the Committee and other details are:

(i) Terms of Reference:

1. Sustainability
   - To take all steps and decide all matters relating to triple bottom line indicators

viz. Economic, Environmental and Social factors.

2. Corporate Social Responsibility

   - To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company;
   - To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same;
   - To monitor the CSR Policy including CSR projects/programmes;
   - Any other role as may be prescribed by law, from time to time.

(ii) Meetings and Quorum

During the year under review, the Committee met twice i.e., on May 23, 2016 and October 28, 2016.

The quorum for the meeting is two members or one third of the members of the Committee, whichever is higher.

FINANCE COMMITTEE

The Board of Directors of the Company has delegated to the Finance Committee the powers to borrow and to avail financial assistance from banks, financial institutions etc.

(i) Terms of Reference:

1. To borrow upto ₹ 5,000 million from Banks/ Financial Institutions/NBFCs/Mutual Funds/ Insurance Companies etc.;
2. To charge/ mortgage the company's property for securing its own borrowing and/or for the borrowings of subsidiary, associate and/or joint venture companies (present and future) from time to time not exceeding ₹10,000 million;
3. To give guarantee(s) and / or provide security(ies) by way of hypothecation/lien/pledge on the assets of the Company in favour of Banks, Financial Institutions, NBFC, Mutual Funds, Insurance Companies or any other category of lender in connection with the term/working capital loan/facilities availed/to be availed by Jubilant Agri and Consumer Products Limited (JACPL) up to an aggregate amount of ₹ 7500 million outstanding at any point of time;
4. To make investments, for profitable deployment of funds, from time to time, whether short term or long term, in Mutual Funds, Bank Deposits or Government securities, provided that the aggregate of such investments outstanding at any point in time shall not exceed ₹ 2000 million;
5. To furnish Corporate Guarantee up to an amount not exceeding ₹10 crores in aggregate outstanding at any point of time on behalf of JACPL to Customs Department;
6. To make investments and /grant loans to Jubilant Industries Inc., USA., a wholly owned subsidiary, upto an aggregate amount of USD 5.82 million outstanding at any point of time;
7. To borrow upto an amount not exceeding ₹2 crores outstanding at any point of time, in one or more tranches on such terms and conditions as may be agreed with JACPL.

(ii) Meetings and Quorum

The Committee meets as and when necessary. During the year under review, the Committee met twice i.e. April 15, 2016 and August 10, 2016.

The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

BUSINESS STRATEGY COMMITTEE

The role of the Committee and other details are:

(i) Terms of Reference

1. Evaluate business opportunities in the existing profitable businesses of the Company and of its wholly owned subsidiary – Jubilant Agri and Consumer Products Limited;
2. Identify non-core businesses for possible divestment; and
3. Make its recommendation to the Boards of respective Companies for expansion, investment and / or divestment of businesses, as may be expedient, for further action.

(ii) Meetings and Quorum

The Committee meets as and when necessary. No meeting of the Committee was held during the year.

The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

RESTRUCTURING COMMITTEE

The Restructuring Committee had been constituted to take all actions and decide all matters relating to and/or incidental to the Scheme of Arrangement among Enpro Oil Private Limited, Jubilant Industries Limited and Jubilant Agri and Consumer Products Limited.

The Committee meets as and when necessary. No meeting of the Committee was held during the year.

The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

D) Annual Performance Evaluation

Pursuant to the provisions of the Act, the Listing Regulations and the Performance Evaluation Policy of the Company, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Nomination, Remuneration and Compensation Committee also carried out the performance evaluation of the individual Directors. The performance evaluation of the Non Independent Directors was also carried out by the Independent Directors.

E) Remuneration of Directors

(i) Remuneration to Executive Directors

Mr. Videh Kumar Jaipuriar was re-appointed as Managing Director without any remuneration w.e.f. March 01, 2016 for a period of three years. During the year, no remuneration was paid to him. He is getting remuneration from Jubilant Agri and Consumer Products Limited (JACPL, wholly owned subsidiary), as its Whole-time Director.

Appointment of Managing Director is contractual and is terminable on 3 months' notice.

As on March 31, 2017, Mr. Videh Kumar Jaipuriar holds 10,904 equity shares in the Company pursuant to the exercise of ESOPs granted to him under JIL Employee Stock Option Scheme 2013.

(ii) Remuneration to Non-Executive Directors

Mr. Hari S. Bhartia, Mr. Priyavrat Bhartia and Mr. Shamit Bhartia, Non-Executive Directors, have opted not to receive any remuneration.

The details of sitting fees paid/payable for Board/Committee Meetings to other Non-Executive Directors for year ended March 31, 2017 are as follows:

Name	Sitting Fees (₹)
Mr. Ghanshyam Dass	3,20,000
Mr. R. Bupathy	3,00,000
Mr. S. K. Roongta	3,35,000
Ms. Shivpriya Nanda	1,95,000
Total	**11,50,000**

As on March 31, 2017, Mr. Hari S. Bhartia holds 20,873 equity shares in the Company, Mr. Priyavrat Bhartia holds 253 equity shares in the Company and Mr. Shamit Bhartia holds 6,561 equity shares in the Company. Other Non-Executive Directors do not hold any equity share in the Company. No stock options have been granted to any Non-Executive Directors.

Other than holding shares and remuneration as indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company.

(iii) Criteria for making payment to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission as approved by the Board and members. The criteria has been defined in the Appointment and Remuneration Policy of the Company. The criteria is also displayed on Company's website.

F) General Body Meetings

(i) The details of last three Annual General Meetings (AGM) of the Company are as follows:

Financial Year	Date	Time	Location
2015-16 (10th AGM)	August 30, 2016	2:00 pm	Registered office: Bhartiagram, Gajraula, District Amroha – 244223, Uttar Pradesh
2014-15 (9th AGM)	December 21, 2015	12:00 noon	
2013-14 (8th AGM)	September 02, 2014	2:30 pm	

(ii) Special Resolutions passed during last three AGMs:

No special resolution was passed during the last three years.

(iii) Special Resolutions passed through Postal Ballot during 2016-17

No special resolution was passed through Postal Ballot during 2016-17.

(iv) Whether any Special resolution(s) are proposed to be passed through Postal Ballot

Special Resolution(s) as may be necessary under the Act/Listing Regulations would be passed through Postal Ballot.

(v) Procedure for Postal Ballot

- The notices containing the proposed resolutions and explanatory statements thereto are sent to the registered postal/e-mail addresses of all shareholders of the Company alongwith a Postal Ballot Form and a postage pre-paid envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process.
- The Postal Ballot Forms/e-voting received within 30 days of despatch are considered by the Scrutinizer.
- The Scrutinizer submits his report to the Chairman/MD of the Company, who on the basis of the report announces the results. The date of declaration of the results of the postal ballot was taken as the date of passing of the resolution.
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposal(s) of the Company.

G) Codes and Policies

The Company has established the following salient codes and policies:

i. Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Videh Kumar Jaipuriar, Managing Director is attached as **Annexure A.** The Code of Conduct is posted on the Company's website. The link of the same is http://www.jubilantindustries.com/pdfs/code-of-conduct.pdf.

ii. Code of Conduct for Prevention of Insider Trading

The Company has adopted a revised Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board.

iii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI.

iv. Policy for Determining Materiality of Events and Information

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchanges. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website. The link of the same is http://www.jubilantindustries.com/pdfs/policy-determination-materlity-events-information.pdf.

v. Policy for Preservation of Documents

The Company has adopted a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

vi. Archival Policy

The Company has adopted an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website. The link of the same is http://www.jubilantindustries.com/pdfs/archival-policy.pdf.

vii. Appointment and Remuneration Policy

The Company's policy on appointment and remuneration of the Directors, Key Managerial Personnel and other employees is attached as **Annexure B**.

viii. Policy for Determining Material Subsidiaries

This policy is displayed on the Company's website. The web-link for the same is: http://www.jubilantindustries.com/pdfs/policy-determining-material-subsidiaries.pdf.

ix. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

This policy is displayed on the Company's website. The web-link for the same is:

http://www.jubilantindustries.com/pdfs/policy-for-related-party-transactions.pdf.

No material Related Party Transaction was entered into during FY 2016-17.

x. Whistle Blower Policy

Jubilant has a robust Whistle Blower Policy and Ombudsman Process to make the workplace at Jubilant conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the website of the Company. The link of the same is http://www.jubilantindustries.com/pdfs/whistle-blower-policy.pdf. The Audit Committee periodically reviews the functioning of the Policy and Ombudsman Process. During the year, no Director or full time employee was denied access to the Chairman of the Audit Committee.

xi. Corporate Social Responsibility Policy

The Company's CSR policy is displayed on Company's website. The link of the same is http://www.jubilantindustries.com/pdfs/jil-csr-policy.pdf.

xii. Policy on Board Diversity

xiii. Succession Plan for Board Members and Senior Management.

xiv. Performance Evaluation Policy.

H) Disclosures

(i) Jubilant Agri and Consumer Products Limited (JACPL) is a material non-listed wholly owned Indian subsidiary of the Company.

(ii) There are no materially significant transactions with the related parties viz. promoters, directors or the management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. Related party transactions are given at Note No. 35 of Notes to the Standalone Financial Statements.

(iii) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years.

(iv) Listing fees for the financial year 2017-18 have been paid to the Stock Exchanges where the shares of the Company are listed.

(v) Detailed notes on risk management are included in the Management Discussion Analysis section.

I) Means of Communication

(i) The quarterly financial results are regularly submitted to the Stock Exchanges and are published in leading Business Newspapers of the country i.e. 'HT Mint' and regional newspapers like 'Hindustan' in compliance with Listing Regulations.

(ii) The quarterly and annual financial results are posted on the website of the Company at www.jubilantindustries.com. The website also displays official news release, if any.

(iii) Various sections of the Company's website keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, shareholding pattern etc.

(iv) The Investor Relations department of the Company regularly interacts with current and prospective investors and capital market intermediaries (brokers) who either invest in Company stocks and/or encourage investors to do the same, directly or through bourses.

Investor Relations Department responds to all requests from investors and analysts, through calls/emails, with respect to the business profile and financial performance of the Company. The published results are shared after the Board meeting by uploading on the company's website for all interested stakeholders.

(v) Annual Report and Corporate Sustainability Report are emailed to such shareholders whose email ids are registered with the Company/ Depositories.

J) General Shareholders' Information

(i) Date, Time and Venue for 11th Annual General Meeting

As per notice of 11th Annual General Meeting.

(ii) Financial Year and Financial Calendar

The Company observes April 01 to March 31 of the following year as its Financial Year. The Financial Calendar for year 2017-18 is as follows:

Item	Tentative Dates *
First Quarter Results	July 19, 2017
Second Quarter Results	October 27, 2017
Third Quarter Results	January 18, 2018
Audited Annual Results for the year	May 10, 2018

**As approved by the Board. However these dates are subject to change.*

(iii) Book Closure & Dividend Payment Dates

Book Closure date is as per Notice of 11th Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2017.

(iv) Listing

The names of the Stock Exchanges at which the securities of the Company are listed and the respective stock codes are as under:

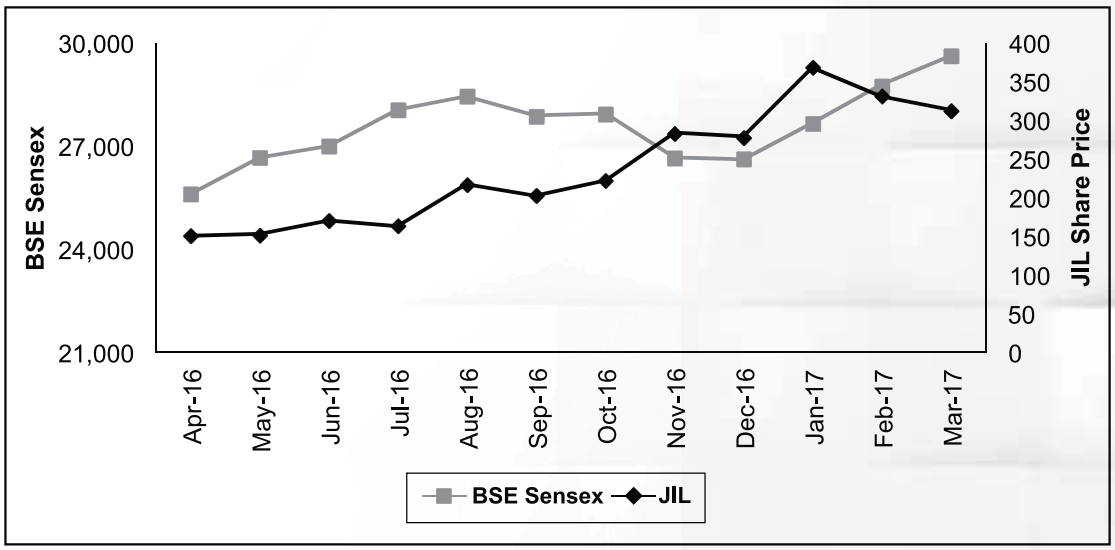
S. No.	Name of the Stock Exchange	Security Listed	Stock Code
1.	BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001	Equity Shares	533320
2.	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	Equity Shares	JUBLINDS

(v) Market Price Data

Monthly high/low of market price of the Company's equity shares (of ₹10 each) traded on the Stock Exchanges during 2016-17 is given hereinafter:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr, 2016	165.00	140.00	162.00	145.00
May, 2016	189.20	148.00	188.40	149.35
Jun, 2016	179.00	145.50	178.80	149.15
Jul, 2016	178.60	160.00	179.50	159.25
Aug, 2016	250.50	155.00	250.00	155.10
Sept, 2016	243.30	192.20	244.00	185.00
Oct, 2016	227.00	204.20	226.40	207.00
Nov, 2016	298.90	215.70	299.90	215.15
Dec, 2016	323.60	245.50	323.80	246.20
Jan, 2017	410.55	266.50	411.00	262.10
Feb, 2017	418.00	328.20	417.80	328.05
Mar, 2017	343.60	306.00	343.65	306.00

(vi) Performance of the Company's equity shares in comparison to BSE Sensex



The above chart is based on the monthly closing price of the equity shares of the Company at BSE and monthly closing BSE Sensex.

(vii) Growth in Equity Capital

Year	Particulars	Number of Equity Shares	Cumulative Number of Equity Shares	Face Value per Equity Share (₹)
2007	Issue of Equity Shares to the Subscribers to the Memorandum and Articles of Association	10,000	10,000	10
2010	Issue of Equity Shares on Preferential basis	40,000	50,000	10
2010	Issue of Equity Shares pursuant to Scheme of Amalgamation and Demerger with Jubilant Life Sciences Limited and others	79,64,056	80,14,056	10
2012	Issue of Equity Shares pursuant to Scheme of Arrangement with Enpro Oil Private Limited and Jubilant Agri and Consumer Products Limited	38,35,348	1,18,49,404	10
2015	Issue of Equity Shares pursuant to exercise of Options granted under JIL Employees Stock Option Scheme 2013.	37,196	1,18,86,600	10
2016	Issue of Equity Shares pursuant to exercise of Options granted under JIL Employees Stock Option Scheme 2013.	28,470	1,19,15,070	10

(viii) Compliance Officer

Mr. Dinesh Kumar Gupta, Company Secretary, is the Compliance Officer appointed by the Board. He can be contacted for any investor related matter relating to the Company. The contact nos. are +91-120-7186000, Fax nos. +91 -120-7186040-6140 and e-mail id is "**investorsjil@jubl.com**".

(ix) Registrar and Share Transfer Agent

For share related matters, members are requested to correspond with the Company's Registrar and Share Transfer Agent - M/s. Alankit Assignments Limited quoting their Folio No. / DP ID & Client ID at the following address:

M/s. Alankit Assignments Limited,
Alankit Heights 1E/13, Jhandewalan Extension, New Delhi-110055;
Tel: +91-11-23541234, 42541234; Fax: +91-11-41543474
E-mail: **rta@alankit.com, info@alankit.com**

(x) Share Transfer System

Stakeholders Relationship Committee is authorised to approve transfers of shares. Share transfers which are received in physical form, are processed and the share certificates are normally returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories.

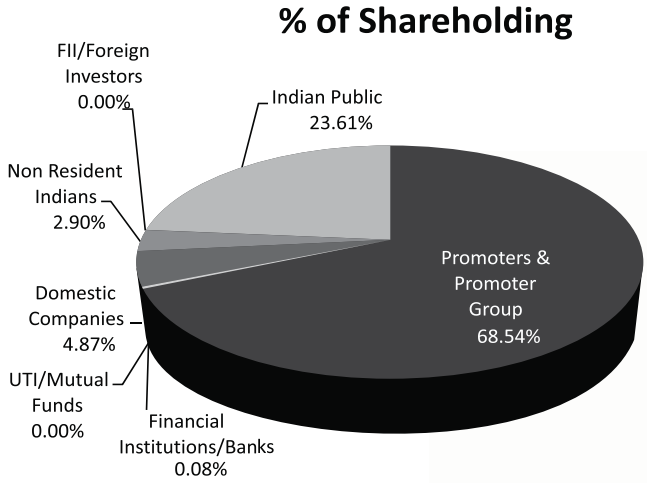
(xi) Distribution of shareholding as on March 31, 2017

(a) Value wise

Shareholding of nominal value (in ₹)	Shareholders		Shareholding	
	Number	%	Number	%
Up to 5,000	17,772	95.05	87,87,590	7.38
5001 to 10000	385	2.06	31,42,770	2.64
10001 to 20000	295	1.58	4,327,000	3.63
20001 to 30000	104	0.56	26,14,160	2.19
30001 to 40000	40	0.21	14,33,880	1.20
40001 to 50000	26	0.14	11,84,220	0.99
50001 to 100000	39	0.21	27,61,160	2.32
100001 to ABOVE	35	0.19	9,48,99,920	79.65
Total	**18,696**	**100.00**	**11,91,50,700**	**100.00**

(b) Category wise

S. No.	Category	No. of shares	Shareholding as a percentage of total number of shares
A	Promoters & Promoter Group	81,66,637	68.54
B	Public Shareholding		
1	Financial Institutions / Banks	9,609	0.08
2	UTI/Mutual Funds	620	0.00
3	Domestic Companies	5,79,807	4.87
4	Non Resident Indians	3,45,161	2.90
5	FII / Foreign Investors	160	0.00
6	Indian Public	28,13,076	23.61
	Grand Total	**1,19,15,070**	**100.00**



(xii) Unclaimed Dividends

In respect of unpaid/unclaimed dividends for the year 2010-11, the shareholders are requested to write to the Company/RTA. Dividends remaining unclaimed for seven years from the date of transfer of unpaid dividend account will be transferred to the Investor Education and Protection Fund.

Shareholders who have not encashed their dividend warrants relating to the dividends specified in the table given below are requested to immediately approach the Registrar and Transfer Agent for issue of duplicate warrants.

Financial Year	Particulars	Date of declaration	Due date for transfer to IEPF
2010-11	Final Dividend	August 23, 2011	September 24, 2018

(xiii) Equity Shares in Unclaimed Suspense Account

Pursuant to Clause 5A of the erstwhile Listing Agreement (corresponding to Schedule V (F) of the Listing Regulations), shareholders holding physical shares and not having claimed share certificates were sent three reminder letters to claim their equity shares. In terms of the aforesaid clause, equity shares which remained unclaimed were transferred to Jubilant Industries Limited - Unclaimed Suspense Account. Details required under Schedule V (F) of the Listing Regulations are given in the table below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the to Unclaimed Suspense Account lying as on April 01, 2016	1,405	36,638
Aggregate number of shareholders and the outstanding shares transferred to Unclaimed Suspense Account during 2016-17	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during 2016-17	5	202
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during 2016-17	5	202
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2017	1,400	36,436

The voting rights on the shares lying in Jubilant Industries Limited-Unclaimed Suspense Account will remain frozen till the rightful owners of such shares claim the shares.

(xiv) Information pursuant to Regulation 36(3) of the Listing Regulations

Information pertaining to particulars of Director to be re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the 11th Annual General Meeting.

(xv) Compliance Certificate of the Statutory Auditors

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure C.**

(xvi) (a) Dematerialization of Shares

The shares of the Company fall under the category of compulsory delivery in dematerialized mode by all categories of investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). 1,17,69,776 equity shares of the Company (98.78%) were in dematerialized form as on March 31, 2017. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE645L01011.

(b) Liquidity

The Equity Shares of the Company are frequently traded on the National Stock Exchange of India Limited as well as on the BSE Limited (Group B).

(c) Paid-Up Capital

The Paid-up Capital as at March 31, 2017 stands at 1,19,15,070 equity shares of ₹10 each amounting to ₹ 11,91,50,700 (Rupees Eleven Crores Ninety One Lakhs Fifty Thousand Seven Hundred only).

(d) Stock Options

The Company has an Employee Stock Option Scheme namely JIL Employees Stock Option Scheme 2013, ('ESOP Scheme'). Each Option under ESOP Scheme entitles the holder to one equity share of ₹ 10 each of the Company, at the grant price being the market price as per SEBI Regulations at the time of grant.

During FY 2016-17, 1,00,038 option was granted on October 28, 2016 under the ESOP Scheme and 28,470 options were exercised on September 23, 2016. As on March 31, 2017, 1,12,906 Options were outstanding under ESOP Scheme.

(xvii) Location of Plant

Village Nimbut, Rly Station Nira, District Pune - 412102, Maharashtra.

(xviii) Address for Correspondence

Jubilant Industries Limited
Plot No. 15, Knowledge Park-II,
Greater Noida, Uttar Pradesh-201306
Tel: +91 120-7186000
Fax: +91 120-7186040/7186140
e-mail: **investorsjil@jubl.com**
Website: **http://www.jubilantindustries.com**

(xix) Corporate Identity Number (CIN)

L24100UP2007PLC032909

K) Compliance with the Regulations Related to Corporate Governance in the Listing Regulations

(a) Mandatory Requirements

The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.

(b) Extent to which Discretionary Requirements have been adopted:

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is given below:

1. **The Board**

   - Non Executive Chairman's Office

   The Chairman is Non-Executive Promoter Director.

2. **Shareholders' Rights**

   Half yearly financial performance is not being sent to Shareholders.

3. **Modified Opinion(s) in Audit Report**

   Audit Reports on Financial Statements of the Company do not contain any modified opinion.

4. **Separate posts of Chairman and Managing Director/CEO**

   The Company has separate posts of Chairman and Managing Director/CEO.

5. **Reporting of Internal Auditor**

   Internal Auditor reports to the Audit Committee.

CEO/CFO Certification

In compliance with Regulation 17(8) read with Schedule II(B) of the Listing Regulations, a declaration by CEO i.e, the Managing Director and CFO is attached as **Annexure D** which, *inter-alia*, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Investor Services

In an endeavour to give best possible service to investors, the Company has taken the following initiatives:

- Emailing Annual Report, Corporate Sustainability Report and Notice of Annual General Meeting to shareholders, whose e-mail IDs are available.
- User friendly Investor Section on the website of the Company www.jubilantindustries.com.
- A dedicated e-mail ID viz. investorsjil@jubl.com for sending communications to the Company Secretary & Compliance Officer. Members may lodge their complaints or suggestions on this e-mail ID as well.

Further, quarterly and annual financial results of the Company are also uploaded on the website of the Company for the benefit of the shareholders and public at large.

Annexure A

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2017.

For **Jubilant Industries Limited**

Place: NOIDA
Date : May 24, 2017

Videh Kumar Jaipuriar
Managing Director

Annexure B

APPOINTMENT AND REMUNERATION POLICY

SCOPE

This Policy aims to ensure that the persons appointed as Directors, Key Managerial Personnel and Senior Management possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully.

This Policy has been developed and implemented by the Nomination, Remuneration and Compensation Committee and is applicable to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges and applies to the following categories of Directors and employees of the Company:

Part I	-	Key Managerial Personnel
Part II	-	Non-executive Directors / Independent Directors
Part II	-	Senior Management and other employees

DEFINITIONS

i. "Act" means the Companies Act, 2013 read with the rules, clarifications, circulars and orders issued thereunder from time to time including any modification or re-enactment thereof.

ii. "Board" means the Board of Directors of the Company.

iii. "Independent Director" means an Independent Director of the Company appointed in pursuance of the Act and Listing Agreement with the stock exchanges.

iv. "Key Managerial Personnel" or "KMP" means person(s) appointed as such in pursuance of Section 203 of the Act.

v. "Listing Agreement" means the listing agreement between the Company and the stock exchanges on which the securities of the Company are listed and traded.

vi. "NRC" means Nomination, Remuneration and Compensation Committee of the Board, constituted in accordance with the provisions of Section 178 of the Act and the Listing Agreement.

vii. "Other Employees" means all the employees of the Company other than the Key Managerial Personnel and the Senior Management.

viii. "Rules" means the rules framed under the Act.

ix. "Senior Management" shall mean the personnel of the Company designated as Senior Management in accordance with the definition laid down under Explanation to Section 178 of the Act and Clause 49(VIII)(D)(2) of the Listing Agreement.

x. "Stock Options" means the options given or to be given by the Company as per the prevalent Employees Stock Option Scheme/Plans of the Company.

Unless the context otherwise provides, terms not defined herein and used in this Policy, shall bear the same meaning as prescribed under the Act, the Listing Agreement or any other relevant law.

Where an employee is a Key Managerial Personnel as well as holds a Senior Management Position (such as CFO), his/her terms of appointment shall be governed by both Part I and Part III of this Policy and in the event of any conflict, the stricter clause shall prevail.

GENERAL QUALIFICATIONS AND ATTRIBUTES FOR ALL DIRECTORS

The prospective Director:

- Should be a reasonable person with integrity and ethical standards.
- Should meet the requirements of the Act, the Listing Agreement and other applicable laws for the time being in force.
- Should have the requisite qualifications, skills, knowledge, experience and expertise relevant or useful to the business of the Company. The relevant experience could be in areas of management, human resources, sales, administration, research, Corporate Governance, manufacturing, international operations, public service, finance, accounting, strategic planning, risk management, supply chain, science and technology, marketing, law or any other area considered necessary by the Board/NRC.
- Should be a person who is capable of balancing the interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
- Is expected to:
  a. Uphold ethical standards of integrity and probity.
  b. Act objectively and constructively while exercising his/her duties.
  c. Exercise his/her responsibilities in a bonafide manner in the interest of the Company.
  d. Devote sufficient time and attention for informed and balanced decision making.
  e. Not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
  f. Not abuse his/her position to the detriment of the Company or its shareholders or to gain direct or indirect personal advantage or advantage for any associated person.
  g. Avoid conflict of interest, and in case of any situation of conflict of interest, make appropriate disclosures to the Board.
  h. Assist the Company in implementing the best corporate governance practices.
  i. Exhibit his/her total submission to the limits of law in drawing up the business policies, including strict adherence to and monitoring of legal compliances at all levels.
  j. Have ability to read and understand the financial statements.
  k. Protect confidentiality of the confidential and proprietary information of the Company.

NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient / satisfactory for the concerned position.

COMPLIANCES

The terms/ process of appointment / re-appointment and remuneration of the Directors and other employees covered under this Policy shall be governed by the provisions of the Act, Rules, Listing Agreement, other applicable laws and policies and practices of the Company.

DISCLOSURES

This Policy shall be disclosed in the Annual Report of the Company.

REVIEW / AMENDMENT

Based on the recommendation of the NRC, the Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Act, Listing Agreement and/or any other applicable law or regulation.

This Appointment and Remuneration Policy has been approved by the Board on March 27, 2015 on recommendation of Nomination, Remuneration and Compensation Committee. It shall be effective from March 27, 2015.

PART I – KEY MANAGERIAL PERSONNEL

Part I of this Policy comprises of two parts as under:

PART A - Managing Directors / Whole-Time Directors ("EDs")

PART B - Chief Financial Officer, Company Secretary and other KMPs

PART A- MANAGING DIRECTORS / WHOLE-TIME DIRECTORS ("EDs")

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as EDs.
- The remuneration payable to the EDs is commensurate with their qualification, experience and capabilities and takes into account the past performance and achievements of such ED. A suitable component of remuneration payable to the EDs is linked to their performance, performance of the business and the Company.
- The remuneration payable to the EDs is comparable with the remuneration paid to the EDs of other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIFIC QUALIFICATIONS AND ATTRIBUTES

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Director satisfies the criteria set out under the applicable law including the Act and the Listing Agreement for eligibility to be appointed as ED.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment and recommend their appointment to the Board along with the terms of appointment and remuneration. The Board will consider recommendations of NRC and approve the appointment and remuneration, subject to approval of the shareholders of the Company.

Removal

- Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, code of conduct and / or policies of the Company, NRC shall recommend to the Board his/her removal from the services of the Company.

COMPONENTS OF REMUNERATION / INCREMENTS

Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable pay based on the performance of the individual, business and the Company as a whole.
- No Sitting Fee shall be payable for attending the meetings of the Board or committees thereof.
- Stock Options as per terms of the prevalent Stock Options Plan, if eligible.
- Any other incentive as may be applicable.

ANNUAL INCREMENT

Annual increment will be granted by the Board on recommendation of NRC, based on the performance of the individual, performance of the business and the Company as a whole.

PART B - CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND OTHER KMPs

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as Chief Financial Officer ("CFO"), Company Secretary ("CS") and other Key Managerial Personnel ("KMPs").
- The remuneration payable to CFO, CS and KMPs is commensurate with his/her qualification, experience and capabilities and takes into account the past performance and achievements of such individual. Remuneration payable to them is comparable with the remuneration paid to persons performing the same or similar roles in other companies which are similar to the Company in terms of nature of business, size and complexity.
- A suitable component of their remuneration is linked to his / her performance, performance of the business and the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Have requisite qualification and experience as may be relevant to the task he / she is expected to perform.

  NRC/ Board has the discretion to decide whether qualification, expertise, experience and attributes possessed by the person are sufficient / satisfactory for the concerned position.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- Appointment of KMPs (including terms and remuneration) shall be approved by the Board.
- Upon the NRC recommending the appointment of the CFO to the Audit Committee, the Audit Committee shall approve the appointment of CFO and recommend the same to the Board for approval after assessing the qualifications, experience, background, etc.
- Where a KMP is in Senior Management, the appointment (including terms and remuneration) shall be recommended by NRC to the Board for its approval.

Removal

- Where KMP is subjected to any disqualification(s) mentioned in the Act, Rules or under any other applicable law, rules and regulations, Code of Conduct and / or Policies of the Company, the Board may remove such KMP from the services of the Company.
- Where KMP is in Senior Management, his/her removal shall be recommended by NRC to the Board for its approval.

ELEMENTS / COMPONENTS OF REMUNERATION

Remuneration and other perquisites / facilities (including loans/advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Stock Options as per terms of the prevalent Stock Options Plan.
- Any other incentive as may be applicable.

ANNUAL APPRAISAL AND INCREMENT

Appraisal and increment will be done by the Managing Director / Whole Time Director in consultation with the Chairman of the Company after taking into account the following:

- Individual's performance against Key Performance Indicators.
- The performance of:
  a) individual;
  b) business function handled by the individual; and
  c) Company.
- The prevalent rate of increments given by companies of similar nature of business and size;
- The criticality of the individual to the Company in his capacity as a Key Managerial Personnel.

PART II – NON-EXECUTIVE DIRECTORS / INDEPENDENT DIRECTORS

OBJECTIVES

- Identify persons who meet the criteria for independence, if required, as set out under the Act and the Listing Agreement and possess appropriate qualifications, experience and attributes for appointment to a Company of our size.
- The remuneration payable to the Non-executive/ Independent Directors takes into account the contributions of the Director to the performance of the Company. Remuneration payable to them is fair and reasonable and comparable with the remuneration paid by other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIAL QUALIFICATIONS AND ATTRIBUTES FOR INDEPENDENT DIRECTORS

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Independent Director should meet the requirements of Schedule IV to the Act and the Listing Agreement.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment and recommend their appointment to the Board. The Board will consider recommendations of NRC and accordingly, approve appointment and remuneration of Non-executive and/ or Independent Directors subject to approval of the shareholders of the Company.
- The appointment of Independent Directors shall be formalized in accordance with the applicable laws.

Removal

- Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and / or Policies of the Company, NRC shall recommend to the Board for removal of the appointee from directorship of the Company.

ELEMENTS/COMPONENTS OF REMUNERATION

- Variable remuneration - Commission - As a % of the net profits of the Company as approved by the Board and/or the shareholders of the Company.
- Sitting fees for attending meetings of the Board and Committees thereof as recommended by NRC and approved by the Board and reimbursement of expenses for participation in the meetings of the Board and other meetings.
- Stock Options as per terms of prevalent Stock Options Plan. Independent Directors will not be entitled to Stock Options.

PART III – SENIOR MANAGEMENT & OTHER EMPLOYEES

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment in the Senior Management and Other Employees category.
- Remuneration payable to the Senior Management and other employees is commensurate with their qualification, experience and capabilities and takes into account their past performance and achievements. Remuneration payable to them is comparable with the remuneration paid to employees at the same level in other companies which are similar to the Company in terms of nature of business, size and complexity.
- Depending on the level of the employee, a suitable component of remuneration is linked to performance of such individual employee, the performance of the business and the Company as per the HR Policy of the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Senior Management: Should have the requisite qualification and experience as may be relevant to the task he / she is expected to perform.

  NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient/ satisfactory for the concerned Senior Management position.
- Other Employees: Qualification, expertise, experience and attributes will be determined by the Management as per the HR Policy of the Company.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment in the Senior Management and recommend to the Board their appointment alongwith the terms of appointment and remuneration.
- The Board will consider recommendation of NRC and approve the appointment alongwith the terms of appointment and remuneration.
- Appointments to positions other than the Senior Management will be made as per the Company's HR policy.

Removal

- Where an employee in the Senior Management is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and / or Policies of the Company, the Board may remove such employee from the services of the Company, on recommendation of NRC.
- In case of other employees, the Management of the Company may terminate the services of such employee as per HR Policy of the Company.

ELEMENTS / COMPONENTS OF REMUNERATION

Remuneration and other perquisites / facilities (including loans/advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Stock Options as per terms of the prevalent Stock Options Plan.
- Any other incentive as may be applicable.

ANNUAL APPRAISAL AND INCREMENT

Appraisal and increment will be done by the Managing Director / Whole Time Director or any other appropriate authorities in consultation with the Chairman of the Company or any other person authorised by him after taking into account the following:

- Individual's performance against Key Performance Indicators.
- The performance of the:
  a) individual ;
  b) business function handled by the individual; and
  c) Company.
- The prevalent rate of increments given by the companies of similar nature of business and size.
- The criticality of the individual to the Company in his capacity as a member of the Senior Management or other employees category.

Annexure C

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Jubilant Industries Limited

1. We, K.N. GUTGUTIA & COMPANY, CHARTERED ACCOUNTANTS, the Statutory Auditors of JUBILANT INDUSTRIES LIMITED (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

   We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

4. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this Certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2017.

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

For **K.N. Gutgutia & Company**
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No.: 12172

Place : New Delhi
Dated : May 24, 2017

Annexure D

CERTIFICATE OF CEO/CFO

This is to certify that:

(a) We have reviewed financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Jubilant Industries Limited**

Place : NOIDA
Date : May 24, 2017

Videh Kumar Jaipuriar
Managing Director

Umesh Sharma
Chief Financial Officer

STANDALONE
FINANCIAL STATEMENTS

Independent Auditor's Report

TO THE MEMBERS OF JUBILANT INDUSTRIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **JUBILANT INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 which we have signed under reference to this report.

Management's responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 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 there under.

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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, 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 audit opinion.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the 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:

   (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;

   (ii) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and

   (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ('Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order.

9. As required by Section143 (3) of the Act, we report that:

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;

c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid financial Statements dealt with by this report comply with the Accounting Standards under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2017 from being appointed as Director in terms of sub section 2 of section 164 of the Companies Act, 2013 ;

f. with respect to the adequacy of the Internal Financial Controls over the financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the financial position of the Company;

ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March 2017;

iii. The Company did not have any dues requiring transfer to Investor Education and Protection Fund; and

iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company (Refer note 36 to the financial statements).

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No.12172

Place: Noida
Date : 24th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 8 of our report of even date to the members of **Jubilant Industries Limited** on the financial statements for the year ended 31st March, 2017)

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

(b) As explained to us, physical verification of fixed assets has been carried out by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.

(c) Title deeds of immovable properties of the Company are held in the name of the Company.

ii) (a) The inventories, except goods-in-transit have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion, no material discrepancies were noticed on physical verification of stocks.

iii) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured to companies, firms & limited liability partnerships firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanation given to us, the Company has complied the provisions of section 185 and 186 of the Companies Act, 2013, with respect to investments and guarantees.

v) The Company has not accepted any deposits and hence paragraph 3(v) of the Order is not applicable to the Company.

vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Companies Act, 2013 for product of the Company.

vii) (a) According to the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax , sales tax , service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on the last date of the financial year for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of sales tax, income tax and service tax which have not been deposited on account of disputes.

viii) Based on our audit procedures and according to the information given by the management, the Company has no loans or borrowings from any financial institution, bank, government and hence paragraph 3(viii) of the Order is not applicable to the Company.

ix) In our opinion and according to the information and explanations given to us, the Company has not done any initial public offer or further public offer (including debt instrument) and has not taken any term loans during the year and hence paragraph 3(ix) of the Order is not applicable to the Company.

x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.

xi) The company has not paid/provided any managerial remuneration during the year and hence paragraph 3(xi) is not applicable to the Company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence paragraph 3 (xii) of the Order is not applicable to the Company.

xiii) As explained to us and as per the records of the Company, in our opinion the transactions with the related parties are in Compliance with Section 177 and Section 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standard.

xiv) According to the records of the Company, it has not made any preferential allotment of shares or private placement of shares or fully/partly convertible debentures during the year under report. Accordingly paragraph 3 (xiii) of the Order is not applicable to the Company.

xv) According to the records of the Company, the Company has not entered during the year into any non-cash transaction with Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.

xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable to the Company.

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No.12172

Place: Noida
Date : 24th May, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JUBILANT INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of **JUBILANT INDUSTRIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No.12172

Place: Noida
Date : 24th May, 2017

Balance Sheet

As at 31 March 2017

(₹ in million)

		Note	As at 31 March 2017		As at 31 March 2016	
I	**EQUITY AND LIABILITIES**					
	Shareholders' funds					
	Share capital	3	119.15		118.87	
	Reserve & surplus	4	2,480.62		2,488.49	
				2,599.77		2,607.36
	Non-current liabilities					
	Long term provisions	5		1.53		1.23
	Current liabilities					
	Short term borrowings	6	-		10.00	
	Trade payables to micro enterprises and small enterprises	28	-		-	
	Trade payables to others		32.18		11.61	
	Other current liabilities	7	83.53		159.14	
	Short term provisions	8	11.79		9.90	
				127.50		190.65
	Total			**2,728.80**		**2,799.24**
II	**ASSETS**					
	Non-current assets					
	Fixed assets					
	Tangible assets	9	17.99		18.87	
	Intangible assets	10	0.05		0.24	
	Non current investments	11	2,634.87		2,634.87	
	Long term loans & advances	12	1.38		1.31	
				2,654.29		2,655.29
	Current assets					
	Inventories	13	21.35		32.90	
	Trade receivables	14	34.85		4.79	
	Cash & bank balances	15	1.48		3.22	
	Short term loans and advances	16	16.83		103.04	
	Total			74.51		143.95
				2,728.80		**2,799.24**
	Significant accounting policies	2				
	Notes to the financial statements	1 - 42				
The accompanying notes are integral part of these financial statements.						

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Statement of Profit and Loss

For the year ended 31 March 2017

(₹ in million)

	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
REVENUE			
Revenue from operations (gross)	17	278.60	401.46
Other Income	18	17.65	0.14
Total revenue		**296.25**	**401.60**
EXPENSES			
Cost of materials consumed	19	82.58	104.93
Purchase of traded goods	20	0.48	0.52
Change in inventories of work-in-progress & finished goods	21	4.59	(5.14)
Excise duty on sales		41.38	94.74
Other manufacturing expenses	22	119.71	167.00
Employee benefits expense	23	12.52	13.46
Finance costs	24	0.67	1.58
Depreciation & amortisation expense	9 & 10	1.21	1.25
Other expenses	25	37.70	30.57
Total expenses		**300.84**	**408.91**
Profit/(Loss) before exceptional items & tax		(4.59)	(7.31)
Exceptional items	26	5.93	4.04
Profit/(Loss) before tax		(10.52)	(11.35)
Tax Expenses:			
- Deferred tax credit		-	(0.52)
Profit/(Loss) for the year		**(10.52)**	**(10.83)**
Basic earnings per share of ₹ 10 each (In ₹)	41	(0.88)	(0.91)
Diluted earnings per share of ₹ 10 each (In ₹)	41	(0.88)	(0.91)
Significant accounting policies	2		
Notes to the financial statements	1 - 42		
The accompanying notes are integral part of these financial statements.			

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Cash Flow Statement

For the year ended 31 March 2017

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
A.	**Cash flow arising from operating activities:**		
	Net profit/(loss) before tax	**(10.52)**	**(11.35)**
	Adjustments for:		
	Depreciation & amortisation expense	1.21	1.25
	Finance costs	0.67	1.58
	Interest Income	(16.26)	(0.02)
	Provision for old inventory etc (Refer note 26)	-	(3.54)
	Provision for employee benefits	0.43	(0.38)
	Bad debts/irrecoverable advances written-in (net of write-off)	(0.63)	-
	Additional privilege licence fee	5.93	-
	Excess provision written back	(1.39)	-
		(10.04)	(1.11)
	Operating profit before working capital changes	**(20.56)**	**(12.46)**
	Adjustments for:		
	(Increase)/Decrease in trade receivables, loans & advances and other assets	(29.90)	11.85
	(Increase)/Decrease in inventories	11.55	(0.32)
	Increase/(Decrease) in trade payables, provisions and other liabilities	(50.51)	0.14
	Cash generated from operations	**(89.42)**	**(0.79)**
	Direct taxes (paid)/refund (net)	96.83	(0.13)
	Net cash inflow/(outflow) in course of operating activities	**7.41**	**(0.92)**
B.	**Cash flow arising from investing activities:**		
	Acquisition/Purchase of fixed assets	(0.14)	(0.15)
	Sale proceeds of fixed assets	-	0.06
	Interest income received	0.11	0.02
	Redemption/(investment) of term deposit with bank	0.05	(0.05)
	Net cash inflow/(outflow) in course of investing activities	**0.02**	**(0.12)**
C.	**Cash flow arising from financing activities:**		
	Proceeds from/(Repayment) of long term borrowings (net)	-	(0.11)
	Repayment of inter-corporate borrowing to subsidiary company	(10.00)	-
	Proceeds from issue of share capital through ESOP	2.93	3.98
	Repayment of interest converted in to inter-corporate loan	(1.38)	(0.95)
	Finance costs paid	(0.67)	(0.20)
	Net cash inflow/(outflow) in course of financing activities	**(9.12)**	**2.72**
	Net increase/(decrease) in cash & cash equivalents (A+B+C)	(1.69)	1.68
	Add: Cash & cash equivalents at the beginning of the year (including balance in dividend account)	3.17	1.49
	Cash & cash equivalents at the close of the year (including balance in dividend account)	**1.48**	**3.17**
	Components of cash and cash equivalents		
	Balance with Banks		
	- On current accounts	1.23	2.92
	- On dividend Account	0.24	0.24
	Cash in Hand	0.01	0.01
		1.48	**3.17**
i)	Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statements" as notified by the Central Government of India.		
ii)	Closing cash and cash equivalents includes ₹ 0.24 million (Previous Year: ₹ 0.24 million), which has restricted use.		

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Notes to the Financial Statements

For the year ended 31 March 2017

1. Corporate information

Jubilant Industries Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Presently, the Company is engaged in the business of manufacturing of Indian-made foreign liquor. Its shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

2. Statement of Significant Accounting Policies

A. Basis of preparation & presentation of financial statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India and the guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The Financial Statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, valuation of derivatives, provision for doubtful debts, etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.

Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. it is expected to be realized within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result on its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

B. Tangible and intangible fixed assets

Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation/ amortization and impairment loss. The cost of fixed assets includes effects of exchange differences on long term foreign currency borrowings, freight and other incidental expenses related to the acquisition, installation and commissioning of the respective assets. Borrowing costs directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. In case of fixed assets acquired at the time of amalgamation of certain entities with Company, the same are recognized at book value in case of amalgamation in the nature of merger and at book/fair value in case of amalgamation in the nature of purchase in line with Accounting Standard 14 (AS 14) – "Accounting of Amalgamations".

Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on start up and commissioning of the project and/ or substantial expansion up to the date of commencement of commercial production are capitalized.

Expenditure for acquisition and implementation of Software systems are recognized as part of the intangible assets.

C. Depreciation and amortization

Pursuant to the Companies Act, 2013 ("the Act"), the Company has provided depreciation on fixed assets as per useful life specified in Part "C" of Schedule II of the Act, read with Notification dated 29th August, 2014 of the Ministry of Corporate Affairs, on the original cost/ acquisition cost of fixed assets or other amount substituted for cost except employee perquisite related Assets is deprecated over the period of five Years being the period of the Perquisite Scheme.

Useful life so arrived at are currently reflective of the estimated useful life of the fixed assets and are not higher than the useful lives as prescribed vide Schedule II to the Companies Act, 2013.

Software systems are being amortized over a period of five years or its useful life whichever is shorter.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

D. Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease payments under operating leases are recognized in the Statement of Profit and Loss on a Straight-line basis by creating Lease Equalization Reserve. In case of change in terms/conditions of lease or surrender of part or full space, the lease equalization is readjusted retrospectively treating the lease as continuing one.

E. Valuation of inventories

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted Average Method
Work-in-progress and finished goods (manufactured)	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Finished goods (traded)	Cost of Purchases
Stores & spares and Others	Weighted Average Method
Packing materials	Weighted Average Method
Goods-in-transit	Cost of Purchase

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable.

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

The net realizable value of work-in-progress is determined with reference to the selling price of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it's estimated that the cost of finished goods will exceed their net realizable value.

F. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under "Current Assets" as "Current portion of long term investments" in consonance with current/non-current classification scheme of Schedule III.

Current Investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investment, such reduction being determined and made for each investment individually.

G. Income tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the results for the period.

Current tax

Current tax expense is based on the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes into consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Deferred tax assets and deferred tax liabilities are offsets when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

H. Foreign currency transactions and translations

a) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on/or closely approximating to the date of the transaction.

b) **Conversion:** Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) **Exchange difference:** Exchange differences arising on the settlement of monetary items, if any or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

d) **Forward exchange contracts:** Monetary Assets and Liabilities, if any are restated at the rate prevailing at the period end or at the spot rate at the inception of forward contract where forward cover for specific asset/liability has been taken and in respect of such forward contracts the difference between the contract rate and the spot rate at the inception of the forward contract is recognized as income or expense in Statement of Profit and Loss over the life of the contract. All other outstanding forward contracts on the closing date are mark to market and resultant loss is recognized as expense in the Statement of Profit and Loss. Mark to market gains, if any, are ignored. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.

I. Provisions, contingent liabilities and contingent assets

The Company recognizes a provision when there is a 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 the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

J. Employee benefits

(i) Short-term employee benefits: All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences, performance incentives etc. and are recognized as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) Post-employment benefits: Post employment benefit plans are classified into defined contribution plans and defined benefits plans in line with the requirements of AS 15 on "Employee Benefits".

- **Gratuity and leave encashment**

  Gratuity and leave encashment which are defined benefits are recognized in the Statement of Profit and Loss based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial gains and losses arising from the experience adjustment and change in actuarial assumption are immediately recognized in the Statement of Profit and Loss as income or expense.

- **Superannuation**

  Certain employees of the Company are also participants in the superannuation plan ('the Plan') a defined contribution plan. Contribution made by the Company to the Plan administrated by the Trust during the year is charged to Statement of Profit and Loss.

- **Provident fund**

  a) The Company makes contribution to the "VAM EMPLOYEES' PROVIDENT FUND TRUST" for most of its employees, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

  b) For other employees, Provident Fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Company's contribution to the Provident Fund is charged to Statement of Profit & Loss.

(iii) Other long term employee benefits: All employee benefits (other than post-employment benefits and termination benefits) which do not fall due within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation using the projected unit credit method carried out at each Balance Sheet date. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

K. Borrowings cost

Borrowing costs including incidental/ ancillary costs are recognized in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalized up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the period of such borrowings.

L. Revenue recognition

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the

products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues include excise duty and are shown net of sales tax, value added tax and discounts, if any.

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on time proportionate basis.

M. Segment reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Company. Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to operating activities of the segments (taking in account the nature of products and services and risks & rewards associated with them) and Internal Management Information Systems and the same is reviewed from time to time to realign the same to conform to the Business Units of the Company. Revenue, Expenses, Assets and Liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "Common Revenue/Expenses/ Assets/Liabilities", as the case may be. However, there is no business segment for the year under report.

N. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored.

O. Impairment of fixed assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the asset's/cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Statement of Profit and Loss.

P. Employee stock option scheme

Equity settled stock options granted are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999, issued by Securities and Exchange Board of India and the Guidance Note on "Accounting for Employee Share-based Payment" issued by the Institute of Chartered Accountants of India(ICAI). The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognized as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortized portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortized portion.

SEBI on 28th October 2014, issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('new guidelines') repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines any company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein.

Q. Cash and cash equivalent

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
3. SHARE CAPITAL		
Authorised		
15,000,000 Equity shares of ₹ 10 each	150.00	150.00
(Previous Year 15,000,000 Equity shares of ₹ 10 each)		
	150.00	**150.00**
Issued, subscribed & paid-up		
11,915,070 Equity shares of ₹ 10 each	119.15	118.87
(Previous Year 11,886,600 Equity shares of ₹ 10 each)		
	119.15	**118.87**

3.1 Issued, subscribed & paid-up share capital includes shares allotted for consideration other than cash during the last five years:

3,835,348 equity shares of ₹ 10 each allotted pursuant to the Scheme of Arrangement with Jubilant Agri and Consumer Products Limited and Enpro Oil Private Limited during the FY 2011-12.

3.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of shares	% held	No. of shares	% held
Jubilant Stock Holding Private Limited	-	-	1,329,757	11.19
Jubilant Capital Private Limited	-	-	1,166,600	9.81
Jubilant Enpro Private Limited	-	-	3,729,683	31.38
Jubilant Securities Private Limited	-	-	1,051,075	8.84
HSSS Investment Holding Private Limited	5,059,440	42.46	-	-
KBHB Investment Holding Private Limited	1,226,302	10.29	-	-
KBHSB Property Trustee Company Private Limited	1,166,600	9.79	-	-

3.3 The reconciliation of the number of shares outstanding as at 31 March 2017 and 31 March 2016 is set out below:

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of shares	₹ in million	No. of shares	₹ in million
Number of shares at the beginning of the year	11,886,600	118.87	11,849,404	118.49
Add: Issued during the year (Refer note 3.7)	28,470	0.28	37,196	0.38
Numbers of shares at the end of the year	**11,915,070**	**119.15**	**11,886,600**	**118.87**

3.4 The Company has only one class of equity shares having par value of ₹ 10 each. Each equity shareholder is eligible for one vote per share.

3.5 For Employee Stock Option Scheme refer note 30.

3.6 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.7 Under the JIL Employee Stock Option Scheme, 2013; 28,470 equity shares (Previous Year: 37,196 equity shares) were allotted and issued, out of which 2,524 equity shares (Previous Year: 855 equity shares) and 25,946 equity shares (Previous Year: 36,341 equity shares) were allotted and issued @ ₹ 50.50 per equity share and ₹ 108.10 per equity share (including securities premium), respectively to the eligible persons upon exercise of vested options.

Notes to the Financial Statements for the year ended 31 March 2017

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
4.	**RESERVES AND SURPLUS**		
	Securities premium account		
	At the commencement of the year	827.05	823.45
	Add: Additions during the year (Refer note 3.7)	2.65	3.60
	At the end of the year	**829.70**	**827.05**
	General reserve		
	At the commencement and at the end of the year	**227.78**	**227.78**
	Surplus		
	At the commencement of the year	1,433.66	1,444.49
	Add: Net (loss) after tax as per Statement of Profit & Loss for the year	(10.52)	(10.83)
	At the end of the year	**1,423.14**	**1,433.66**
		2,480.62	**2,488.49**

4.1 The Board has not proposed any dividend for the year.

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
5.	**LONG TERM PROVISIONS**		
	Employee benefits	1.53	1.23
		1.53	**1.23**

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
6.	**SHORT TERM BORROWINGS** (Unsecured)		
	Loan from related party (Subsidiary) (Refer Note 35)	-	10.00
		-	**10.00**

6.1 Short term borrowing from related party is repayable as per terms of agreement with in one year.

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
7.	**OTHER CURRENT LIABILITIES**		
	Trade deposits & advances	-	0.14
	Interest accrued and due	-	1.38
	Due to related parties (Refer note 35)	63.43	130.90
	Employee benefits payable	0.59	0.63
	Unpaid dividend	0.24	0.24
	Others (including statutory dues)	19.27	25.85
		83.53	**159.14**

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
8.	**SHORT TERM PROVISIONS**		
	Employee benefits	0.47	0.35
	Excise duty	8.94	6.01
	Provision for old inventory etc	2.38	3.54
		11.79	**9.90**

9. TANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK-COST / BOOK VALUE				DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	Total As at 31 March 2016	Additions/ adjustments during the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2016	Provided for the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2017	Total As at 31 March 2016
Land (Freehold)	6.81	-	-	6.81	-	-	-	-	6.81	6.81
Buildings factory	9.12	-	-	9.12	3.63	0.29	-	3.92	5.20	5.49
Plant & machineries	16.20	0.03	-	16.23	9.84	0.68	-	10.52	5.71	6.36
Furniture & fixtures	0.22	-	-	0.22	0.20	-	-	0.20	0.02	0.02
Office equipments	0.59	0.11	-	0.70	0.40	0.05	-	0.45	0.25	0.19
TOTAL	**32.94**	**0.14**	**-**	**33.08**	**14.07**	**1.02**	**-**	**15.09**	**17.99**	**18.87**
Previous Year	33.29	0.15	0.50	32.94	13.46	1.05	0.44	14.07	18.87	19.83

9.1 Fixed assets of the Company are charged in favour of bankers for term loan availed by Jubilant Agri and Consumer Products Limited, its wholly owned subsidiary company.

10. INTANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK-COST / BOOK VALUE				DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	Total As at 31 March 2016	Additions/ adjustments during the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2016	Provided for the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2017	Total As at 31 March 2016
Software	0.78	-	-	0.78	0.54	0.19	-	0.73	0.05	0.24
TOTAL	**0.78**	**-**	**-**	**0.78**	**0.54**	**0.19**	**-**	**0.73**	**0.05**	**0.24**
Previous Year	0.78	-	-	0.78	0.34	0.20	-	0.54	0.24	0.44

(₹ in million)

					As at 31 March 2017	As at 31 March 2016
11.	**NON-CURRENT INVESTMENTS**					
	(At cost)					
	Number	Face value per unit				
				Trade investments (long term) (unquoted)		
				In subsidiary companies:-		
			(i)	**Jubilant Agri and Consumer Products Limited:**		
	50,000	₹ 10		Fully paid-up equity shares	0.50	0.50
	(50000)	(₹ 10)				
	16,48,817	₹ 10		10% Optionally convertible non-cumulative redeemable preference shares	1,648.82	1,648.82
	(16,48,817)	(₹ 10)				
	9,74,800	₹ 10		10% Non-cumulative redeemable preference shares	974.80	974.80
	(9,74,800)	(₹ 10)			**2,624.12**	**2,624.12**
			(ii)	**Jubilant Industries Inc. USA**		
	200	No Par Value		In equity instruments fully paid-up	10.75	10.75
	(200)					
				Total (i) + (ii)	**2,634.87**	**2,634.87**
				Aggregate Amount of unquoted investments	2,634.87	2,634.87

11.1 Figures in () are in respect of previous year.

₹ in million)

		As at 31 March 2017	As at 31 March 2016
12.	**LONG TERM LOANS & ADVANCES** (Unsecured, considered good)		
	Security deposits	1.35	1.31
	Loan to employees	0.03	-
		1.38	**1.31**

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
13.	**INVENTORIES**		
	Raw materials	1.00	4.66
	Work-in-progress	1.14	3.94
	Finished goods	12.85	14.64
	Stores and spares	0.68	0.79
	Others - Fuels & packing materials	5.68	8.87
		21.35	**32.90**

For method of valuation refer note 2 E.

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
14.	**TRADE RECEIVABLES** (Unsecured, considered good)		
	Outstanding for period exceeding six months from the date they are due for payment	8.69	-
	Other receivables	26.16	4.79
		34.85	**4.79**

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
15.	**CASH & BANK BALANCES**		
	Cash and cash equivalents		
	Balance With Banks		
	- On current accounts	1.23	2.92
	- On dividend account	0.24	0.24
	Cash in hand	0.01	0.01
		1.48	**3.17**
	Other bank balances		
	Margin money*	-	0.05
		-	**0.05**
		1.48	**3.22**

* For bank guarantees in favour of government authorities.

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
16.	**SHORT TERM LOANS & ADVANCES**		
	Deposits/Balances with government authorities	3.73	10.42
	Advance payment of income tax	1.47	82.16
	Employee loans & advances	0.01	0.03
	Advances recoverable in cash or in kind or for value to be received:		
	- Related parties (Refer note 35)	3.48	0.57
	- Others	8.14	9.86
		16.83	**103.04**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
17.	**REVENUE FROM OPERATIONS**		
	Sale of products*	277.60	399.95
	Other operating income**	1.00	1.51
	Revenue from operations (gross)	**278.60**	**401.46**

* Sale of products is in the nature of Indian-made foreign liquor.

** Other operating income is in the nature of scrap sale.

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
18.	**OTHER INCOME**		
	Excess provision written-back	1.39	-
	Interest income [including interest on income tax refund of ₹16.14 million (Previous year : 0.02 million)]	16.26	0.02
	Other non-operating income	-	0.12
		17.65	**0.14**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
19.	**COST OF MATERIALS CONSUMED**		
	Raw & process materials consumed	82.58	104.93
		82.58	**104.93**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
19.1	**PARTICULARS OF RAW & PROCESS MATERIALS CONSUMED**		
	Extra netural alcohol	78.93	99.67
	Others	3.65	5.26
		82.58	**104.93**

		For the year ended 31 March 2017		For the year ended 31 March 2016	
		%	₹ in million	%	₹ in million
19.2	**PARTICULARS OF IMPORTED AND INDIGENOUS RAW & PROCESS MATERIALS CONSUMED**				
	Imported	-	-	-	-
	Indigenous	100.00	82.58	100.00	104.93
		100.00	**82.58**	**100.00**	**104.93**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
20.	**PURCHASE OF TRADED GOODS**		
	Purchase of traded goods	0.48	0.52
		0.48	**0.52**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
21.	**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS & FINISHED GOODS**		
	Stock at commencement - Work-in-progress*	3.94	3.89
	Stock at commencement - Finished goods*	14.64	9.55
		18.58	**13.44**
	Stock at close - Work-in-progress*	1.14	3.94
	Stock at close - Finished goods*	12.85	14.64
		13.99	**18.58**
	Decrease /(increase) in stocks	**4.59**	**(5.14)**

* Work-in-progress & finished goods are in the nature of Indian-made foreign liquor.

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
22.	**OTHER MANUFACTURING EXPENSES**		
	Power and fuel	1.18	1.38
	Stores, spares & packing materials consumed	115.44	159.86
	Repairs to plant & machinery	0.16	0.28
	Repairs to factory building	-	0.05
	Excise duty (refer note 29)	2.93	5.43
		119.71	**167.00**

		For the year ended 31 March 2017		For the year ended 31 March 2016	
		%	₹ in million	%	₹ in million
22.1	**PARTICULARS OF IMPORTED AND INDIGENOUS STORES, SPARES & PACKING MATERIAL CONSUMED**				
	Imported	-	-	-	-
	Indigenous	100.00	115.44	100.00	159.86
		100.00	**115.44**	**100.00**	**159.86**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
23.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, bonus, gratuity & allowances	11.76	12.14
	Contribution to provident & superannuation and other funds	0.33	0.33
	Staff welfare expenses	0.43	0.99
		12.52	**13.46**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
24.	**FINANCE COSTS**		
	Interest expense	0.67	1.58
		0.67	**1.58**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
25.	**OTHER EXPENSES**		
	Rent	0.17	0.10
	Rates & taxes	8.69	7.66
	Insurance	0.16	0.11
	Advertisement, publicity & sales promotion	0.49	1.33
	Travelling & other incidental expenses	0.15	0.13
	Repair & maintenance - others	0.74	0.68
	Vehicle running & maintenance (Including vehicle lease rental)	0.42	0.19
	Printing & stationery	0.15	0.66
	Communication expenses	0.55	0.53
	Auditors remuneration* - As auditors	0.17	0.16
	- For limited review	0.13	0.14
	- For taxation matters	0.03	0.03
	- For certifications etc	0.23	0.26
	Legal, professional and consultancy charges	12.59	1.84
	Directors' sitting fees	1.32	0.71
	Bank charges	0.01	0.01
	Miscellaneous expenses	-	0.01
	Freight & forwarding	0.55	1.04
	Discounts, claims to customers and other selling expenses (Refer note 25.1)	11.78	14.98
	Bad Debts / irrecoverable Advances & receivables written in	(0.63)	-
		37.70	**30.57**
	*Including service tax		

25.1 Discounts, claims to customers and other selling expenses includes ₹ 9.83 million (Previous Year: ₹ 12.39 million) on account of surplus over the cost and margin for which the Company is entitled to, being passed on to the bottler in terms of the agreement with them.

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
26.	**EXCEPTIONAL ITEMS**		
	Expenses incurred for scheme of capital reduction	-	0.50
	Provision for old inventory etc	-	3.54
	Additional privilege license fee	5.93	-
		5.93	**4.04**

27. Contingent liabilities & commitments (to the extent not provided for)

I) Claims against Company not acknowledged as debt:

a) Claims/Demands in respect of which proceeding or appeals are pending and are not acknowledged as debts, as at 31 March 2017 is ₹ Nil (Previous Year: ₹ Nil), however, demands in respect of business transferred in

earlier years to Jubilant Agri and Consumer Products Limited in terms of the Business Transfer Agreement and Scheme of Arrangement though the demands may be continuing in the name of the Company.

b) Outstanding guarantees furnished by banks on behalf of the Company is ₹ Nil (Previous Year: ₹ 0.50 million).

II) Guarantees:

The Company has given corporate guarantee on behalf of its wholly owned subsidiary, Jubilant Agri and Consumer Products Limited to secure financial facilities granted by banks, details for guarantees as at 31 March 2017 are as under:

a) To Axis Bank Ltd of ₹ 528.00 million (Previous Year: ₹ 528.00 million) for working capital facility (including non fund based facility) and effective guarantee is ₹ 225.24 million (Previous Year: ₹ 115.05 million).

b) To Yes Bank Ltd of ₹ 302.50 million (Previous Year: ₹ 302.50 million) for working capital facility (including non fund based facility) and effective guarantee is ₹ 167.48 million (Previous Year: ₹ 204.32 million).

c) To IDBI Bank Ltd of ₹ 566.00 million (Previous Year: ₹ 566.00 million) for working capital facility (including non fund based facility) and effective guarantee is ₹ 180.45 million (Previous Year: ₹ 291.07 million).

d) To Corporation Bank of ₹ 753.50 million (Previous Year: ₹ 753.50 million) for working capital facility (including non fund based facility) and effective guarantee is ₹ 294.55 million (Previous Year: ₹ 388.60 million).

e) To Axis Bank Limited of ₹ 1,500 million (Previous Year: ₹ 1,500 million) for term loan facility and effective guarantee is ₹ 1476.91 million including interest (Previous Year: ₹ 1515.48 million).

III) Commitments:

a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ Nil (Previous Year: ₹ Nil) [Advances ₹ Nil (Previous Year: ₹ Nil)].

b) For lease commitment refer note 31.

28. Micro and small business entities

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2017. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in million)

Particulars		As at 31 March 2017	As at 31 March 2016
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

29. Excise Duty under manufacturing expenses denotes provision on stock deferential and other claims/payments.

30. Employee Stock Option Scheme

In terms of approval of members accorded and in accordance with SEBI (ESOP & ESPS) Guidelines, 1999, the Company constituted "JIL Employees Stock Option Scheme, 2013 (Scheme 2013)" for specified categories of employees and directors of the Company, its subsidiaries and holding companies. Under the Scheme 2013, up to

590000 stock options can be issued to eligible directors (other than promoter directors, independent directors and nominee directors of the Company/subsidiaries/holding companies) and other specified categories of employees of the Company/subsidiaries/holding companies. The options are to be granted at market price. As per SEBI Guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest.

Each option, upon vesting, shall entitle the holder to subscribe 1 (one) fully paid equity share of ₹ 10 of the Company. 20% of the options shall vest on first anniversary of the grant date, subsequent 30% shall vest on second anniversary and balance 50% of the options shall vest on the third anniversary of the grant date.

The Company has constituted a Compensation Committee, comprising of a majority of independent directors. This Committee is fully empowered to administer the Scheme 2013.

The movement in the stock option under the "Scheme 2013" during the year is set out below:

Particulars	2016-17		2015-16	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	61,423	97.91	117,431	101.44
Granted during the year	100,038	209.10	-	-
Expired/Lapsed during the year	20,085	133.32	18,812	102.40
Options forfeited during the year	-	-	-	-
Options exercised during the year	28,470	102.99	37,196	106.78
Options outstanding at the end of the year	112,906	188.85	61,423	97.91

The Company has opted for intrinsic value method of accounting for Employee Stock Options. As market price of the options is equal to the exercise price on the date of grant, intrinsic value is ₹ Nil. Hence, there is no cost charged to Statement of Profit and Loss on account of options granted to employees under the Employee Stock Option Scheme of the Company.

31. Disclosures of leasing arrangements

Operating lease:

a. The Company's significant operating lease arrangements are in respect of premises (residential, offices, godowns etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals have been charged as expenses.

b. The Company has operating lease arrangements in respect of vehicles which are cancellable, range between 2 years and 5 years. The aggregate lease rentals payable are charged as expenses. Rental expenses recognized under such leases amounting to ₹ 0.18 million (Previous year: ₹ 0.08 million) has been included under vehicle running and maintenance expense in note 25.

32. Disclosure required by Accounting Standard 29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets"

Movement in provisions

(₹ in million)

	Particulars of disclosure	Excise duty	Provision for old inventory etc.
1	Balance as at 1 April 2016	6.01	3.54
		(0.58)	(-)
2	Additional provision during 2016-2017	8.94	-
		(6.01)	(3.54)
3	Provision used during 2016-17	6.01	1.16
		(0.58)	(-)
4	Balance as at 31 March 2017	8.94	2.38
		(6.01)	(3.54)

a) Previous year figures are given in parenthesis.

b) Provision for excise duty represents the excise duty on closing stock of finished goods.

33. Employee benefits have been calculated as under:

(A) Defined contribution plans

Provident fund*

During the year the Company has contributed following amounts to:

((₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Employer's contribution to provident fund	0.13	0.14
Employer's contribution to employee pension scheme, 1995	0.05	0.06

* For certain employees where provident fund is deposited with Government Authorities e.g. Regional Provident Fund Commissioner.

(B) Defined benefit plans

a) Compensated absences and gratuity

In accordance with Accounting Standard 15, an actuarial valuation has been carried out in respect of gratuity and compensated absences. The discount rate assumed is 7.37% (Previous Year: 7.90%) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years and mortality table is as per IALM (2006-08) [Previous Year: IALM (2006-08)].

The estimates of future salary increases, considered in actuarial valuation is 9% p.a. for first three years and 5% p.a. thereafter (Previous Year: 10% p.a. for first three years and 5% p.a. thereafter) take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

	Gratuity		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Present value of obligation at the beginning of the year	0.72	1.05	0.46	0.62
Current service cost	0.11	0.09	0.11	0.09
Interest cost	0.06	0.09	0.04	0.05
Actuarial (gain)/loss	0.01	(0.51)	(0.03)	(0.01)
Benefits paid	-	-	-	(0.29)
Present value of obligation at the end of the year	0.90	0.72	0.58	0.46

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(₹ in million)

	Gratuity		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Present value of obligation at the end of the year	0.90	0.72	0.58	0.46
Fair value of plan assets at the end of the year	-	-	-	-
Assets/(Liabilities) recognized in the Balance Sheet	(0.90)	(0.72)	(0.58)	(0.46)

Cost recognized for the year (included under salaries, wages, bonus, gratuity & allowances):

((₹ in million)

	Gratuity		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Current service cost	0.11	0.09	0.11	0.09
Interest cost	0.06	0.09	0.04	0.05
Actuarial (gain)/loss	0.01	(0.51)	(0.03)	(0.01)
Net cost recognized during the year	0.18	(0.33)	0.12	0.13

Experience adjustment:

(₹ in million)

	Gratuity		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Defined benefit obligation	0.90	0.72	0.58	0.46
Plan assets	-	-	-	-
Surplus/(Deficit)	(0.90)	(0.72)	(0.58)	(0.46)
Experience adjustment of plan liabilities- (loss)/gain	(0.04)	0.59	-	0.08
Experience adjustment of plan assets- (loss)/gain	-	-	-	-

b) Provident fund

The Guidance on implementation of AS 15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of ₹ Nil (Previous Year: ₹ Nil) likely to arise towards interest guarantee. The Trust is managing common corpus of some of the group companies. The total liability of ₹ Nil (Previous Year: ₹ Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as on 31 March 2017. Accordingly, liability of ₹ Nil (Previous Year: ₹ Nil) has been allocated to the Company and ₹ Nil (Previous Year: ₹ Nil) has been charged to Statement of Profit and Loss during the year. The Company has contributed ₹ 0.14 million (Previous Year: ₹ 0.12 million) to provident fund for the year.

(C) Other long term benefits (Sick leave)

(₹ in million)

	31 March 2017	31 March 2016
Present value of obligation at the end of the year	0.09	0.08

34. Segment Reporting

The Company 's operation comprises of IMFL business only. As such, there are no separate reportable business or geographical segments in terms of Accounting Standard 17 on "Segment Reporting".

35. Related Party Disclosures

1) Related parties where control exists:

Subsidiaries:

Jubilant Agri And Consumer Products Limited, Jubilant Industries Inc., USA.

2) Other related parties with whom transactions have taken place during the year:

a) Key management personnel: Mr. Videh Kumar Jaipuriar* (Managing Director), Mr. Sandeep Kumar Shaw (Chief Financial Officer) (up to 28 April, 2017), Mr. Umesh Sharma (Chief Financial Officer) (w.e.f. 24 May, 2017), Mr. Deepak Gupta (Company Secretary) (up to 04 June 2015), Mr. Dinesh Kumar Gupta (Company Secretary) (w.e.f. 16 June 2015).

* He was appointed as Managing Director without remuneration w.e.f. March 1, 2016 for a period of three years and also serving and drawing remuneration as Whole-time Director from Jubilant Agri and Consumer Products Limited, a wholly owned subsidiary of the Company.

b) Enterprise over which directors and major shareholders of the Company have significant influence: Jubilant Life Sciences Limited, HSSS Investment Holding Private Limited.

c) Others: VAM Employees Provident Fund Trust, Jubilant Bhartia Foundation.

3) Details of related party transactions during the year:

(₹ in million)

Particulars		Subsidiaries	Key management personnel	Enterprise over which Directors and Major Shareholders of the Company have significant influence	Others
i)	Payment of rent to (1)			0.18	
				(0.18)	
ii)	Contribution towards provident fund (2)				0.29
					(0.26)
iii)	Recovery of expenses (3)			1.84	
				(1.25)	
iv)	Reimbursement of expenses (4)	9.40		-	
		(-)		(0.08)	
v)	Repayment of inter-corporate loan taken (5)	10.00			
		(-)			
vi)	Amount of interest converted in to inter-corporate loan (6)	1.38			
		(0.95)			
vii)	Repayment of interest converted in to inter-corporate loan (7)	1.38			
		(0.95)			
viii)	Interest expense on inter-corporate loan taken (8)	0.67			
		(1.53)			
ix)	Donation (9)				-
					(1.00)
x)	Remuneration and related expenses (10)		3.40		
			(3.48)		
Balance as at 31 March 2017					
xi)	Current account debit/credit (-) balance (11)	-63.43		3.48	
		(-130.90)		(0.57)	
xii)	Outstanding receivables (12)			-	
				(1.25)	
xiii)	Outstanding investments in equity share capital (13)	0.50			
		(0.50)			
xiv)	Outstanding investments in 10% Optionally convertible non-cumulative redeemable preference share capital (14)	1648.82			
		(1648.82)			
xv)	Outstanding investments in 10% Non- cumulative redeemable preference share capital (15)	974.80			
		(974.80)			
xvi)	Outstanding investments in Equity stock (16)	10.75			
		(10.75)			
xvii)	Outstanding of inter-corporate loan taken (17)	-			
		(10.00)			
xviii)	Interest payable on inter-corporate loan taken (18)	-			
		(1.38)			
xix)	Financial guarantee given on behalf of subsidiary and outstanding at the end of the year (19)	2344.64			
		(2514.52)			

Note: Previous year figures are given in parenthesis.

Details of related party transactions Individually:

(₹ in million)

For the year ended/As at 31 March,		2017	2016
1)	**Payment of rent to:**		
	Enterprise over which directors and major shareholders of the Company have significant influence:- Jubilant Life Sciences Limited	0.18	0.18
2)	**Contribution towards provident fund:**		
	Others:- VAM Employees Provident Fund Trust	0.29	0.26
3)	**Recovery of expenses:**		
	Enterprise over which directors and major shareholders of the Company have significant influence:- Jubilant Life Sciences Limited	1.84	1.25
4)	**Reimbursement of expenses:**		
	Enterprise over which directors and major shareholders of the Company have significant influence:- Jubilant Life Sciences Limited	-	0.08
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	9.40	-
5)	**Repayment of inter-corporate-loan taken:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	10.00	-
6)	**Amount of Interest converted in to inter-corporate loan:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	1.38	0.95
7)	**Repayment of Interest converted in to inter-corporate loan:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	1.38	0.95
8)	**Interest expense on inter-corporate-loan taken:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	0.67	1.53
9)	**Donation:**		
	Others:- Jubilant Bhartia Foundation	-	1.00
10)	**Remuneration and related expenses:**		
	Key management personnel:		
	Mr. Sandeep Kumar Shaw (Chief Financial Officer)	0.24	0.25
	Mr. Deepak Gupta (Company Secretary)	-	1.04
	Mr. Dinesh Kumar Gupta (Company Secretary)	3.16	2.19
11)	**Current account debit/(credit) balances:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	(63.43)	(130.90)
	Enterprise over which directors and major shareholders of the Company have significant influence:- Jubilant Life Sciences Limited	3.48	0.57
12)	**Outstanding receivables:**		
	Enterprise over which directors and major shareholders of the Company have significant influence:- Jubilant Life Sciences Limited	-	1.25

(₹ in million)

	For the year ended/As at 31 March,	2017	2016
13)	**Outstanding investment in equity share capital:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	0.50	0.50
14)	**Outstanding investment in 10% Optionally convertible non-cumulative redeemable preference share capital:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	1,648.82	1,648.82
15)	**Outstanding investment in 10% Non-cumulative redeemable preference share capital:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	974.80	974.80
16)	**Outstanding investment in equity stock:**		
	Subsidiaries:- Jubilant Industries Inc. USA	10.75	10.75
17)	**Outstanding of inter-corporate loan taken:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	-	10.00
18)	**Interest payable on inter-corporate loan taken:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	-	1.38
19)	**Financial guarantee given on behalf of subsidiary and outstanding at the end of the year:**		
	Subsidiaries:- Jubilant Agri and Consumer Products Limited	2,344.64	2,514.52

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

36. Disclosure required pursuant to Notification No. G.S.R 308(E) dated 30.03.2017 issued by the Ministry of Corporate Affairs

Details of Specified Bank Notes (SBNs) held and transacted during the period from 08.11.2016 to 30.12.2016 as provided in the table below:-

(₹ in million)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	-	0.01	0.01
+ Permitted receipts	-	-	-
- Permitted payments	-	-	-
- Amount deposited in banks	-	-	-
Closing Cash in hand as on 30.12.2016	-	0.01	0.01

37. Value of imports calculated on CIF basis

Value of imports calculated on CIF basis for the year ended 31 March 2017 is ₹ Nil (Previous Year: ₹ Nil).

38. Expenditure in foreign currency

Expenditure in foreign currency for the year ended 31 March 2017 is ₹ Nil (Previous Year: ₹ Nil).

39. Earnings in foreign exchange

Earnings in foreign exchange for the year ended 31 March 2017 is ₹ Nil (Previous Year: ₹ Nil).

40. Amounts remitted in foreign currency during the year on account of dividend

Amounts remitted in foreign currency on account of dividend during the year ended 31 March 2017 is ₹ Nil (Previous Year: ₹ Nil).

Notes to the Financial Statements for the year ended 31 March 2017

41. Earnings per share (EPS)

			For the year ended 31 March 2017	For the year ended 31 March 2016
I	**Profit computation for basic & diluted earnings per share of ₹ 10/- each**			
	Net (loss) as per Statement of Profit & Loss available for equity shareholders	₹ in million	(10.52)	(10.83)
II	**Weighted average number of equity shares for earnings per share computation**			
	(A) For basic earnings per share*	Nos	11,901,420	11,867,543
	(B) For diluted earnings per share:			
	Nos of shares for basic EPS as per II (A)	Nos	11,901,420	11,867,543
	Add: Weighted average outstanding options related to			
	employee stock options	Nos	12,404	21,857
	Nos of shares for diluted earnings per share	Nos	11,913,824	11,889,400
III	**Earnings per share (weighted average)**			
	Basic	₹	(0.88)	(0.91)
	Diluted	₹	(0.88)	(0.91)

*

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Number of Shares at the beginning of the year	11,886,600	11,849,404
Add: Equity shares issued on 23 September, 2016 (Previous Year: 06 October, 2015)		
Current Year: 28470/365*190 (Previous Year: 37196/365*178)	14,820	18,139
Weighted average number of equity shares	**11,901,420**	**11,867,543**

42. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ presentation.

Signatures to Notes "1" to "42" forming part of the Balance Sheet and Statement of Profit and Loss.

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

CONSOLIDATED
FINANCIAL STATEMENTS

Independent Auditor's Report

TO THE MEMBERS OF JUBILANT INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **JUBILANT INDUSTRIES LIMITED** ("the Company") (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after 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 the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 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 consolidated 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 these consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditor's 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 there under.

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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, 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, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;

   b. In our opinion, proper books of accounts as required by the law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements;

d. In our opinion, aforesaid Consolidated Financial Statements dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the Directors of the Holding Company as on 31st March, 2017, and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group is disqualified as on 31st March, 2017 from being appointed as Director in terms of sub section 2 of section 164 of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Holding Company and its subsidiary company incorporated in India; and

g. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Consolidated Financial Statements disclose the possible impact of pending litigations on the consolidated financial position of the Group. Refer note 31 to the consolidated financial statements.

ii) The group did not have any foreseeable losses on long term contracts and had not derivative contracts outstanding as at 31st March, 2017;

iii) The Group did not have any dues requiring transfer to Investor Education and Protection Fund; and

iv) The Group has provided requisite disclosures in the consolidated financial statements as regards holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures, we report that the disclosure is in accordance with books of accounts maintained by the holding company and its subsidiary companies incorporated in India. (Refer note 44 to the consolidated financial statements).

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No. 12172

Place : Noida
Date : 24th May, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JUBILANT INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **JUBILANT INDUSTRIES LIMITED** ("the Holding Company") and its subsidiary company which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company 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 and its subsidiary company incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary company 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, 2017, based on the internal control over financial reporting criteria established by the Company and its subsidiary company incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number: 304153E

B.R. GOYAL
Partner
Membership No.12172

Place : Noida
Date : 24th May, 2017

Consolidated Balance Sheet

As at 31 March 2017

(₹ in million)

		Note	As at 31 March 2017		As at 31 March 2016	
I	**EQUITY AND LIABILITIES**					
	Shareholders' funds					
	Share Capital	2	119.15		118.87	
	Reserve & surplus	3	299.93		317.47	
				419.08		436.34
	Non-current liabilities					
	Long term borrowings	4	1,355.95		1,705.86	
	Other long term liabilities	5	37.29		36.39	
	Long term provisions	6	112.11		97.19	
				1,505.35		1,839.44
	Current liabilities					
	Short term borrowings	7	944.86		999.35	
	Trade payables to micro enterprises and small enterprises	32	6.70		11.41	
	Trade payables to others		684.68		510.63	
	Other current liabilities	8	686.89		378.84	
	Short term provisions	9	206.01		200.48	
	Total			2,529.14		2,100.71
				4,453.57		**4,376.49**
II	**ASSETS**					
	Non-current assets					
	Fixed assets					
	Tangible assets	10	1,326.65		1,244.89	
	Intangible assets	11	0.88		2.04	
	Capital work-in-progress	10	29.09		65.62	
	Intangible assets under development	11	1.53		-	
	Deferred tax assets (net)	12	911.65		911.65	
	Long term loans & advances	13	46.95		49.03	
				2,316.75		2,273.23
	Current assets					
	Current investments	14	0.08		0.08	
	Inventories	15	632.03		600.51	
	Trade receivables	16	1,157.53		988.89	
	Cash & bank balances	17	32.92		63.06	
	Short term loans and advances	18	313.43		449.67	
	Other current assets	19	0.83		1.05	
	Total			2,136.82		2,103.26
				4,453.57		**4,376.49**
	Significant accounting policies	1				
	Notes to the consolidated financial statements	1 - 47				

The accompanying notes are integral part of these consolidated financial statements.

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Consolidated Statement of Profit and Loss

For the year ended 31 March 2017

(₹ in million)

	Note	For the year ended 31 March 2017		For the year ended 31 March 2016	
REVENUE					
Revenue from operations (gross)	20		5,511.35		6,524.62
Other Income	21		25.72		29.15
Total revenue			**5,537.07**		**6,553.77**
EXPENSES					
Cost of materials consumed	22		2,579.97		2,424.58
Purchase of traded goods	23		88.00		775.05
Change in inventories of work-in-progress, finished goods & traded goods	24		(70.82)		195.13
Excise duty on sales			420.20		448.42
Other manufacturing expenses	25		597.52		624.46
Employee benefits expense	26		722.99		837.54
Finance costs	27		297.63		414.34
Depreciation & amortisation expense	10 & 11		90.98		175.52
Other expenses	28		797.73		911.79
Total expenses			**5,524.20**		**6,806.83**
Profit/(Loss) before exceptional items & tax			12.87		(253.06)
Exceptional items	29		14.55		753.40
Profit/(Loss) before tax			(1.68)		(1006.46)
of which discontinuing operations	30		-		*(994.10)*
Tax Expenses:					
-Current Tax (Refer note 36)		17.60		0.27	
- Deferred tax credit		-	17.60	(912.17)	(911.90)
of which discontinuing operations	30		-		-
Profit/(Loss) for the year			**(19.28)**		**(94.56)**
of which discontinuing operations	30		-		*(994.10)*
Basic earnings per share of ₹ 10 each (In ₹)	46		(1.62)		(7.97)
Diluted earnings per share of ₹ 10 each (In ₹)	46		(1.62)		(7.97)
Significant accounting policies	1				
Notes to the consolidated financial statements	1 - 47				

The accompanying notes are integral part of these consolidated financial statements.

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Consolidated Cash Flow Statement

For the year ended 31 March 2017

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow arising from operating activities:		
Net profit/(loss) before tax	**(1.68)**	**(1,006.46)**
Adjustments for:		
Depreciation & amortisation expense	90.98	175.52
Loss/(Profit) on sale of fixed assets (net)	0.05	0.88
Loss on sale/closure of retail business (Refer note 29)	-	714.84
Unamortised balance of borrowing cost (Refer note 29)	-	31.00
Provision for old inventory etc (Refer note 29)	-	(3.54)
Finance costs	297.63	394.04
Interest income	(17.64)	(12.48)
Provision for employee benefits	18.51	8.12
Bad debts/irrecoverable advances written-in (net of write-off)	(5.97)	(3.82)
Provision for bad and doubtful receivable	8.62	-
Additional privilege license fee	5.93	-
Excess provision written back	(1.39)	-
Unrealised (gain)/loss on foreign exchange (net)	(11.26)	(1.96)
	385.46	1,302.60
Operating profit before working capital changes	**383.78**	**296.14**
Adjustments for:		
(Increase)/Decrease in trade receivables, loans & advances and other assets	(140.16)	153.70
(Increase)/Decrease in inventories	(31.53)	281.67
Increase/(Decrease) in trade payables, provisions and other liabilities	165.42	(225.55)
Cash generated from operations	**377.51**	**505.96**
Direct taxes (paid)/refund (net)	98.95	1.73
Net cash inflow/(outflow) in course of operating activities	**476.46**	**507.69**
B. Cash flow arising from investing activities:		
Acquisition/Purchase of fixed assets	(143.11)	(96.55)
Sale proceeds of fixed assets	0.76	4.15
Slump sale consideration (Refer note 30)	-	590.46
Interest income received	0.55	12.98
Redemption of term deposit with bank	2.80	173.32
Net cash inflow/(outflow) in course of investing activities	**(139.00)**	**684.36**
C. Cash flow arising from financing activities:		
Repayment of long term borrowings	(39.90)	(1,979.78)
Proceeds from long term borrowings	2.77	1,502.82
Proceeds from issue of share capital through ESOP	2.93	3.98
Proceeds from / (Repayment) of short term borrowings (net)	(54.49)	(426.98)
Inter-corporate borrowings received from related parties (Refer note 43)	-	90.00
Repayment of interest converted in to inter-corporate loan taken	(34.12)	(14.82)
Finance costs paid	(241.09)	(357.43)
Net cash inflow/(outflow) in course of financing activities	**(363.90)**	**(1,182.21)**
D. Foreign currency translation difference arising on consolidation	**(0.91)**	**0.38**
Net Increase/(Decrease) in cash & cash equivalents (A+B+C+D)	**(27.35)**	**10.22**
Add: Cash & cash equivalents at the beginning of the year (including balance in dividend account)	58.18	48.46
Less: Funds transfer on account of BTA	-	0.50
Cash & cash equivalents at the close of the year (including balance in dividend account)	**30.83**	**58.18**

Consolidated Cash Flow Statement

For the year ended 31 March 2017

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Components of cash and cash equivalents		
Balance With Banks		
- On current accounts	24.05	57.29
- On dividend account	0.24	0.24
Cash in hand	0.10	0.05
Cheques/Drafts on hand	0.83	0.42
Others		
- Gift/Meal vouchers in hand	0.42	0.18
- Funds in transit	5.19	-
	30.83	**58.18**

i) Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statements" as notified by the Central Government of India.

ii) Acquisition/Purchase of fixed assets includes movement of capital work-in-progress, intangible assets under development and capital advances/payables during the year.

iii) Closing cash and cash equivalents includes ₹ 0.24 million (Previous Year: ₹ 0.24 million), which has restricted use.

iv) Net cash flows attributable to the discontinued operations, refer note 30.

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Notes to the Consolidated Financial Statements

For the year ended 31 March 2017

1. Statement of Significant Accounting Policies

A. Basis of preparation & presentation of consolidated financial statements

The accounts of the Group are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, and the guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The Consolidated Financial Statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of consolidated financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, valuation of derivatives, provision for doubtful debts, etc. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Effect of material changes is disclosed in the notes to the consolidated financial statements.

Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. it is expected to be realized within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Group's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result on its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

B. Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary companies have been combined substantially on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealized profits.

ii) The Consolidated Financial Statements have been

prepared in accordance with the Accounting Standard 21 (AS-21); "Consolidated Financial Statements" notified by the Central Government of India and using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The Subsidiary Companies considered in the Consolidated Financial Statements are:

(1)

Name of the Subsidiary	Jubilant Agri and Consumer Products Limited
Country of incorporation	India
Nature of Business	Engaged in the business of manufacturing & sale of agri and consumer products.
Percentage of ownership	100%

(2)

Name of the Subsidiary	Jubilant Industries Inc. USA
Country of incorporation	United States of America
Nature of Business	Engaged in marketing & distribution of SPVA & Latex products
Percentage of ownership	100%

C. Tangible and intangible fixed assets

Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation/ amortization and impairment loss. The cost of fixed assets includes effects of exchange differences on long term foreign currency borrowings, freight and other incidental expenses related to the acquisition, installation and commissioning of the respective assets. Borrowing costs directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. In case of fixed assets acquired at the time of amalgamation of certain entities with Group, the same are recognized at book value in case of amalgamation in the nature of merger and at book/ fair value in case of amalgamation in the nature of purchase in line with Accounting Standard 14 (AS 14) – "Accounting of Amalgamations".

With effect from the current year, pursuant to the amendment in AS -10, Property, Plants & Equipment, spare parts having life more than 12 months are capitalized at their respective carrying amount with the main assets and are being depreciated over remaining useful life of the main assets prospectively.

Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on start up and commissioning of the project and/ or substantial expansion up to the date of commencement of commercial production are capitalized.

Expenditure for acquisition and implementation of Software systems are recognized as part of the intangible assets.

The excess of consideration paid for acquisition of assets over the net assets values minus liabilities taken over in the acquired business is recognized as Goodwill and included under intangible assets.

D. Depreciation and amortization

Pursuant to the Companies Act, 2013 ("the Act"), the Group has provided depreciation on fixed assets as per the useful life specified in Part "C" of Schedule II of the Act, read with Notification dated 29th August, 2014 of the Ministry of Corporate Affairs, on the original cost/ acquisition cost of assets or other amount substituted for cost except for the following classes of fixed assets which are depreciated as under:

a. Employee perquisite related Assets: Five Years, being the period of the Perquisite Scheme.

b. Motor Vehicles: Five Years.

c. Motor Vehicles under Finance Lease: Tenure of Lease or five years whichever is shorter.

Useful life so arrived at are currently reflective of the estimated useful life of the fixed assets and are not higher than the useful lives as prescribed vide Schedule II to the Companies Act, 2013.

Leasehold land is amortized over the lease period.

Software systems are being amortized over a period of five years or its useful life whichever is shorter.

Goodwill recognized pursuant to acquisition of business is amortized over ten years on straight-line basis.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

E. Leases

i) Where the Group is Lessee

Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease payments under operating leases are recognized in the Consolidated Statement of Profit and Loss on a Straight-line basis by creating Lease Equalization Reserve. In case of change in terms/conditions of lease or surrender of part or full space, the lease equalization is readjusted retrospectively treating the lease as continuing one.

ii) Where the Group is lessor

Lease income by sub-lease of premises is recognized in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation on lease hold improvements incurred towards such properties are recognized as expenses in the Consolidated Statement of Profit and Loss.

F. Valuation of inventories

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted Average Method
Work-in-progress and finished goods (manufactured)	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Finished goods (traded)	Cost of Purchases
Stores & spares and Others	Weighted Average Method
Packing materials	Weighted Average Method
Goods-in-transit	Cost of Purchase

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable.

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

The net realizable value of work-in-progress is determined with reference to the selling price of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it's estimated that the cost of finished goods will exceed their net realizable value.

G. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under "Current Assets" as "Current portion of long term investments" in consonance with current/non-current classification scheme of Schedule III.

Current Investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investment, such reduction being determined and made for each investment individually.

H. Income tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the results for the period.

Current tax

Current tax expense is based on the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes into consideration various deductions and exemptions to which the Group is entitled to as well as the reliance placed by the Group on the legal advices received by it. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be)

to be realized. Deferred tax assets and deferred tax liabilities are offsets when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

I. Foreign Currency transactions and translations

a) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on/or closely approximating to the date of the transaction.

b) **Conversion:** Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) **Exchange difference:** Exchange differences arising on the settlement of monetary items, if any or on reporting such monetary items of the Group at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

d) **Forward exchange contracts:** Monetary Assets and Liabilities, if any are restated at the rate prevailing at the period end or at the spot rate at the inception of forward contract where forward cover for specific asset/liability has been taken and in respect of such forward contracts the difference between the contract rate and the spot rate at the inception of the forward contract is recognized as income or expense in Consolidated Statement of Profit and Loss over the life of the contract. All other outstanding forward contracts on the closing date are mark to market and resultant loss is recognized as expense in the Consolidated Statement of Profit and Loss. Mark to market gains, if any, are ignored. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income or as expense for the period.

e) **Non-integral operations:** The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated in to Indian Rupees as follows:-

- Share capital and opening reserves and surplus are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at the Balance Sheet date.
- Profit and Loss items are translated at the respective year to date average rates or the exchange rate that approximates the actual exchange rate on the date of specific transaction.
- Contingent liabilities are translated at the closing rates at the Balance sheet date.
- The resulting net exchange differences is credited or debited to the foreign currency translation reserve.

The items of cash flow statement are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The effect of changes in exchange rates on cash and cash equivalents held in a foreign currency is reported separately as part of the reconciliation of the changes in cash and cash equivalents during the period.

J. Provisions, contingent liabilities and contingent assets

The Group recognizes a provision when there is a 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 the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

K. Employee benefits

(i) **Short-term employee benefits:** All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences, performance incentives etc. and are recognized as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) **Post-employment benefits:** Post employment benefit plans are classified into defined contribution plans and defined benefits plans in line with the requirements of AS 15 on "Employee Benefits".

a) Gratuity and leave encashment

Gratuity and leave encashment which are defined benefits are recognized in the Consolidated Statement of Profit and Loss based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial gains and losses arising from the experience adjustment and change in actuarial assumption are immediately recognized in the Consolidated Statement of Profit and Loss as income or expense. The gratuity liability for certain employees of one of the units of the Group is funded with Life Insurance Corporation of India.

b) Superannuation

Certain employees of the Group are also participants in the superannuation plan ('the Plan') a defined contribution plan. Contribution made by the Group to the Plan administrated by the Trust during the year is charged to Consolidated Statement of Profit and Loss.

c) Provident fund

i) The Group makes contribution to the "VAM EMPLOYEES' PROVIDENT FUND TRUST" for most of its employees, which is a defined benefit plan to the extent that the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. The Group's contribution towards Provident Fund is charged to Consolidated Statement of Profit and Loss.

ii) For other employees, Provident Fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Group's contribution to the Provident Fund is charged to Consolidated Statement of Profit & Loss.

d) Foreign subsidiary make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in its country of incorporation. Such contributions are charged to Consolidated Statement of Profit and Loss on accrual basis in the year in which liability to pay arise.

(iii) Other long term employee benefits: All employee benefits (other than post-employment benefits and termination benefits) which do not fall due within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation using the projected unit credit method carried out at each Balance Sheet date. Actuarial losses/gains are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise. Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of year are treated as other long term employee benefits.

L. Borrowings cost

Borrowing costs including incidental/ ancillary costs are recognized in the Consolidated Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalized up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the period of such borrowings.

M. Revenue recognition

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues include excise duty and are shown net of sales tax, value added tax and trade discounts, if any.

Subsidy in respect of fertilizer, disbursed by the Central Government of India is included in turnover and the same is recognized based upon the latest notified rates and only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on time proportionate basis.

Sale of utility is recognized on delivery of the same to the purchaser and when no significant uncertainty exists as to its realization.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made.

N. Segment reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Group. Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to operating activities of the segments (taking in account the nature of products and services and risks & rewards associated with them) and Internal

Management Information Systems and the same is reviewed from time to time to realign the same to conform to the Business Units of the Group. Revenue, Expenses, Assets and Liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "Common Revenue/Expenses/Assets/Liabilities", as the case may be.

O. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored.

P. Impairment of fixed assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any, such indications exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

Q. Employee stock option scheme

Equity settled stock options granted are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999, issued by Securities and Exchange Board of India and the Guidance Note on "Accounting for Employee Share-based Payment" issued by the Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognized as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Consolidated Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortized portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortized portion.

SEBI on 28th October 2014, issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('new guidelines') repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines, any company implementing any of the share based scheme shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein.

R. Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
2. SHARE CAPITAL		
Authorised		
15,000,000 Equity shares of ₹ 10 each	150.00	150.00
(Previous Year 15,000,000 Equity shares of ₹ 10 each)		
	150.00	**150.00**
Issued, subscribed & paid-up		
11,915,070 Equity shares of ₹ 10 each	119.15	118.87
(Previous Year 11,886,600 Equity shares of ₹ 10 each)		
	119.15	**118.87**

2.1 Issued, subscribed & paid-up share capital includes shares allotted for consideration other than cash during the last five years:

3,835,348 equity shares of ₹ 10 each allotted pursuant to the Scheme of Arrangement with Jubilant Agri and Consumer Products Limited and Enpro Oil Private Limited during the FY 2011-12.

2.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of shares	% held	No. of shares	% held
Jubilant Stock Holding Private Limited	-	-	1,329,757	11.19
Jubilant Capital Private Limited	-	-	1,166,600	9.81
Jubilant Enpro Private Limited	-	-	3,729,683	31.38
Jubilant Securities Private Limited	-	-	1,051,075	8.84
HSSS Investment Holding Private Limited	5,059,440	42.46	-	-
KBHB Investment Holding Private Limited	1,226,302	10.29	-	-
KBHSB Property Trustee Company Private Limited	1,166,600	9.79	-	-

2.3 The reconciliation of the number of shares outstanding as at 31 March 2017 and 31 March 2016 is set out below:

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of shares	₹ in million	No. of shares	₹ in million
Number of shares at the beginning of the year	11,886,600	118.87	11,849,404	118.49
Add: Issued during the year (Refer note 2.7)	28,470	0.28	37,196	0.38
Numbers of shares at the end of the year	**11,915,070**	**119.15**	**11,886,600**	**118.87**

2.4 The Company has only one class of equity shares having par value of ₹ 10 each. Each equity shareholder is eligible for one vote per share.

2.5 For Employee Stock Option Scheme refer note 34.

2.6 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.7 Under the JIL Employee Stock Option Scheme, 2013; 28,470 equity shares (Previous Year: 37,196 equity shares) were allotted and issued, out of which 2, 524 equity shares (Previous Year: 855 equity shares) and 25,946 equity shares (Previous Year: 36,341 equity shares) were allotted and issued @ ₹ 50.50 per equity share and ₹ 108.10 per equity share (including securities premium), respectively to the eligible persons upon exercise of vested options.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
3. RESERVES AND SURPLUS		
Foreign currency translation reserve		
At the commencement of the year	(0.15)	(0.53)
Addition during the year	(0.91)	0.38
At the end of the year	**(1.06)**	**(0.15)**
Securities premium account		
At the commencement of the year	827.05	823.45
Addition during the year (Refer note 2.7)	2.65	3.60
At the end of the year	**829.70**	**827.05**
General reserve		
At the commencement and at the end of the year	**227.78**	**227.78**
Surplus/(Deficit)		
At the commencement of the year	(737.21)	(642.65)
Add: Net (loss) after tax as per Consolidated Statement of Profit & Loss for the year	(19.28)	(94.56)
At the end of the year	**(756.49)**	**(737.21)**
	299.93	**317.47**

3.1 The Board has not proposed any dividend for the year.

3.2 Pursuant to the confirmation of the Scheme of Capital reduction of Jubilant Agri and Consumer Products Limited (JACPL), a wholly owned subsidiary of the Company, by way of reduction in Securities Premium Account and to permit it to set off its accumulated losses as at 31 March 2015 against the securities premium account by Hon'ble Allahabad High Court vide its order dated 01 October 2015. Accordingly, JACPL has sett off on 31 March 2015 its accumulated losses to date amounting to ₹ 2041.12 million against its securities premium account.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
4. LONG TERM BORROWINGS		
Term loan from banks		
- Indian rupee loan (secured)	1,312.50	1,462.50
Long term maturities of finance lease obligation		
- Finance lease obligations (secured)	3.45	3.36
Term loan from others		
- Loan from related party (unsecured)	40.00	240.00
	1,355.95	**1,705.86**
The above amounts includes		
Secured borrowings	1,315.95	1,465.86
Unsecured borrowings	40.00	240.00
	1,355.95	**1,705.86**

Refer note 8 for current maturities of long term borrowings.

4.1 Term loan availed from Axis Bank Limited amounting to ₹ 1462.50 million (Previous Year: ₹ 1500.00 million) including current maturities of ₹ 150.00 million (Previous Year: ₹ 37.50 million) is secured by first pari passu charge on all fixed assets (both present and future) of wholly owned subsidiary namely, Jubilant Agri and Consumer Products Limited and the parent company and unconditional and irrevocable corporate guarantee of the parent company.

4.2 Term loan availed from Axis Bank Limited is repayable in twenty eight structured quarterly instalments, commenced from January 2017.

4.3 Finance lease obligations ₹ 5.87 million (Previous Year: ₹ 5.51 million) including current maturities of ₹ 2.42 million (Previous Year: ₹ 2.15 million) under other current liabilities are secured by hypothecation of specific assets taken under such lease arrangements and the same are repayable as per the terms of agreements with the lessor.

4.4 Term loans availed from related party namely Jubilant Enpro (P) Limited are repayable at the end of three years from the date of respective disbursement.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
5. OTHER LONG TERM LIABILITIES		
Security deposits	37.29	36.39
	37.29	**36.39**

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
6. LONG TERM PROVISIONS		
Employee benefits	112.11	97.19
	112.11	**97.19**

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
7. SHORT TERM BORROWINGS		
Loans repayable on demand		
- From banks:		
Secured	507.70	534.35
Unsecured	122.16	150.00
Loans from others:		
- From related party (unsecured)	315.00	315.00
	944.86	**999.35**
The above amounts includes		
Secured borrowings	507.70	534.35
Unsecured borrowings	437.16	465.00
	944.86	**999.35**

7.1 Working capital facilities sanctioned by Consortium of banks comprising of Axis Bank Limited, Corporation Bank, IDBI Bank Limited and Yes Bank Limited are secured by a first charge by way of hypothecation, of the entire book debts, inventories and current assets both present and future, of the wholly owned subsidiary namely, Jubilant Agri and Consumer Products Limited wherever the same may be or be held and unconditional and irrevocable corporate guarantee of the parent company in favour of bankers. Short term borrowings from banks are availed in Indian rupees and in foreign currency.

7.2 Short term borrowings from related party are repayable as per terms of agreement within one year.

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
8. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (Refer note 4)	350.00	37.50
Current maturities of finance lease obligations (Refer note 4)	2.42	2.15
Trade deposits & advances	26.10	15.67
Interest accrued and due	55.83	34.12
Interest accrued but not due	15.73	17.80
Creditors for capital supplies and services	13.97	20.86
Due to related parties (Refer note 43)	14.46	13.86
Employee benefits payable	31.69	61.34
Unpaid dividend	0.24	0.24
Others (including statutory dues)	176.45	175.30
	686.89	**378.84**

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
9. SHORT TERM PROVISIONS		
Income tax	2.06	0.14
Employee benefits	38.13	34.54
Excise duty	15.44	10.83
Provision for old inventory etc	2.38	3.54
Provision for probable claims in respect of closed business	148.00	151.43
	206.01	**200.48**

10. TANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK-COST / BOOK VALUE					DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	Total As at 31 March 2016	Deductions on account of BTA	Additions/ adjustments during the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2016	Deductions on account of BTA	Provided for the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2017	Total As at 31 March 2016
Land												
(a) Freehold	33.54	-	23.08	-	56.62	-	-	-	-	-	56.62	33.54
(b) Leasehold	15.35	-	5.28	-	20.63	2.48	-	0.26	-	2.74	17.89	12.87
Buildings												
(a) Factory	229.64	-	30.80	-	260.44	48.89	-	12.38	-	61.27	199.17	180.75
(b) Others	40.87	-	0.29	-	41.16	4.59	-	0.70	-	5.29	35.87	36.28
Plant & machineries	1,469.76	-	102.13	0.04	1,571.85	511.52	-	67.02	0.03	578.51	993.34	958.24
Furniture & fixtures	11.11	-	0.24	0.66	10.69	6.98	-	0.92	0.63	7.27	3.42	4.13
Office equipments	38.69	-	7.65	2.01	44.33	24.60	-	6.05	1.24	29.41	14.92	14.09
Vehicles												
(a) Leased	9.47	-	2.77	0.44	11.80	4.49	-	2.34	0.44	6.39	5.41	4.98
(b) Others	0.04	-	-	0.01	0.03	0.03	-	-	0.01	0.02	0.01	0.01
TOTAL	**1,848.47**	**-**	**172.24**	**3.16**	**2,017.55**	**603.58**	**-**	**89.67**	**2.35**	**690.90**	**1,326.65**	**1,244.89**
Previous Year	3,176.79	754.38	67.45	641.39	1,848.47	1,080.10	304.49	108.67	280.70	603.58	1,244.89	2,096.69
Capital work in progress											29.09	65.62

11. INTANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK-COST / BOOK VALUE					DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	Total As at 31 March 2016	Deductions on account of BTA	Additions/ adjustments during the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2016	Deductions on account of BTA	Provided for the year	Deductions/ adjustments during the year	Total As at 31 March 2017	Total As at 31 March 2017	Total As at 31 March 2016
Software	8.13	-	0.15	-	8.28	6.09	-	1.31	-	7.40	0.88	2.04
TOTAL	**8.13**	**-**	**0.15**	**-**	**8.28**	**6.09**	**-**	**1.31**	**-**	**7.40**	**0.88**	**2.04**
Previous Year	1,292.01	42.80	-	1,241.08	8.13	534.38	34.82	66.85	560.32	6.09	2.04	757.63
Intangible assets under development											1.53	-

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
12. DEFERRED TAX ASSETS (net)		
Deferred tax assets on account of:		
Provisions for compensated absences and gratuity etc	43.74	43.74
Unabsorbed depreciation and brought forward losses	1,020.73	1,020.73
	1,064.47	**1,064.47**
Deferred tax liabilities on account of:		
Accelerated depreciation/amortization	152.82	152.82
	152.82	**152.82**
Deferred tax assets (net)	**911.65**	**911.65**

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
13. LONG TERM LOANS & ADVANCES (Unsecured, considered good)		
Capital advances	0.06	1.22
Security deposits	17.63	17.77
Unamortised borrowings cost	27.70	28.56
Loan to employees	1.56	1.48
	46.95	**49.03**

(₹ in million)

			As at 31 March 2017	As at 31 March 2016
14. CURRENT INVESTMENTS (At cost)				
Number	Face value per unit	**All unquoted unless otherwise specified**		
		Non trade investments		
448	₹ 10	Voith Paper Fabrics India Limited - equity shares-fully paid-up (quoted)	0.08	0.08
(448)	(₹ 10)			
530	₹ 10	Minerva Holding Limited - equity shares-fully paid-up (Refer note 14.2)	-	-
(530)	(₹ 10)			
132	₹ 100	Kashipur Holdings Limited - equity shares-fully paid-up (Refer note 14.2)	-	-
(132)	(₹ 100)			
			0.08	**0.08**
		Aggregate amount of quoted investments		
		- Cost	0.08	0.08
		- Market value	0.28	0.22

14.1 Figures in () are in respect of previous year.

14.2 Shares were received free of cost under the Scheme of Arrangement (1997) approved by the Hon'ble High Court of Allahabad.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
15. INVENTORIES		
Raw materials [including in transit ₹ 97.56 million (Previous Year: ₹ 121.19 million)]	213.91	246.20
Work-in-progress	39.09	14.77
Finished goods	301.51	257.51
Traded goods	10.84	11.20
Stores and spares [including in transit ₹ Nil (Previous Year: ₹ 0.16 million)]	41.59	43.89
Others - Fuels & packing materials	25.09	26.94
	632.03	**600.51**

For method of valuation refer note 1 F.

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
16. TRADE RECEIVABLES		
(Unsecured)		
Outstanding for period exceeding six months from the date they are due for payment		
Considered good	140.22	150.05
Doubtful	11.32	3.08
	151.54	153.13
Other receivables		
Considered good	1,017.31	838.84
	1,017.31	838.84
Total Trade receivables	1,168.85	991.97
Less: Provision for bad and doubtful receivables	11.32	3.08
	1,157.53	**988.89**

16.1 Trade receivable includes subsidy receivable ₹ 251.97 million (Previous Year: ₹ 275.87 million). (Refer note 1 M)

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
17. CASH & BANK BALANCES		
Cash and cash equivalents		
Balance With Banks		
- On current accounts	24.05	57.29
- On dividend account	0.24	0.24
Cash in hand	0.10	0.05
Cheques/Drafts on hand	0.83	0.42
Others		
- Gift/Meal vouchers in hand	0.42	0.18
- Funds in transit	5.19	-
	30.83	**58.18**
Other bank balances		
Margin money with banks*	2.09	4.88
	2.09	**4.88**
	32.92	**63.06**

* For bank guarantees in favour of government authorities.

Notes to the Consolidated Financial Statements for the year ended 31 March 2017

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
18. SHORT TERM LOANS & ADVANCES		
Deposits	150.02	147.16
Deposits/Balances with government authorities	76.84	82.22
Advance payment of income tax	18.44	115.98
Employee loans & advances	0.75	1.81
Advances recoverable in cash or in kind or for value to be received:		
- Export incentives and others recoverable	67.38	102.50
	313.43	**449.67**

(₹ in million)

	As at 31 March 2017	As at 31 March 2016
19. OTHER CURRENT ASSETS		
Others	0.83	1.05
	0.83	**1.05**

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
20. REVENUE FROM OPERATIONS		
Sale of products	5,483.63	6,426.47
Sale of services	2.95	47.75
Other operating income	24.77	50.40
Revenue from operations (gross)	**5,511.35**	**6,524.62**

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
21. OTHER INCOME		
Excess provision written-back	1.39	-
Interest income [including interest on income tax refund of ₹ 17.08 million (Previous Year: ₹ 0.69 million)]	17.64	12.48
Insurance claim	1.86	7.83
Other non-operating income	4.83	8.84
	25.72	**29.15**

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
22. COST OF MATERIALS CONSUMED		
Raw & process materials consumed	2,579.97	2,424.58
	2,579.97	**2,424.58**

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
23. PURCHASE OF TRADED GOODS		
Purchase of traded goods	88.00	775.05
	88.00	**775.05**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
24.	**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND TRADED GOODS**		
	Stock at commencement - Work-in-progress	14.77	70.55
	Stock at commencement - Finished goods	257.51	335.37
	Stock at commencement - Traded goods	11.20	325.64
		283.48	**731.56**
	Stock at close - Work-in-progress	39.09	14.77
	Stock at close - Finished goods	301.51	257.51
	Stock at close - Traded goods	10.84	11.20
		351.44	**283.48**
	Decrease /(Increase) in stocks	(67.96)	448.08
	Less: Transfer of inventory under BTA (Refer note 30)	-	260.40
	Net decrease /(increase) in stocks	**(67.96)**	**187.68**
	Foreign currency translation impact on movement in finished goods	(2.86)	7.45
		(70.82)	**195.13**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
25.	**OTHER MANUFACTURING EXPENSES**		
	Power and fuel	143.52	136.07
	Stores, spares & packing materials consumed	394.26	436.18
	Repairs to plant & machinery	50.76	43.60
	Repairs to factory building	4.37	2.44
	Excise duty (Refer note 33)	4.61	6.17
		597.52	**624.46**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
26.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, bonus, gratuity & allowances	655.79	766.66
	Contribution to provident, superannuation and other funds	30.37	36.04
	Staff welfare expenses	36.83	34.84
		722.99	**837.54**

(₹ in million)

		For the year ended 31 March 2017	For the year ended 31 March 2016
27.	**FINANCE COSTS**		
	Interest expense	287.22	340.21
	Other borrowings cost	15.39	53.83
	Exchange difference to the extent considered as an adjustment to borrowing cost	(4.98)	20.30
		297.63	**414.34**

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
28. OTHER EXPENSES		
Rent	40.28	152.72
Rates & taxes	12.12	13.65
Insurance	12.69	17.94
Advertisement, publicity & sales promotion	138.60	101.71
Travelling & other incidental expenses	79.84	62.55
Repair & maintenance - others	45.45	84.22
Vehicle running & maintenance (including vehicle lease rental)	6.12	3.62
Printing & stationery	3.36	6.00
Communication expenses	9.98	10.93
Staff recruitment & training	36.71	24.90
Auditors remuneration - As auditors	1.34	1.23
- For limited review	0.34	0.35
- For taxation matters	0.26	0.26
- For other services	0.72	1.16
- Out of pocket expenses	0.15	0.23
Legal, professional and consultancy charges	59.90	57.18
Directors' sitting fees	2.91	2.25
Bank charges	7.93	18.02
Miscellaneous expenses	4.92	2.90
Foreign exchange fluctuation loss - (net of gain)	11.90	(0.67)
Freight & forwarding	246.13	264.98
Commission on Sales	26.50	23.98
Discounts, claims to customers and other selling expenses (Refer note 28.1)	55.50	64.62
Bad Debts / irrecoverable advances & receivables (written in) (net)	(5.97)	(3.82)
Loss on sale/disposal of fixed assets	0.05	0.88
	797.73	**911.79**

28.1 Discounts, claims to customers and other selling expenses includes ₹ 9.83 million (Previous Year: ₹ 12.39 million) on account of surplus over the cost and margin for which the Company is entitled to, being passed on to the bottler as per agreement with them.

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
29. EXCEPTIONAL ITEMS		
a) Loss on sale/closure of retail business (Refer note 30)		
- Goodwill written off	-	680.75
- Fixed assets written off	-	136.41
- LRER reversal	-	(101.52)
- Write-in of miscellaneous items (net)	-	(0.80)
	-	714.84
b) Expenses incurred for scheme of capital reduction	-	4.02
c) Unamortised balance of borrowing cost	-	31.00
d) Provision for old inventory etc	-	3.54
e) Additional privilege license fee	5.93	-
f) Provision for bad and doubtful receivable	8.62	-
	14.55	**753.40**

30. Disclosure of discontinuing operations in terms of Accounting Standard 24:

During the previous year, as per the approval of the Board of the Company at its meeting held on May 12, 2015, its wholly owned subsidiary company, Jubilant Agri and Consumer Products Limited had transferred with effect from 12 August 2015 its retail hypermarket business undertaking consisting inter alia of 4 (four) hypermarket stores in Bengaluru, India along with certain specified assets and liabilities including dedicated employees, contracts, licenses, permits, consents and approvals relating to the said undertaking to Aditya Birla Retail Limited (the Buyer) as a going concern for a lump sum consideration of ₹ 603.78 million by way of slump sale through a Business Transfer Agreement (BTA) . Post receipt of all necessary regulatory and third party approvals, the Retail Undertaking was transferred to the said Buyer and process of transfer continued and got completed in March 2016 with settlement of all accounts and necessary approvals.

Further, its wholly owned subsidiary company, Jubilant Agri and Consumer Products Limited had also closed mall business of retail division during the previous year.

In accordance with Accounting Standard 24 on "Discontinuing Operations", the Retail division had been treated as discontinuing operations for the purpose of these financial statements.

The information of discontinuing business is as below:

(₹ in million)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Total revenue	-	986.51
Total expenditure*	-	1980.61
Profit/(Loss) before tax	-	(994.10)
Profit/(Loss) after Tax	-	(994.10)
Total assets	-	-
Total liabilities	-	-
Net assets	-	-

* Including exceptional items amounting ₹ 714.84 million.

Net cash flows attributable to the above discontinued operations are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Net cash flows from operating activities	-	(421.68)
Net cash flows from investing activities	-	596.94
Net cash flows from financing activities	-	(202.98)

31. Contingent liabilities & commitments (to the extent not provided for)

I) Claims against Group not acknowledged as debt:

a) Claims/Demands in respect of which proceeding or appeals are pending and are not acknowledged as debts on account of:

i)

(₹ in million)

Particulars	As at 31 March 2017	As at 31 March 2016
Central excise	26.60	42.23
Customs	9.13	8.46
Sales tax	4.68	2.17
Service tax	0.33	3.27
Others	60.52	60.52

ii) In respect of Single Super Phosphate (SSP) the Trade Tax Assessing Officer, Gajraula, has assessed the Gypsum Content of SSP and held that the same is liable to trade tax, though, there is no tax on fertilizer for the period 1 April 2002 to 31 December 2007 and raised a demand of ₹ 34.45 million

(Previous Year: ₹ 34.45 million). The same is being contested before Hon'ble Allahabad High Court by Jubilant Life Sciences Limited but any possible liability will flow to the Group in terms of the Scheme.

iii) A civil suit (OS No. 5549/2013) has been filed by Kids Kemp (the lessor) against Food Express Stores and Jubilant Agri and Consumer Products Limited (JACPL), a wholly owned subsidiary of the Company, and the same is pending before the City Civil Court Bangalore. Part of the claims were settled by means of a compromise petition between the parties and the remaining claims amounting to ₹ 23.10 million (Previous Year: ₹ 23.10 million) relate to claims for past periods. JACPL has filed detailed statement of objections and is strongly contesting the claims on a number of grounds, including that a significant part of the claims is barred by the law of limitation. JACPL is reasonably confident that its position will be upheld by the court. Hence, no liability is acknowledged. This relates to the Retail business which has been sold out.

iv) Another suit (OS No. 5561/2014) is pending before the City Civil Court, Bangalore and has been filed against Jubilant Agri and Consumer Products Limited (JACPL), a wholly owned subsidiary of the Company by Shivashakti Builders (the lessor) amounting to ₹ 218.86 million (Previous Year: ₹ 218.86 million). The matter relates to damages allegedly suffered by the plaintiff due to the termination of a lease arrangement between the parties. JACPL has filed detailed objections to the plaint and has explained the reasons as to why it terminated the lease arrangement. The matter is pending in trial and JACPL is reasonably confident of its chances of success in this matter. This relates to the Retail business which has been sold out.

b) Outstanding guarantees furnished by banks on behalf of the Group/by the Group including in respect of letters of credit is ₹ 436.85 million (Previous Year: ₹ 484.54 million).

II) Commitments

a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 0.77 million (Previous Year: ₹ 5.75 million) [Advances ₹ 0.06 million (Previous Year: ₹ 1.22 million)].

b) Other Commitments:

i) Export obligation under Advance License Scheme on duty free import of raw materials, remaining outstanding ₹ 64.32 million (Previous Year: ₹ Nil).

ii) For lease commitment refer note 35.

32. Micro and Small Business Entities

There are no micro and small enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at 31 March 2017. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Group.

(₹ in million)

		As at 31 March 2017	As at 31 March 2016
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	6.70	11.41
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

33. Excise Duty under manufacturing expenses denotes provision on stock deferential and other claims/payments.

34. Employee Stock Option Scheme

In terms of approval of members accorded and in accordance with SEBI (ESOP & ESPS) Guidelines, 1999, the Company constituted "JIL Employees Stock Option Scheme, 2013 (Scheme 2013)" for specified categories of employees and directors of the Company, its subsidiaries and holding companies. Under the Scheme 2013, up to 590000 stock options can be issued to eligible directors (other than promoter directors, independent directors and nominee directors of the Company/subsidiaries/holding companies) and other specified categories of employees of the Company/subsidiaries/holding companies. The options are to be granted at market price. As per SEBI Guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest.

Each option, upon vesting, shall entitle the holder to subscribe 1 (one) fully paid equity share of ₹ 10 of the Company. 20% of the options shall vest on first anniversary of the grant date, subsequent 30% shall vest on second anniversary and balance 50% of the options shall vest on the third anniversary of the grant date.

The Company has constituted a Compensation Committee, comprising of a majority of independent directors. This Committee is fully empowered to administer the Scheme 2013.

The movement in the stock option under the "Scheme 2013" during the year is set out below:

Particulars	2016-17		2015-16	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	61,423	97.91	117,431	101.44
Granted during the year	100,038	209.10	-	-
Expired/Lapsed during the year	20,085	133.32	18,812	102.40
Options forfeited during the year	-	-	-	-
Options exercised during the year	28,470	102.99	37,196	106.78
Options outstanding at the end of the year	112,906	188.85	61,423	97.91

The Company has opted for intrinsic value method of accounting for Employee Stock Options. As market price of the options is equal to the exercise price on the date of grant, intrinsic value is ₹ Nil. Hence, there is no cost charged to Consolidated Statement of Profit and Loss on account of options granted to employees under the Employee Stock Option Scheme of the Company.

35. Disclosures of leasing arrangements

I) Operating lease:

a. The Group's significant operating lease arrangements are in respect of premises (residential, offices, godowns etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals have been charged as expenses.

In case of hyper markets, its wholly owned subsidiary, Jubilant Agri and Consumer Products Limited (JACPL) had operating lease for its office premises, warehouses and hyper markets for a period of 4 to 29 years. During the previous year, the JACPL had transferred hyper markets to Aditya Birla Retail Limited under Business Transfer Agreement with effect from 12 August 2015 and closed the mall business. Therefore, Lease rent equalisation reserve of Rs.101.52 million stands reversed and shown as an exceptional item during the previous year. (Refer note 29)

b. The Group has operating lease arrangements in respect of vehicles which are cancellable, range between 2 years and 5 years. The aggregate lease rentals payable are charged as expenses. Rental expenses recognized under such leases amounting to ₹ 1.16 million (Previous year: ₹ 0.21 million) has been included under vehicle running and maintenance expense in note 28.

II) Assets acquired under finance lease:

The Group has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases as at 31 March 2017 are as follows:

(₹ in million)

Particulars	Minimum lease payments	Present value of minimum lease payments	Future interest
Not later than one year	3.03	2.42	0.61
	(2.74)	(2.15)	(0.59)
Later than one year but not later than five years	3.86	3.45	0.41
	(3.81)	(3.36)	(0.45)
Later than five years	-	-	-
	(-)	(-)	(-)

a) Previous year figures are given in parenthesis.

b) There is no element of contingent rent or sub lease payments. Group has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.

36. Current tax includes ₹ 9.19 million (Previous Year: ₹ 0.13 million) adjustment related to previous years and consequent to re-evaluation of certain tax provisions, ₹ 6.28 million have been written off during the year.

37. During the current year, the Group has adopted componentisation of fixed assets in pursuance of and in compliance of Schedule II of Companies Act, 2013 and accordingly depreciation expenses for the current year is higher by by ₹ 2.45 million.

38. In line with the applicable accounting standard, during the year preoperative expenses amount to ₹ 12.69 million have been capitalized up to the date of commercial production/stabilisation of the project.

39. Disclosure required by Accounting Standard 29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets"

Movement in provisions

(₹ in million)

	Particulars of disclosure	Excise duty	Provisions for bad and doubtful receivable	Provision for closure of certain units of retail segment	Provision for old inventory etc	Provision for probable claims in respect of closed business
1	Balance as at 1 April 2016	10.83	3.08	-	3.54	151.43
		(4.66)	(17.58)	(233.49)	(-)	(148.88)
2	Additional provision during 2016-17	15.44	9.63	-	-	-
		(10.83)	(-)	(-)	(3.54)	(5.00)
3	Provision used during 2016-17	10.83	1.39	-	1.16	3.42
		(4.66)	(14.50)	(233.49)	(-)	(2.45)
4	Balance as at 31 March 2017	15.44	11.32	-	2.38	148.01
		(10.83)	(3.08)	(-)	(3.54)	(151.43)

a. Previous year figures are given in parenthesis.

b. Provision for excise duty represents the excise duty on closing stock of finished goods.

40. Hedging and derivatives

The Company uses derivative instruments such as foreign exchange forward contracts to selectively hedge its exposures to movement in foreign exchange rates. These derivatives instruments are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered in to by the Group as at 31 March 2017:

	Currency	Cross Currency	Amount (in million	Buy/Sell
Forward Contracts	-	-	-	-
	(EURO)	(INR)	(0.06)	Sell

Note: Previous year figures are given in parenthesis

Foreign currency exposures not hedged by derivative instrument*:

	Amount (foreign currency in million)			
	As at 31 March 2017		As at 31 March 2016	
Amount receivable on account of sale of goods*	USD	1.60	USD	0.85
	EURO	0.85	EURO	0.68
Amount payable on account of purchase of goods, services etc*	USD	6.37	USD	7.66
	EURO	0.13	EURO	0.28

* Excluding receivable and payables in respect of Jubilant Industries Inc., USA

41. Employee benefits in respect of parent company including its subsidiaries have been calculated as under:

(A) Defined contribution plans

a) Provident fund*

b) Superannuation fund

During the year the Group has contributed following amounts to:

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Employer's contribution to provident fund	1.12	3.71
Employer's contribution to employee pension scheme, 1995	7.97	10.61
Employer's contribution to superannuation fund	2.20	2.57

* For certain employees where provident fund is deposited with Government Authorities e.g. Regional Provident Fund Commissioner.

c) The Group entity located in United States of America have a 401(k) Plan, where in the regular, full time and part-time employees are eligible to participate in the defined contribution plan after completion of one month of continuous service. Participants may voluntarily contribute eligible pre-tax and post-tax compensation in 1% increments of up to 90% of their annual compensation in accordance with the annual limits as determined by the Internal Revenue Service. Eligible employees receive a 50% match of their contributions up to 6% of their eligible compensation. Employees above the age of 50 years may choose to contribute "catch-up" contributions in accordance with the Internal Revenue Service limits and are matched the same up to the maximum Group contribution 3% of eligible compensation. The Group's matching contributions vest 100% after three years of service. The Group has contributed ₹ 0.36 million (Previous Year: ₹ 0.18 million) to 401(k) plan for the year.

d) State plans

During the year the Group has contributed following amounts to:

(₹ in million)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Employer's contribution to employee state insurance	0.09	0.61

(B) Defined benefit plans

a) Compensated absences and gratuity

In accordance with Accounting Standard 15, an actuarial valuation has been carried out in respect of gratuity and compensated absences. The discount rate assumed is 7.37 % (Previous Year: 7.90%) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 to 60 years and mortality table is as per IALM (2006-08) [Previous Year: IALM (2006-08)].

The estimates of future salary increases, considered in actuarial valuation is 9% p.a. for first three years and 5% p.a. thereafter (Previous Year: 10% p.a. for first three years and 5% p.a. thereafter) take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

	Gratuity*		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Present value of obligation at the beginning of the year	68.27	70.67	35.64	36.87
Current service cost	7.53	7.06	7.42	6.86
Past Service Cost	4.15	-	-	-
Interest cost	5.40	5.02	2.82	2.57
Actuarial (gain)/loss	4.21	6.61	1.66	4.27
Benefits paid	(14.91)	(12.84)	(9.66)	(10.97)
Adjustment on account of Business Transfer Agreement	-	(8.25)	-	(3.96)
Present value of obligation at the end of the year	74.65	68.27	37.88	35.64

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(₹ in million)

	Gratuity*		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Present value of obligation at the end of the year	74.65	68.27	37.88	35.64
Fair value of plan assets at the end of the year	-	-	-	-
Assets/(Liabilities) recognized in the Consolidated Balance Sheet	(74.65)	(68.27)	(37.88)	(35.64)

Cost recognized for the year (included under salaries, wages, bonus, gratuity & allowances):

(₹ in million)

	Gratuity*		Leave encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Current service cost	7.53	7.06	7.42	6.86
Past service cost	4.15	-	-	-
Interest cost	5.40	5.02	2.82	2.57
Actuarial (gain)/loss	4.21	6.61	1.66	4.27
Net cost recognized during the year	21.29	18.69	11.90	13.70

*Excluding for certain employees of Sahibabad unit.

Reconciliation of opening and closing balances of the present value of the defined benefits obligation:**

(₹ in million)

	Gratuity	
	31 March 2017	31 March 2016
Present value of obligation at the beginning of the year	8.73	6.74
Current service cost	0.56	0.51
Interest cost	0.69	0.54
Actuarial (gain)/loss	0.32	0.94
Benefits paid	(0.19)	-
Present value of obligation at the end of the year	10.11	8.73

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

(₹ in million)

	Gratuity	
	31 March 2017	31 March 2016
Present value of obligation at the end of the year	10.11	8.73
Fair value of plan assets at the end of the year	7.96	7.39
Funded status excess of actual over estimated	0.02	0.04
Assets/(Liabilities) recognized in the Consolidated Balance Sheet	2.15	(1.34)

Cost recognized for the year (included under salaries, wages, bonus, gratuity & allowances): (funded with Life Insurance Corporation of India)**

(₹ in million)

	Gratuity	
	31 March 2017	31 March 2016
Current service cost	0.56	0.51
Interest cost	0.69	0.54
Actuarial (gain)/Loss	0.30	0.90
Expected return on plan assets	(0.55)	(0.51)
Net cost recognized during the year	1.00	1.44

** In respect of certain employees of Sahibabad unit

Experience adjustment:

(₹ in million)

	Gratuity		Leave Encashment	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Defined benefit obligation	84.76	77.00	37.88	35.64
Plan assets	7.96	7.39	-	-
Surplus/(Deficit)	(76.80)	(69.61)	(37.88)	(35.64)
Experience adjustment of plan liabilities-(loss)/gain	(2.32)	(2.58)	(0.43)	(4.20)
Experience adjustment of plant assets-(loss)/gain	0.02	(0.04)	-	-

b) Provident fund

The Guidance on implementation of AS 15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of ₹ Nil (Previous Year: ₹ Nil) likely to arise towards interest guarantee. The Trust is managing common corpus of some of the group companies. The total liability of ₹ Nil (Previous Year: ₹ Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as on 31 March 2017. Accordingly, liability of ₹ Nil (Previous Year: ₹ Nil has been allocated to the Group and ₹ Nil (Previous Year: ₹ Nil) has been charged to Consolidated Statement of Profit and Loss during the year. The Group has contributed ₹ 18.12 million (Previous Year: ₹ 16.34 million) to provident fund for the year.

(C) Other long term benefits (Sick leave)

(₹ in million)

	31 March 2017	31 March 2016
Present value of obligation at the end of the year	5.12	4.48

42. Segment Reporting

I) Based on the guiding principles given in Accounting Standard 17 (AS 17) on "Segment Reporting", the Group's primary business segments were organized around customers on industry and products lines as under:

a. Performance Polymer: Adhesives & Wood Finishes, Food Polymer (Solid PVA) and Latex

b. Agri Products: Single Super Phosphate, Sulphuric Acid and Agro Chemicals for Crop Products

c. Retail: Engaged in running and maintaining hypermarket cum malls (Refer note 30)

II) In respect of secondary segment information, the Group has identified its geographical segments as:

a. With in India, and

b. Outside India.

III) The Financial Information about the primary business segments is presented in the table given below:

(₹ in million)

	For the year ended/ As at 31 March,	Performance Polymers		Agri Products		Retail		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
1)	**Revenue from operations (gross)**	4,132.89	4,178.14	1,378.46	1,359.97	-	986.51	5,511.35	6,524.62
2)	**Segments result**	302.27	456.31	126.89	22.45	-	(213.33)	429.16	265.43
	Less:								
	Exceptional Items							14.55	753.40
	Interest (Finance costs)							297.63	414.34
	Other Un-allocable expenditure (net of un-allocable income)							118.66	104.15
	Total profit/(loss) before tax	**302.27**	**456.31**	**126.89**	**22.45**	**-**	**(213.33)**	**(1.68)**	**(1,006.46)**
3)	**Capital employed** (segment assets-segment liabilities)								
	Segment assets	1,982.72	1,776.60	1,267.43	1,302.16	-	-	3,250.15	3,078.76
	Add: Common assets							291.77	386.08
	Total assets	**1,982.72**	**1,776.60**	**1,267.43**	**1,302.16**	**-**	**-**	**3,541.92**	**3,464.84**
	Segment liabilities	776.29	652.92	300.85	256.33	-	-	1,077.14	909.25
	Add: Common liabilities							304.12	286.04
	Total liabilities	**776.29**	**652.92**	**300.85**	**256.33**	**-**	**-**	**1,381.26**	**1,195.29**
	Segments capital employed	1,206.43	1,123.68	966.58	1,045.83	-	-	2,173.01	2,169.51
	Add: Common capital employed							(12.35)	100.04
	Total capital employed	**1,206.43**	**1,123.68**	**966.58**	**1,045.83**	**-**	**-**	**2,160.66**	**2,269.55**
4)	**Segment Capital expenditure**	75.39	87.23	28.39	5.02	-	-	103.78	92.25
	Add: Common capital expenditure							33.61	6.90
	Total Capital expenditure	**75.39**	**87.23**	**28.39**	**5.02**	**-**	**-**	**137.39**	**99.15**
5)	**Depreciation & amortization**	38.89	32.90	42.72	43.05	-	90.85	81.61	166.80
	Add: Common depreciation & amortization							9.37	8.72
	Total depreciation & amortization (Charged to Consolidated statement of profit and loss)	**38.89**	**32.90**	**42.72**	**43.05**	**-**	**90.85**	**90.98**	**175.52**

IV) Secondary segments (geographical segments):

(₹ in million)

For the year ended/As at 31 March,		2017	2016
a)	**Revenue from operations (gross) by geographical location of customers**		
	Within India	4,537.28	5,437.62
	Outside India	974.07	1,087.00
	Total	**5,511.35**	**6,524.62**
b)	**Carrying amount of segment assets**		
	Within India	3,245.31	3,260.14
	Outside India	296.61	204.70
	Total	**3,541.92**	**3,464.84**
c)	**Capital expenditure**		
	Within India	137.39	99.04
	Outside India	-	0.11
	Total	**137.39**	**99.15**
d)	**Revenue from operations by geographical market**		
	India	4,537.28	5,437.62
	Americas & Europe	696.30	888.60
	China	25.56	69.06
	Asia & Others	252.21	129.34
	Total	**5,511.35**	**6,524.62**

1) The Group has disclosed business segments as the primary segments.

2) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.

3) The Segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

43. Related party disclosures

1) Related parties with whom transactions have taken place during the year:

a) Key management personnel: Mr. Videh Kumar Jaipuriar (Managing Director of the Company, Whole Time Director of Jubilant Agri and Consumer Products Limited and Director of Jubilant Industries Inc. USA), Mr. Raman Mangalorkar (Whole Time Director of Jubilant Agri and Consumer Products Limited) (up to 12 August 2015), Mr. Sandeep Kumar Shaw (Chief Financial Officer) (up to 28 April, 2017), Mr. Umesh Sharma (Chief Financial Officer) (w.e.f. 24 May, 2017), Mr. Deepak Gupta (Company Secretary) (up to 04 June 2015), Mr. Dinesh Kumar Gupta (Company Secretary) (w.e.f. 16 June 2015) , Mr. Deepak Garg (Company Secretary) (up to 13 October 2015), Ms. Sheetal Kapoor (Company Secretary) (w.e.f. 28 October, 2015 and up to 05 July, 2016).

b) Enterprise over which directors and major shareholders of the Group have significant influence: Jubilant Life Sciences Limited, Jubilant Life Sciences (USA) Inc., USA., Jubilant Enpro (P) Limited, Jubilant Motor Works (P) Limited, Jubilant Generics Limited, Jubilant HollisterStier LLC, USA, JOGPL (P) Limited (formerly, known as Jubilant Oil and Gas (P) Limited, HSSS Investment Holding Private Limited.

c) Others: Pace Marketing Specialities Limited Officer's Superannuation Scheme (Trust), VAM Employees Provident Fund Trust, Jubilant Bhartia Foundation.

2) Details of related party transactions during the year:

(₹ in million)

Particulars		Key management personnel	Enterprise over which directors and major shareholders of the Group have significant influence	Others
i)	Purchase of goods, utilities & services (1)		178.42	
			(169.43)	
ii)	Sale of goods, utilities & services (2)		115.95	
			(136.96)	
iii)	Payment of rent to (3)		35.11	
			(31.40)	
iv)	Contribution towards provident fund (4)			50.88
				(41.95)
v)	Contribution towards superannuation fund (5)			2.20
				(2.57)
vi)	Recovery of expenses (6)		1.87	
			(1.25)	
vii)	Reimbursement of expenses (7)		12.84	
			(4.07)	
viii)	Donation (8)			-
				(1.00)
ix)	Inter-corporate loans taken (9)		-	
			(90.00)	
x)	Interest converted in to inter-corporate loans taken (10)		34.12	
			(14.82)	
xi)	Interest expense on inter-corporate loans taken (11)		72.21	
			(78.60)	
xii)	Repayment of interest converted in to inter-corporate loans taken (12)		34.12	
			(14.82)	
xiii)	Remuneration and related expenses (13)	34.11		
		(37.03)		

Balance as at 31 March 2017

xiv)	Current account debit/credit (-) balance (14)		-14.46	
			(-13.86)	
xv)	Outstanding payables (15)		76.28	
			(36.34)	
xvi)	Outstanding receivables (16)		30.43	
			(21.85)	
xvii)	Outstanding of inter-corporate loans taken (17)		555.00	
			(555.00)	
xviii)	Interest payable on inter-corporate loans taken (18)		55.83	
			(34.12)	

Note: Previous year figures are given in parenthesis.

Details of related party transactions individually:

(₹ in million)

For the Year Ended/As at 31 March,		2017	2016
1)	**Purchase of goods, utilities & services:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	172.67	163.76
	Jubilant Generics Limited	4.14	4.10
	Jubilant Life Sciences (USA) Inc. USA	1.61	1.57
2)	**Sale of goods, utilities & services:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	115.95	136.96
3)	**Payment of rent to:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	35.11	31.40
4)	**Contribution towards provident fund:**		
	Others:-		
	VAM Employees Provident Fund	50.88	41.95
5)	**Contribution towards superannuation fund:**		
	Others:-		
	Pace Marketing Specialities Limited Officer's Superannuation Scheme	2.20	2.57
6)	**Recovery of expenses:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	1.84	1.25
	JOGPL (P) Limited (formerly, known as Jubilant Oil and Gas (P) Limited)	0.03	-
7)	**Reimbursement of expenses:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	10.06	3.13
	Jubilant HollisterStier LLC, USA	2.78	0.94
8)	**Donation:**		
	Others:-		
	Jubilant Bhartia Foundation	-	1.00
9)	**Inter-corporate loans taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	-	40.00
	Jubilant Motor Works (P) Limited	-	50.00
10)	**Interest converted in to inter-corporate loan taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	14.84	10.08
	Jubilant Motor Works (P) Limited	19.28	4.74

(₹ in million)

For the Year Ended/As at 31 March,		2017	2016
11)	**Interest expense on inter-corporate loans taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	32.86	33.15
	Jubilant Motor Works (P) Limited	39.35	45.45
12)	**Repayment of Interest converted in to inter-corporate loans taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	14.84	10.08
	Jubilant Motor Works (P) Limited	19.28	4.74
13)	**Remuneration and related expenses:**		
	Key management personnel:-		
	Videh Jaipuriar (Whole Time Director)	22.61	16.22
	Raman Mangalorkar (Whole Time Director)	-	9.31
	Sandeep Kumar Shaw (Chief Financial Officer)	8.09	6.89
	Deepak Gupta (Company Secretary)	-	1.04
	Dinesh Kumar Gupta (Company Secretary)	3.16	2.19
	Deepak Garg (Company Secretary)	-	0.95
	Sheetal Kapoor (Company Secretary)	0.25	0.43
14)	**Current account debit/(credit) balances:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Ltd	(14.46)	(13.86)
15)	**Outstanding payables:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	64.94	32.14
	Jubilant Life Sciences (USA) Inc. USA	5.71	2.18
	Jubilant HollisterStier LLC., USA	3.74	1.08
	Jubilant Generics Limited	1.89	0.94
16)	**Outstanding receivables:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Life Sciences Limited	30.43	21.85
17)	**Outstanding of inter-corporate loans taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	240.00	240.00
	Jubilant Motor Works (P) Limited	315.00	315.00
18)	**Interest payable on inter-corporate loans taken:**		
	Enterprise over which directors and major shareholders of the Group have significant influence:-		
	Jubilant Enpro (P) Limited	30.33	14.84
	Jubilant Motor Works (P) Limited	25.50	19.28
19)	The Group is in the process of updating the documentation for the specified transactions entered into with the specified persons and associated enterprises during the financial year. The management is of the opinion that its specified transactions are at arm's length and will not have any impact on the consolidated financial statements, particularly on the amount of tax expenses and that of provision for taxation.		

Note: Related party relationship is as identified by the Group and relied upon by the Auditors.

44. Disclosure required pursuant to Notification No. G.S.R 308(E) dated 30.03.2017 issued by the Ministry of Corporate Affairs

Details of Specified Bank Notes (SBN,s) held and transacted by the holding and subsidiary companies incorporated in India during the period from 08.11.2016 to 30.12.2016 as provided in the table below:-

(₹ in million)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	0.23	0.03	0.26
+ Permitted receipts	-	0.10	0.10
- Permitted payments	-	0.02	0.02
- Amount deposited in banks	0.23	-	0.23
Closing Cash in hand as on 30.12.2016	-	0.11	0.11

45. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Name of the enterprise	Net Assets i.e. Total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or (loss)	Amount (₹ in million)
Parent				
Jubilant Industries Limited	620.35	2,599.77	54.56	(10.52)
Subsidiaries				
Indian				
Jubilant Agri and Consumer Products Limited	105.95	444.02	24.85	(4.79)
Foreign				
Jubilant Industries Inc. USA	6.74	28.23	23.86	(4.60)
Total eliminations	(633.04)	(2,652.94)	(3.27)	0.63
Total	**100.00**	**419.08**	**100.00**	**(19.28)**

46. Earnings per share (EPS)

			For the year ended 31 March 2017	For the year ended 31 March 2016
I	**Profit computation for basic & diluted earnings per share of ₹ 10/- each**			
	Net (loss) as per Consolidated Statement of Profit & Loss available for equity shareholders	₹ in million	(19.28)	(94.56)
II	**Weighted average number of equity shares for earnings per share computation**			
	(A) For basic earnings per share*	Nos	1,19,01,420	1,18,67,543
	(B) For diluted earnings per share:			
	No of shares for Basic EPS as per II (A)	Nos	1,19,01,420	1,18,67,543
	Add: Weighted average outstanding options related to employee stock options	Nos	12,404	21,857
	No of shares for diluted earnings per share	Nos	1,19,13,824	1,18,89,400
III	**Earnings per share (weighted average)**			
	Basic	₹	(1.62)	(7.97)
	Diluted	₹	(1.62)	(7.97)

* Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Number of Shares at the beginning of the year	11,886,600	11,849,404
Add: Equity shares issued on 23 September, 2016 (Previous Year: 06 October, 2015)		
Current Year: 28470/365*190 (Previous Year: 37196/365*178)	14,820	18,139
Weighted average number of equity shares	**11,901,420**	**11,867,543**

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

Signatures to Notes "1" to "47" forming part of the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

In terms of our report of even date attached.

For and on behalf of the Board

For K. N. Gutgutia & Co.
Chartered Accountants
Firm Registration Number : 304153E

B. R. Goyal
Partner
Membership No. 12172

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

Form AOC - I

(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 FINANCIAL STATEMENT OF SUBSIDIARIES AS PER COMPANIES ACT, 2013

SUBSIDIARIES OF THE COMPANY

(₹ in million & USD in thousand)

1)	Sr. No.	**1**	**2**	
2)	Name of the subsidiaries	**Jubilant Agri and Consumer Products Limited**	**Jubilant Industries Inc. USA**	
3)	Reporting currency	INR	USD	INR*
4)	Share capital	26.74	0.11	0.01
5)	Reserve & surplus	417.28	435.37	28.22
6)	Total assets	4406.44	2322.35	150.85
7)	Total Liabilities	3962.42	1886.87	122.62
8)	Investments	0.08	-	-
9)	Turnover	5195.37	5413.25	363.01
10)	Profit/(Loss) before taxation	1.49	100.31	6.72
11)	Provision for taxation	6.28	168.76	11.32
12)	Profit/(Loss) after taxation	(4.79)	(68.45)	(4.60)
13)	Proposed dividend	-	-	-
14)	% of shareholding	100	100	

* For the purpose of conversion of accounts, USD in to Indian Currency, following rates have been applied:

Average rate for F.Y. 2016-17 1 USD = ₹ 67.06

Rate as at 31 March 2017 1 USD = ₹ 64.85

Note: There is no associate companies / joint ventures of the Company.

For and on behalf of the Board

Hari S. Bhartia
Chairman

Place : Noida
Date : 24 May 2017

Dinesh Kumar Gupta
Company Secretary

Umesh Sharma
Chief Financial Officer

Videh Kumar Jaipuriar
Managing Director

NOTES



Jubilant Industries Limited

Registered Office: Bhartiagram, Gajraula, Distt. Amroha – 244223, Uttar Pradesh, India
Corporate Office: Plot No. 1A, Sector 16A, Noida – 201301, Uttar Pradesh, India

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