

2018



70th



ANNUAL REPORT

JAINEX AAMCOL LIMITED

CONTENTS

SL. NO.	PARTICULARS	PAGE NO
1.	Corporate Information	1
2.	Notice of Annual General Meeting	2
3.	Directors' Report	14
4.	Management Discussion & Analysis	65
5.	Auditors' Report	73
6.	Balance Sheet	84
7.	Statement of Profit and Loss	86
8.	Cash Flow Statement	87
9.	Significant Accounting Policies	90
10.	Notes Forming part of the Financial Statements	97
11.	Proxy Form	115
12.	Attendance Slip	117
13.	Ballot Paper	119

CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Bhagat Singh Dugar	: Chairman
Mr. Mohanlal Zumarlal Kothari	: Managing Director
Mr. Kunal Bafna	: Whole Time Director & Chief Financial Officer
Mr. Rahul Dugar	: Director
Mr. Hitesh Mulraj Popat	: Non-Executive Independent Director
Mr. Sunil Sampatraj Parakh	: Non-Executive Independent Director
Mr. Vinit Ramgopal Kejriwal	: Non-Executive Independent Director
Ms. Manju Jain	: Non-Executive Independent Director

STATUTORY AUDITORS

M/s. P.M. Bhargava & Co.
Chartered Accountants.
Firm Registration No. 15087W

BANKERS

Bank of India, C P Tank Branch, Mumbai

REGISTERED OFFICE

405 & 406, Sharda Chambers,
15, Sir Vitthaldas Thackersey Marg,
New Marine Lines, Mumbai-400020
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.

NOTICE

Notice is hereby given that the Seventieth Annual General Meeting of the Members of Jainex Aamcol Limited will be held on Saturday, 29th September, 2018, at 10.30 A.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthalidas Thackersey Marg, New Marine Lines, Mumbai- 400020 to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Report of the Board of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Bhagat Singh Dugar (DIN: 00013082), who retires by rotation and, being eligible, offers himself for appointment.

**By order of the Board of Directors
for Jainex Aamcol Limited**

**Place: Mumbai
Date: August 14, 2018**

**MOHANLAL ZUMBARLAL KOTHARI
Managing Director
DIN: 01486305**

Registered Office:

405 & 406, Sharda Chambers, 15,
Sir Vitthalidas Thackersey Marg,
New Marine Lines, Mumbai-400020

CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than Forty Eight (48) hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. During the period beginning 24hrs before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing of the intention to inspect is given to the Company.
2. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Sunday 23rd September, 2018 to Saturday 29th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
5. Documents in respect of items referred to in the accompanying Notice are available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).

6. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend, if any. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in electronic form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
7. Members holding shares in physical form are requested to notify/send:
 - Any change in their address/mandate/bank details;
 - Particulars of their bank account, in case the same have not been sent earlier;
 - Quote their Folio numbers in all correspondences; and
 - Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd., Mumbai at the earliest but not later than 22nd September, 2018.
8. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India with regards to the Director seeking re-appointment at this AGM is given as an Annexure to this Notice.
9. Electronic copy of Annual Report for the financial year 2017-18 and Notice calling the 70th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is also being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2017-18 and Notice of the 70th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in and copies of the Annual Report at the AGM.
11. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
12. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

Link Intime India Private Limited

C 101, 247 Park,

L.B.S.Marg, Vikhroli (West),

Mumbai - 400083.

Tel No. +91 22 49186270,

Fax No. +91 22 49186060

Email: mt.helpdesk@linkintime.co.in

13. The Securities and Exchange Board of India (“SEBI”) has mandated submission of Income Tax Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
14. Instructions and other information for E-voting are as under:
 - i) In accordance to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer to its Members facility to exercise their right to vote at the AGM by electronic means and the business 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 National Securities Depository Limited (“**NSDL**”).

- ii) The Company has approached NSDL for providing e-voting services through e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.
- iii) The Members may cast their votes through E-voting from a place other than the venue of the AGM (“Remote E-voting”).
- iv) Voting through physical ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote E-voting shall be able to cast their vote by physical ballot paper at the Meeting.
- v) The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- vi) Remote E-voting facility will commence from 9.00 a.m. on 26th September, 2018 and will end at 5.00 p.m. on 28th September, 2018. Remote E-voting will not be allowed beyond the aforesaid date and time and the Remote E-voting module shall be disabled by NSDL upon expiry of aforesaid period.
- vii) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner as on the cut-off date i.e. 22nd September, 2018.
- viii) The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. 22nd September, 2018, only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- ix) Any person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e. 22nd September, 2018, may obtain the User ID and password for Remote E-voting by sending request at evoting@nsdl.co.in or evoting@linkintime.co.in.
- x) Ms. Sonal Shah, Practicing Company Secretary (Membership No. ACS 24216) has been appointed as the Scrutinizer to scrutinize the E-voting

process and voting done through physical ballot paper at the AGM in a fair and transparent manner.

- xi) The Scrutinizer shall, after scrutinizing the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman.

The results declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.jainexaamcol.com and on the website of NSDL and shall also be communicated to Bombay Stock Exchange Limited (the "BSE Limited").

- i) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. 29th September, 2018.
- xii) In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.

Instructions for E-voting:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices, you can log-in at <https://eservices.nsdl.com/> with your existing login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :

- a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail (**Scrutinizer mail ID**) to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. 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).
4. Documents in respect of items referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00

p.m. upto the date of Annual General Meeting on all working days (except Saturday, Sunday and Public Holiday).

5. The Company is concerned about the environment and utilizes natural resources in a sustainable way. To support “Green Initiative”, the Members are requested to update their email address, with their concerned Depository Participant to enable us to send you necessary documents /communication via email. Members who hold shares in physical form are requested to register their e-mail address with Link In time India Private Limited, Registrar and Share Transfer Agents.

**By order of the Board of Directors
for Jainex Aamcol Limited**

**Place: Mumbai
Date: August 14, 2018**

**MOHANLAL ZUMBARLAL KOTHARI
Managing Director
DIN: 01486305**

Registered Office:

405 & 406, Sharda Chambers, 15,
Sir Vitthaldas Thackersey Marg,
New Marine Lines, Mumbai-400020

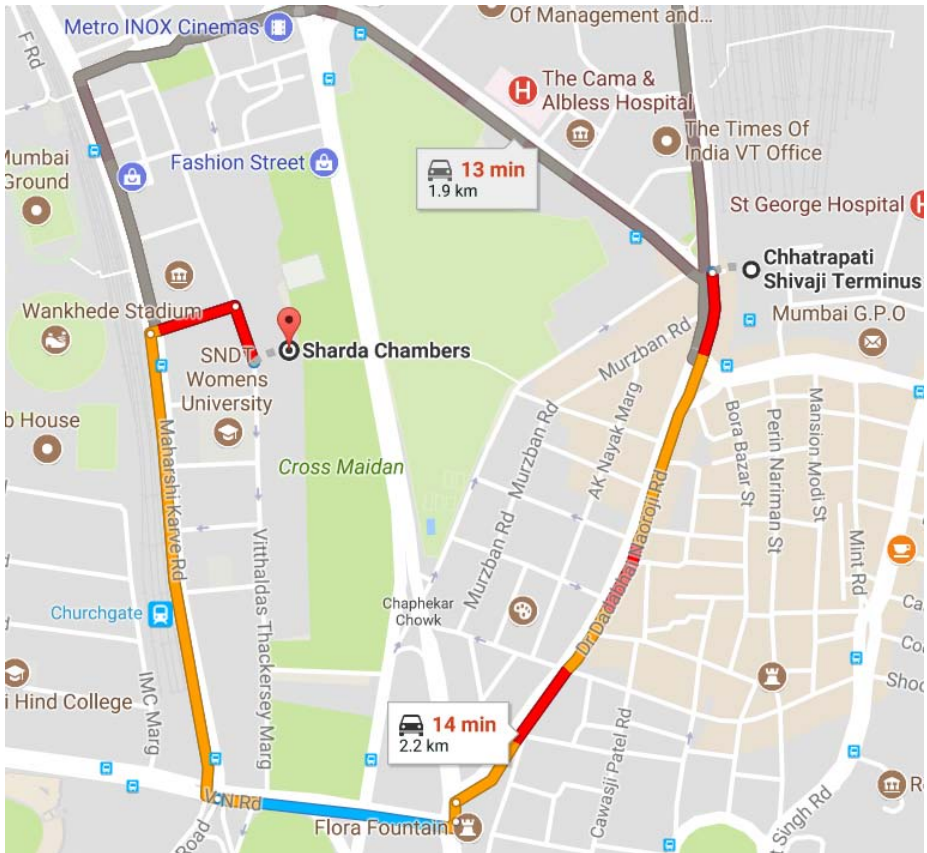
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

Information Required Under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India in respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under:

Particulars	Details of Director seeking re-appointment at the Annual General Meeting pursuant to retirement by rotation.
Name of the Director	Mr. Bhagat Singh Dugar
Director Identification Number	00013082
Date of Birth	23/10/1945 (72 Years)
Date of appointment	30/07/1999
Qualification	MBA
Expertise in Specific Functional Area	He is involved in the business for more than 50 years and has rich experience in Marketing and Management.
Directorship held in other listed companies (As on 31st March, 2018)	None
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on 31st March, 2018)	None
Shareholding of Directors (As on 31st March, 2018)	62597 shares
Relationship between Directors inter-se	Father of Mr. Rahul Dugar, Director of the Company & Father-in-law of Mr. Kunal Bafna, Whole Time Director of the Company

Route map for venue of the AGM

405 & 406, Sharda Chambers, 15,
Sir Vitthaladas Thackersey Marg,
New Marine Lines, Mumbai- 400020



DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in presenting the 70th Annual Report on the affairs of the Company together with the Audited Statement of Accounts of Jainex Aamcol Limited (the "Company"), for the financial year ended 31st March, 2018. A summary of the financial results is given below:-

1. FINANCIAL PERFORMANCE

The financial performance of the company for the Financial Year 2017-18 in comparison to the previous financial year 2016-17 are summarized below:

PARTICULARS	(Amount in Rs)	
	2017-18	2016-17
Turnover	15,76,20,911	15,22,94,015
Other Income	2,94,138	6,46,171
Total Revenue	15,79,15,049	15,29,40,186
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	2,24,11,771	2,17,09,189
Interest	90,83,979	1,06,30,223
Depreciation	1,14,58,409	1,24,75,562
Profit/(Loss) before Extra-ordinary items & Taxes	18,69,383	(13,96,596)
Exceptional items	0	0
Extraordinary items	0	0
Profit/(Loss) before Taxes	18,69,383	(13,96,596)
Current Tax	20,433	0
Earlier Year	0	4,297
Deferred Tax	21,49,459	7,36,496
Profit/(Loss) after tax	(3,00,509)	(21,37,388)

2. STATE OF COMPANY'S AFFAIRS

During the year under review, there was increase in the turnover of the company as compared with the previous year i.e. from Rs. 15,22,94,015/- to Rs. 15,76,20,911/-. The EBIDTA for the year under review has also increased from Rs. 2,17,09,189/- to Rs. 2,24,11,771/- this year.

The Company has reported Net Loss of Rs. 3,00,509/- against Net Loss of Rs. 21,37,388/- in the previous year.

3. TRANSFER TO RESERVES

Since the Company has incurred loss during the financial year 2017-18 under review, no amount has been transferred to Reserves.

4. DIVIDEND

In view of losses incurred by the Company during the financial year 2017-18, your Directors have not recommended any dividend to the members.

5. SHARE CAPITAL

The Paid up Share capital as on 31st March, 2018 was Rs. 1,49,93,940/- During the year under review, the Company has not issued any shares with differential rights as to dividend, voting or otherwise or convertible debentures.

6. SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, your Company had no Subsidiary/ Associate/ Joint Venture Companies.

7. PUBLIC DEPOSITS

Your Company has not been accepting any deposits from the public and hence there are neither unpaid/unclaimed deposits nor any default in repayment thereof.

8. BOARD MEETINGS

During the year under review, 5 (Five) Board Meetings were held on 30th May, 2017, 10th August, 2017, 24th August, 2017, 13th November, 2017, 09th February, 2018.

9. COMMITTEES OF THE BOARD OF DIRECTORS

During the year under review, all recommendations made by the Audit Committee/Nomination & Remuneration Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the Financial Position of the Company have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

11. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2018 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as “Annexure A”.

12. PARTICULARS OF LOANS GRANTED, GUARANTEE PROVIDED AND INVESTMENTS MADE PURSUANT TO THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the company did not provide any loans, guarantees or investments as per the provisions of Section 186 of the Companies Act, 2013.

13. LOAN FROM DIRECTORS

Particulars of loan from Directors of the Company are provided in the financial statement. Refer Note No. 31- Sub Note No. 10(c) to the financial statement.

14. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT & FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of activities in which the Company operates, energy consumption is in accordance to the normal business practices and does not require any specific installations. In its regular course of business, the Company is always vigilant to conserve the resources and continuously implements measures required to save energy.

The Company has adopted new technologies and corrective measures to cope up with the current market situations. In the course of its operations, processes are formed and implemented to achieve operational efficiencies which provide maintaining product quality and cost control.

The Company had Foreign Exchange earnings/outgo during the year under review.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as '**Annexure B'** which forms part of this report.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of the Companies Act, 2013, Mr. Bhagat Singh Dugar retires from the Board of Directors of the Company by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

The Company has received declaration from the Independent Directors under section 149(7) of the Companies Act, 2013 in respect of meeting the criteria of independence provided under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :-

None of the Directors are disqualified for re-appointment under Section 164 of the Companies Act, 2013.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:-

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2018 and of the profit and loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts for the financial year ended 31st March, 2018 on a going concern basis;
- e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

17. EXPANSION OF BUSINESS :

The Company through its Board of Directors and management is taking extra efforts to reach at higher level by setting a benchmark. The Company also wishes to explore its business in future by keeping in view the dynamism of global market.

18. AUDITORS

M/s. P.M. Bhargava & Co., Chartered Accountants, Mumbai, were appointed as Statutory Auditors in place of M/s. R.A. Singh & Associates, Chartered Accountants for a term of 5 years from FY 2017-18 to FY 2021-22 by the members at the 69th AGM of the Company held on 28th September, 2017. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

19. AUDITOR'S REPORT

The notes on financial statements referred to in the Auditors Report are self-explanatory. The Auditors' Report does not contain any qualification. However, the Auditors in their Report have mentioned their observation and the same have been laid down below along with Directors' comments:

SI No.	Auditors' Observation in the auditors' report	Directors' comments on the observations of the auditors mentioned in the auditors' report												
1.	<p>“Details of dues set out herein below in respect of customs duty which has not been deposited as at 31st March, 2018 by the company with the appropriate authorities on account of disputes.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of Statute</th> <th style="text-align: center;">Nature of Dues</th> <th style="text-align: center;">Amount in Lacs</th> <th style="text-align: center;">Amount in Rs. Lacs paid under protest</th> <th style="text-align: center;">Period to which the amount relates</th> <th style="text-align: center;">Forum were disputes is pending</th> </tr> </thead> <tbody> <tr> <td style="height: 40px;"></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum were disputes is pending							<p>Show Cause Notice was issued wrongly by the assessing authority for Special Additional Duty which was already paid; demand for basic custom duty can't be raised now being time barred as advised by company's counsel does not</p>
Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum were disputes is pending									

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

	Customs	Customs Duty	7.14	2.00	2008-2009	Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh.	find any merit.																		
2.	<p>“In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of term loans installments of Bank of India as mentioned below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 5%;">Sr. No</th> <th colspan="3" style="width: 40%;">Period/ Type</th> <th style="width: 10%;">Amount of Default</th> <th style="width: 10%;">Delay- till date of this report</th> </tr> <tr> <td></td> <th style="width: 10%;">Financial Year</th> <th style="width: 10%;">Due Date</th> <th style="width: 10%;">Loan Type</th> <td></td> <td></td> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td style="text-align: center;">2017 (part) and 2018</td> <td style="text-align: center;">monthly</td> <td style="text-align: center;">Term Loan 15</td> <td style="text-align: center;">56.99</td> <td>Monthly installments due from February 17 to March 18 resulting in delay from 1 month to 13 months as the case may be respectively as per bank's original sanction but not reflected in their</td> </tr> </tbody> </table>						Sr. No	Period/ Type			Amount of Default	Delay- till date of this report		Financial Year	Due Date	Loan Type			1.	2017 (part) and 2018	monthly	Term Loan 15	56.99	Monthly installments due from February 17 to March 18 resulting in delay from 1 month to 13 months as the case may be respectively as per bank's original sanction but not reflected in their	<p>The company has applied to the Bank for reschedulement/ deferment of instalments fallen due on TLs and interest thereon which is under consideration by the bank. However, interest servicing on Term Loans other than Term Loan 15 has been serviced together with instalments within the permissible grace period for payment.</p>
Sr. No	Period/ Type			Amount of Default	Delay- till date of this report																				
	Financial Year	Due Date	Loan Type																						
1.	2017 (part) and 2018	monthly	Term Loan 15	56.99	Monthly installments due from February 17 to March 18 resulting in delay from 1 month to 13 months as the case may be respectively as per bank's original sanction but not reflected in their																				

						system hence neither demanded nor recovered	
				Total (1)	56.99		

20. COST AUDITORS:

The appointment of Cost Auditor is not applicable to the Company as per Companies Act, 2013.

21. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Company has appointed Ms. Kavita Raju Joshi, Practicing Company Secretary, bearing Membership No. 22387 and Certificate of Practice No. 8893 to conduct Secretarial Audit of the Company for the financial year 2017-18 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as **“Annexure C” (Form MR-3)**.

22. DEMATERIALIZATION

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the members to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

23. LISTING OF SHARES

The Company’s equity shares continue to be listed on The Bombay Stock Exchange Ltd (BSE).

24. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

During the financial year under review, the Company had not entered into material related party transactions.

25. MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

26. COMMITTEES OF BOARD

Following are the committees which are constituted or re-constituted by the Company:

A. AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

NAME	DESIGNATION	CATEGORY
Mr. Hitesh Mulraj Popat	Chairman	Independent/Non-Executive Director
Mr. Sunil Sampatraj Parakh	Member	Independent/Non-Executive Director
Mr. Kunal Bafna	Member	CFO-Executive Director

B. NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration Committee comprising of the following Members:

NAME	DESIGNATION	CATEGORY
Mr. Sunil Sampatraj Parakh	Chairman	Independent/Non-Executive Director
Mr. Hitesh Mulraj Popat	Member	Independent/Non-Executive Director
Mr. Vinit Ramgopal Kejriwal	Member	Independent/Non-Executive Director

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel and the same has been uploaded on company's website. Nomination & Remuneration Policy is annexed to this report in “ANNEXURE D”.

C. ANTI-SEXUAL HARASSMENT COMMITTEE AND RELATED DISCLOSURE.

The Board of Directors having an Anti-Sexual Harassment Committee comprising of following members.

NAME	DESIGNATION	CATEGORY
Ms. Manju Jain	Chairperson	Independent/Non-Executive Director
Ms. S L Chavan	Member	Employee
Ms. S R Kamble	Member	Employee

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) of the Company are covered under this Policy.

The following is a summary of Sexual Harassment complaints received and disposed off during the year:

Sr. No.	No. of Complaints received	No. of Complaints disposed off
Nil	Nil	Nil

NOTE: The Company has dissolved its CSR Committee as the Company is not required to constitute the same.

27. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

28. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The provisions of this policy are in line with the provisions of the Section 177(9) of the Act. The Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The Whistle Blower Policy is placed on the website of the Company.

29. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses were observed.

30. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During financial year under review, the Company has not transferred any amount to Investor Education and Protection Fund (IEPF).

31. MAINTAINENCE OF COST RECORDS AS SPECIFIED UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013

Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products/services dealt by the Company. Accordingly, maintenance of such accounts and records is not applicable to the Company.

32. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided under “Annexure E”, which is annexed to this Report.

None of the employees of the Company were in receipt of monthly or yearly remuneration in excess of the limits specified under the Companies Act, 2013 and Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant/ material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

34. CORPORATE GOVERNANCE

The Company is not required to comply with the provisions of Regulation 17 to Regulation 27 and clause (b) to clause (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V as mentioned in Regulations 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into force with effect from 01st December, 2015 as the Paid-up Share Capital of the Company is less than Rs.10,00,00,000 (Rupees Ten Crores Only) and the Net Worth of the Company is also less than Rs.25,00,00,000 (Rupees Twenty Five Crores Only) based on the Annual Audited Financial Results of the Company for the quarter and year ended March 31, 2018.

35. PERFORMANCE EVALUATION

The Company has devised a policy for evaluation of Performance of the Board of Directors, its Committees and individual Directors (“Policy”). The evaluation involves assessment of performance individually of each of the Board Members and of the entire Board of Directors and its Committees.

The performance evaluation criteria of the entire Board of Directors inter alia comprised of the following key areas:

- i. the role of a Board Members is clearly defined and understood;
- ii. the Board has ensured that the organization’s accomplishments and challenges are communicated to Members and Stakeholders;
- iii. the spread of talent within the Board reflect the Company’s needs;
- iv. all Board Members bring valuable skill and experience to the Company;
- v. the composition of the Board is sufficient to carry out the work required of it;
- vi. the matters relating to the Company are discussed in a structured manner;
- vii. the Board knows and understand the Company’s mission, vision and strategy; the Board’s Meeting agenda clearly reflects strategic plan or priorities;
- viii. the Board papers contain the correct amount and type of information;
- ix. all Board Members participate in important Board discussions;
- x. the Board knows and keep abreast of trends and issues affecting the market in which the Company competes
- xi. the Board understands the business it is governing;
- xii. the Board Members actively engage in networking for the benefit of the Company;
- xiii. the Board Members have sufficient financial skills to ensure that the Board can discharge its governance responsibilities;

- xiv. the Company have relevant internal reporting and compliance systems;
- xv. the Board Members are aware of their risk assessment duties as Directors;
- xvi. there is a clear understanding of the Company's business risk;
- xvii. the Board encourages Directors to pursue opportunities for personal development;
- xviii. the Board have a succession plan in place for the Directors, KMP and Senior Management Personnel;
- xix. responsibilities have been effectively delegated amongst the Executive Directors, KMP and Senior Management Personnel;
- xx. There is good communication between the Board and KMP.

The evaluation framework for assessing the performance of Committee(s) of Board of Directors inter-alia comprised of the following key areas:

- i. the Committees have been constituted in compliance with the requirement of Listing Regulations and the Companies Act, 2013 read with the Rules there under;
- ii. the role/terms of reference of the Committee Members is clearly defined and understood;
- iii. the composition of the Committee is sufficient to carry out the work required of it;
- iv. the Committee knows and understands the Company's mission, vision and strategy;
- v. the Committee's Meetings are properly conducted and agenda papers contain the correct amount and type of information;
- vi. all Committee Members participate in discussion making;
- vii. the Committee Members have sufficient skills to ensure efficient discharge of responsibilities;
- viii. There is good communication between the Committees and the Board.

- ix. the Committee has relevant internal reporting and compliance systems;

The performance evaluation process of individual Directors inter alia comprised of the following key areas:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising their duties;
- iii. exercise their responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- v. assist the Company in implementing the best corporate governance practices;
- vi. strive to attend all Meetings of the Board of Directors and of the Board committees of which they are members;
- vii. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and Shareholder's interest;
- viii. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk Management are robust and defensible;
- ix. strive to safeguard the interests of all stakeholders, particularly the minority shareholders;
- x. balance the conflicting interest of the stakeholders;
- xi. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts;
- xii. keep themselves well informed about the Company and the external environment in which it operates;
- xiii. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- xiv. strive to attend the general Meetings of the Company;

- xv. acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xvi. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- xvii. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xviii. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- xix. maintain confidentiality of information such as commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- xx. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc;
- xxi. they express concerns about the running of the Company or a proposed action and ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the Minutes of the Board Meeting;
- xxii. develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior Management of the Company;
- xxiii. fairly contribute towards proper functioning of Board or Committees of the Board.

The evaluation framework for assessing the performance of Independent Directors inter-alia comprised of the following key areas:

- i. satisfy the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Regulations;

- ii. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk Management, resources, key appointments and standards of conduct;
- iii. bring an objective view in the evaluation of the performance of Board and Management;
- iv. actively scrutinize the performance of Management in Meeting agreed goals and objectives and monitor the reporting of performance;
- v. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- vi. contribute to determine appointment and remuneration of executive Directors, Key Managerial Personnel (KMP) and senior Management;
- vii. exercise 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.

In terms of the Policy, a process of evaluation was undertaken by the Board for its own performance and that of its Committees and individual Directors. The evaluation process focused on various aspects of the functioning of the Board and Committees. Separate exercise was carried out to evaluate the performance of individual Directors on specified parameters.

The outcome of evaluation process was shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan for the identified areas.

The details of programme for familiarization of Independent Directors with the Company, industry in which it operates, their roles, rights, responsibilities is made available on the website of the Company – www.jainexaamcol.com.

36. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on Friday, 09th February, 2018, inter-alia, to discuss:

- i. Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii. Evaluation of performance of the Chairman of the Company, taking into view of Executive and Non- Executive Directors.
- iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

37. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.

38. ACKNOWLEDGEMENTS

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to your Company by its Shareholders, their employees, regulatory authorities and its bankers. Your Directors would also like to place on record their appreciation for the efforts put in by employees of the Company during the year.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305**

**Rahul Dugar
Director
DIN : 00013704**

**Place: Mumbai
Date: August 14, 2018**

**ANNEXURE “A”
FORM NO. MGT – 9
ANNEXURE “A”
EXTRACT OF ANNUAL RETURN**

as on the Financial year ended 31st March, 2018

[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:

CIN	L74999MH1947PLC005695
Registration Date	15/04/1947
Name of the Company	JAINEX AAMCOL LIMITED
Category / Sub-Category of the Company	PUBLIC COMPANY/LIMITED BY SHARES
Address of the Registered Office and Contact Details	405 & 406, Sharda Chambers, 15 Sir Vitthalidas Thackersey Marg, New Marine Lines Mumbai – 400020.
Whether Listed Company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Ltd C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Gear Hobs and Cutting tools	*2593	100%

*NIC Code of 2008 is taken into consideration.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name & Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
	-	-	-	-	-

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

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	490922	53125	544047	36.36	490922	53125	544047	36.36	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	577956	-	577956	38.62	577956	-	577956	38.62	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	1068878	53125	1122003	74.98	1068878	53125	1122003	74.98	0
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1068878	53125	122003	74.98	1068878	53125	1122003	74.98	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	21950	21950	1.47	-	21950	21950	1.47	0
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	150000	-	150000	10.02	150000	-	150000	10.02	0
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	150000	21950	171950	11.49	150000	21950	171950	11.49	0
2. Non-institutions									
a) Bodies Corp.									
i) Indian	0	1550	1550	0.10	1911	1550	3461	0.23	0.13
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto 1 lakh	19523	65670	85193	5.69	17839	65370	83209	5.56	(0.13)
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	115342	-	115342	7.71	115355	-	115355	7.71	-

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

c) Non Residents									
i) Non Resident Indians	200	-	200	0.01	200	-	200	0.01	0
ii) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iv) Clearing Members	100	-	100	0.01	110	-	110	0.01	-
v) Trusts	-	-	-	-	-	-	-	-	-
vi) Hindu Undivided Families	0	-	0	0	50	-	50	0.003	0.003
vii) Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	135165	67220	202385	13.52	135465	66920	202385	13.52	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	285165	89170	374335	25.01	285465	88870	374335	25.01	0
C. Shares held by Custodian for GDRS & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1354043	142295	1496338	100	1354343	141995	1496338	100	0

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year (As on 01.04.2017)			No. of Shares held at the end of the year (As on 31.03.2018)			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
Jainex Foods Private Ltd	577956	38.62	0	577956	38.62	0	0
Bhagat Singh Dugar	137097	9.16	0	62597	4.18	0	(4.98)
Bharati Bafna	131200	8.77	0	205700	13.75	0	4.98
Rahul Dugar	95250	6.37	0	95250	6.37	0	0
Ketaki Mazumdar	59720	3.99	0	59720	3.99	0	0
Ronojoy Mazumdar	53495	3.58	0	53495	3.58	0	0
Pravin Chimanlal Vora	27210	1.82	0	27210	1.82	0	0
Nandita Dugar	24500	1.64	0	24500	1.64	0	0
Mr. Sujoy Mazumdar	15575	1.04	0	15575	1.04	0	0
Total	1122003	74.98	0	1122003	74.98	0	0.00

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

Particulars	Shareholding at the beginning of the year (As on 01.04.2017)		Shareholding at end of the year (As on 31.03.2018)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	1122003	74.98	-	-
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	No change	No change		
At the end of the year	-	-	1122003	74.98

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

Sl. No.	Shareholder's Names	Shareholding at the beginning of the year (As on 01.04.2017)		Shareholding at end of the year (As on 31.03.2018)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	PURUSHOTTAM DAMODARLAL SINGI				
	At the beginning of the year	50,000	3.34		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	10,000	0.66	-	-
	At the end of the year	-	-	60,000	4.00
2	PUSHPA GARG				
	At the beginning of the year	44,046	2.94		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	44,046	2.94

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

3	GENERAL INSURANCE CORPN. OF INDIA				
	At the beginning of the year	37,125	2.48	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	37,125	2.48
4	ORIENTAL FIRE & GENERAL INSURANCE CO.LTD				
	At the beginning of the year	30,120	2.01	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	30,120	2.01
5	NEW INDIA ASSURANCE CO. LTD				
	At the beginning of the year	27,585	1.84	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	27,585	1.84

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

6	NATIONAL INSURANCE CO. LTD				
	At the beginning of the year	27,585	1.84	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	27,585	1.84
7	UNITED INDIA INSURANCE COMPANY LTD.				
	At the beginning of the year	27,585	1.84	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	27,585	1.84
8	THE SICOM LIMITED				
	At the beginning of the year	21,950	1.47	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	21,950	1.47
9	SHRIKANT GOPALDAS MANTRI				
	At the beginning of the year	11,146	0.74	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the end of the year	-	-	11,146	0.74

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

10	KANKARIA SECURITIES PVT. LTD.					
	At the beginning of the year		0	0	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease as follows : Purchased 1672 shares on 9/02/2018 Purchased 39 shares on 16/02/2018 Purchased 200 shares on 23/02/2018		1911	0.13	-	-
	At the end of the year		-	-	1911	0.13

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)		Shareholding at the end of the year (As on 31.03.2018)		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	BHAGAT SINGH DUGAR					
	At the beginning of the year		137097	9.16	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease					
	Date	Reason				
	15.02.2018	Transfer	(74500)	(4.98)		
At the end of the year		-	-	62597	4.18	

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

2.	RAHUL DUGAR				
	At the beginning of the year	95250	6.37	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	95250	6.37
3.	MOHANLAL ZUMBARLAL KOTHARI				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil
4.	KUNAL BAFNA				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

5.	SUNIL PARAKH				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil
6.	VINIT KEJRIWAL				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil
7.	MANJU JAIN				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil

8.	HITESH POPAT				
	At the beginning of the year	Nil	Nil	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	At the end of the year	-	-	Nil	Nil

V. INDEBTEDNESS

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

(Rs. in Lacs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
- Term Loans	437.61	-	-	437.61
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	246.84	-	-	246.84
- Unsecured Loans	-	263.94	-	263.94
ii) Interest due but not paid	21.34	-	-	21.34
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	705.79	263.94	-	969.73

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Change in Indebtedness during the financial year	-	-	-	-
• Addition				
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	-	-	-	-
- Interest accrued but not due	-	-	-	-
• Reduction				
- Term Loans	140.12	-	-	140.12
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	2.32	-	-	2.32
Unsecured Loans	-	10.00	-	10.00
Interest due but not paid	21.34	-	-	21.34
Net Change	163.78	10.00	-	173.78
Indebtedness at the end of the financial year				
i) Principal Amount				
- Term Loans	297.49	-	-	297.49
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	244.52	-	-	244.52
- Unsecured Loans	-	253.94	-	253.94
-ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due				
Total (i+ii+iii)	542.01	253.94	-	795.95

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (In Rs.)

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

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		M Z Kothari	Kunal Bafna	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act (c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	2157793	660000	2817793
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit -others, specify	- -	- -	- -
5.	Others, please specify	-	-	-
	Total (A)	2157793	660000	2817793
	Ceiling as per the Act			

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Bhagat Dugar	Rahul Dugar	Hitesh Popat	Sunil Parakh	Vinit Kejriwal	Manju Jain	Total Amt
1.	Independent Directors	-	-	-	-	-	-	-
	Fee for attending Board / Committee Meetings							
	Commission	-	-	-	-	-	-	-
	Others, please specify							
	Total (1)	-	-	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-	-	-
	Fee for attending Board / Committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary (CS)	CFO	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act (c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission -as % of profit -others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act): None

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

Place: Mumbai
Date: August 14, 2018

**Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305**

**Rahul Dugar
Director
DIN : 00013704**

ANNEXURES “B” TO THE DIRECTORS’ REPORT

INFORMATION REQUIRED U/S 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014.

(A) CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

In past few years, the Company has taken several steps to conserve energy through its “Sustainability” initiatives. The Company continues its endeavor to improve energy conservation and utilization. Steps taken to conserve energy includes:

- At its Plants, the Company has carried out various actions to optimize energy consumption and reduce losses.
- Some of these measures include recovering waste heat.
- Energy efficient machines are been installed in order to optimize use of power.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

The Company has always been conscious of the need for conservation of energy. Energy conservation measures have been implemented at all its plants.

- Water wastage and compressed Air Wastages was avoided which resulted in energy saving.
- Avoided wastages of electrical energy by close monitoring of fixed energy consumption such as Air conditioners, fans, tube lights, street lights etc.
- All fluorescent tubes and bulbs were replaced by Light Emitting Diode (LED) Light in the entire plant premises.

(iii) The capital investment on energy conservation equipments :

The Energy Conservation Equipments are procured on need base. There was no significant capital investment made for Energy Conservation Equipments during the year under review.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATIONS

(i) The efforts made towards technology absorption:

The company had originally started manufacturing Hobs in collaboration with Messer. Klingelberg Verzahnentechnik, Gmbh of Germany and the collaboration ended in 1981. During the period of collaboration the company successfully absorbed the technology and since beginning, the company is continuing the manufacture of Gear Hobs and it is also keeping abreast with the latest technology development abroad.

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

Due to the continuous efforts made by the Company towards technology absorption, the Company has derived various benefits like:

- Increased Customer satisfaction and salability
- Improved Brand name and Goodwill
- Cost Reduction through Quality and Productivity

(iii) In case of imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):

- (a) The details of technology imported : NIL;
- (b) The year of import : Not Applicable;
- (c) Whether the technology been fully absorbed : Not Applicable;
- (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof : Not Applicable

(iv) The expenditure incurred on Research & Development (R & D) : Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the financial year 2017-18: Rs. 189.78 Lacs

The Foreign Exchange outgo in terms of actual inflows during the financial year 2017-18: Rs. 34.06 Lacs

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305**

**Rahul Dugar
Director
DIN : 00013704**

**Place: Mumbai
Date: August 14, 2018**

ANNEXURE “C”

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

To,
The Members,
Jainex Aamcol Limited
405 & 406, Sharda Chambers,
15 Sir Vitthaldas Thackersey Marg,
New Marine Lines
Mumbai- 400020.

Dear Sir,

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

Based on our verification of the Company’s Books, Papers, Minutes 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 financial year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure ‘I’** for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, now known as SEBI (Share based employees Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period), and;

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- b. Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; and
- c. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Customs Acts, we have relied on the Reports given by the Statutory Auditors of the Company.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The Website of the Company is under Construction; hence no information is displayed on the website of the Company which is violation pursuant to the provisions of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.***
- 2. The Company being a listed company does not have a qualified Company Secretary as the whole-time Compliance officer as required under Regulation 6 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.***

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. The

changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are 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.

This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

Date: August 14, 2018

Place: Mumbai

Kavita Joshi
Company Secretaries
COP No: 8893

Annexure I

To,

The Members,

Jainex Aamcol Limited

405 15 Sir Vitthal Das Thackersey Marg,

& 406, Sharda Chambers,

New Marine Lines (E)

Mumbai - 400002.

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

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

Date: August 14, 2018

Place: Mumbai

Kavita Joshi
Company Secretaries
COP No: 8893

ANNEXURE “D”

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel (KMP)**” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole- time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“**Senior Managerial Personnel**” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

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

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of Five (5) years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

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

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.
- 2) Remuneration to Non- Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may

be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
 - c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

ANNEXURE “E”

MANAGEMENT REMUNERATION & PARTICULARS OF EMPLOYEES WITH RELATED DISCLOSURE (details with respect to financial year 2017-18)

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

1.	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year; (Median Salary : 27,943)	Mr. M Z Kothari – Rs. 21,57,793/-p.a. Ratio to median remuneration - 6.04 : 1 Mr. Kunal Bafna - Whole Time Director/ Chief Financial Officer - Rs. 6,60,000/- p.a. Ratio to median remuneration – 1.85: 1 Other Directors of the Company are not being paid any remuneration.
2.	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	There is an increase of 10% in the remuneration of Managing Director i.e. Rs 1,50,000/- p.a. However due to Commission, gross is increased by Rs.2,90,903/- Remuneration of Mr. Kunal Bafna - Whole Time Director/ Chief Financial Officer is increased by Rs. 10,000/-p.m. i.e. gross is increased by Rs. 1,20,000/-
3.	the percentage increase in the median remuneration of Employees in the financial; year	As on 31-03-2017 99 permanent staff /worker monthly salary of Rs. 26,90,260/-, Average Rs 27,174/- As on 31-03-2018 102 permanent staff /worker monthly salary of Rs. 29,07,188/-, Average Rs. 28,502/- There was increase of Rs. 1,328/- i.e.4.88%.
4.	the number of Permanent Employees on the rolls of the Company;	As on 31-3-2018 there are 102 Employees permanent on the roll of the Company.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

5.	average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increased in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Salary increase of 4.88% on an average While Managing director's remuneration is increased by Rs. 24241/- p.m. i.e. 15.58% in the period during review and WTD – CFO 's remuneration is increased by Rs.10,000/-p.m. i.e.22.22% in the period during review
6.	The key parameters for any variable component of remuneration availed by the Directors;	It will depend on the Financial outcomes and profitability of the Company, Risk factors and regulatory guidelines and the variable pay shall not exceed 50 % of the fixed pay in a particular year.
7.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is affirmed that the remuneration is as per the remuneration policy adopted by the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited

Place: Mumbai
Date: August 14, 2018

Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305

Rahul Dugar
Director
DIN : 00013704

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organization (CSO).

Market size

Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial. The tax collection figures between April 2017- February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2017, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

GST data and the Indian Economy

Introduction of Goods and Service Tax (GST) and emphasis on cash-less transaction have provided a fillip to organized retail sector in India. GST was implemented from July, 2017 as the nation moved to “one nation-one tax” number of indirect taxpayers in the country witnessed growth of 50 per cent to 9.8 million unique GST registrants, as of December 2017.

India’s internal trade in goods and services (excluding non-GST goods and services) at 60 per cent is even higher than that estimated in last year’s economic survey. The current GST tax base (excluding exports) is around 6.5 to 7 million, broadly similar to the estimates of Revenue Neutral Rate Committee and GST Council. Based on the average collections from GST, the implied weighted average collection rate (incidence) is 15.6 per cent. This is similar to the estimate of 15-16 per cent made by the RNR committee. Non-agricultural workforce in the formal sector in India is considerably greater than previously held beliefs about the size of formal sector non-farm payroll. Estimates, on the basis of enterprise-based definition of employment, imply that nearly 53 per cent of non-agricultural workforce is in the formal sector.

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

INDUSTRY OVERVIEW

Positive impetus to fiscal discipline and increased momentum in bringing key economic reforms such as the introduction of Goods and Services Tax (GST) has been identified as one of the most important tax reforms post-independence that provided a conducive ecosystem for business growth.

Business Outlook and Market Overview

Tool development will continue to follow the sporting motto “higher, faster, further” in the future. It signifies the striving for even higher performance, higher cutting speeds and feeds and a longer tool life with the objective to reduce manufacturing costs whilst meeting the required work piece quality. There are also new challenges for precision tools from future trends such as downsizing or lightweight design. Components that are smaller, yet more efficient are made from higher-strength materials. To reduce weight, composite materials are now also on the rise. And gear hobs, in particular, must meet additional requirements. The desire to be mobile is growing around the world. In Asian regions such as India and China, in particular, the demand for passenger cars is growing, requiring more and more gears. Another aspect is the development of automatic transmissions with more (up to 9) stages, which again increases the demand for smaller gears significantly.

Ease of Doing Business in India

- Various reforms taken by the Government of India have led to increase in India’s ranking in the World Bank’s Ease of Doing Business Index from 130 in 2017 to 100 in 2018.
- India’s ranking in the taxation and insolvency parameters improved by 53 and 33 spots, respectively, on the back of administrative reforms undertaken by the Government of India in the areas of taxation and passage of Insolvency and Bankruptcy Code (IBC), 2016.

- To improve the ease of doing business in the country, the government has taken various initiatives to improve contract enforcement. Over 1,000 redundant legislations have been scrapped.
- The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 have been passed while intra-government litigation has been reduced.
- The National Judicial Data Grid (NJDG) is being expanded under which every high court in the country will be digitized very soon. The same was recognized in the rankings by the World Bank.

Machine tools Industry

India stands 17th in production and 12th in the consumption of machine tools in the world. The country is set to become a key player in the global machine tools industry and is likely to see substantial high-end machine tool manufacturing. Studies have rated India higher in terms of manufacturing capability and availability of quality engineers. This design strength gives the Indian machine tools industry a competitive advantage, in terms of special purpose machine tools.

Opportunities:

The Indian machine tools sector also offers several opportunities for investment. Given the current gap between demand and supply, there is now an increasing need for adding capacities in this sector. The industry is moving towards increasingly sophisticated CNC machines, driven by demand from key user segments, such as, automobiles and consumer durables.

The rapidly globalizing world is opening up newer avenues for the transportation industry and over the next decade, this will lead to newer verticals and opportunities for auto component manufacturers, who would need to adapt to the changes via systematic research and development. The Indian auto component industry is set to

become the third largest in the world by 2025. Domestic machine tools makers are well positioned to benefit from globalization.

Threats:

The Indian machine tools sector has been exposed to many risks of varying intensity. Three important concerns and threats auto component industry is facing are:

- Regulatory & infrastructure Bottleneck
- Low R&D spending and dependence on global suppliers for technology knowhow
- Rising imports from China

Risks and Concerns

For the fast changing global business parameters, businesses have to be more vigilant of what is the next disruption which can either be leveraged or can have a bearing impact. Our Company has moved through various business cycles where it has not only learned but also pre-empted the risks that it may face. Also, through very comprehensive brainstorming, the Company has built a strong risk management framework that governs it in a very systematic manner. The framework is tested on a continuous basis and upgradation is an ongoing process. The management meets regularly to take stock of various parameters and analyze the same to assess the various short-term and long-term risks and formulate mitigation measures.

There are some concerns that electric mobility represents a danger for gears as gearboxes might no longer be needed for these. However, this fear needs to be put into perspective as both hybrid drives and purely electric drives still need gearboxes, albeit the latter with fewer gear stages.

Following are some of the key risks that the Company may face and the mitigation measures to it that the Company is looking forward to:

Market risks:

Risks: The Company derives most of its revenue from few large customers. Any glitch in the customer relations with them will have an adverse impact on the Company's revenues.

Mitigation: Our Company is currently having a large pool of customer base and has planned to diversify its base and is working accordingly. Our Company is not only working towards client diversification but also business diversification.

Financial Risks:

Risk: The Company is exposed to changes in foreign exchange rates, interest rates, credit availability and liquidity.

Mitigation: Our Company is taking adequate measures to deal with all types of financial risks.

Input Cost Risks:

Risks: Raw material cost is amongst the biggest cost for the business and any movement in raw material prices may have an adverse impact on profitability.

Mitigation: Our Company's Risk management strategies focus on three key areas: financial hedges to help avoid significant unexpected price increases; operational hedges, such as design

changes, end-product pricing changes, and inventory management, to control how raw materials are purchased; and price increase controls that rely on a team with strong analytical and negotiation skills to protect against increases and reduce costs when raw materials pricing decreases.

Technology Risks:

Risk: The world of technology is changing quickly with disruptions across industries. Any material change in components or manufacturing technology can make its business less preferred.

Mitigation: Our Company is well focused on modernization and technology upgradation and has been a forerunner in terms of adding new and advanced gears to the industry.

Regulatory Risks:

Risk: The Company is exposed to changes in laws, regulations, policies and other Governmental actions including those affecting environmental matters, employee welfare, safety, wastage emissions.

Mitigation: Our Company has a well qualified and experienced compliance team in place which keeps a tab on all laws applicable to the Company and effectively monitors them on regular basis.

Segment wise or Product-wise Performance

The Company's segment-wise performance for the financial year 2017-18 is as under:
(Amt. in Lacs)

Sl. No.	Segment	Performance
1.	Gear Hobs	1024.83
2.	Milling Cutters	305.41
3.	Spline Gauges	130.72

Internal Control Systems and their Adequacy

The Company has an adequate Internal Audit System that promotes reliable financial reporting, safeguards assets, encourages adherence to fair management and ethical conduct at various levels of the organization. The strong Internal Control Systems have been designed in a way that, they not only prevent fraud and misuse of the Company's resources but also protect shareholder's interest. The system ensures compliance with the respective laws & regulations, efficiency of operations, optimum utilization of resources, disclosure and adequate reporting of financial transactions, proper administration at all levels of the organization.

The Audit Committee of the Board of Directors of the Company, on regular intervals and in coordination with the Internal and Statutory Auditors, reviews and ensures adequacy of the internal control system prevalent at each level of the organization and passes on its recommendation to the management.

Discussion on Financial Performance With Respect to Operational Performance

During the financial year 2017-18 under review, the turnover of the Company augmented from Rs. 15.22 Crores in F.Y. 2016-17 to Rs. 15.76 Crores in F.Y. 2017-18 thus decreasing the Net Loss of the Company after deducting the Finance Costs, Depreciation and Taxes from Rs. 21.37 Lacs in the previous financial year to Rs. 3 Lacs in the current financial year.

Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company believes that the employees are not a resource but the most valuable assets of the Company and will play a key role in its future growth. Planned efforts are made to develop and retain talent. The Company provides growth opportunities to internal talent by assigning them higher responsibilities with suitable exposure and training. The Company maintains a positive work environment and constructive relationships with its employees with a continuing focus on productivity and efficiency. As on 31st March, 2018, Jainex Aamcol Limited had 102 permanent employees on the rolls of the Company.

Cautionary Statement

Statements in this Management Discussion and Analysis and Directors' Report describing the Company's objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon significant changes in political and economic environment, economic conditions, government policies and other incidental factors, environmental standards, tax laws, litigation and labour relations. Readers are cautioned not to place undue reliance on these forward-looking statements.



P.M. BHARGAVA & CO
CHARTERED ACCOUNTANTS

25, Saibaba Shopping Centre,
Keshavrao Kadam Marg,
Mumbai Central,
Mumbai – 400 008.
Phone: 2300 6009 / 2300 6011

Independent Auditor's Report

TO THE MEMBERS OF JAINEX AAMCOL LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **Jainex Aamcol Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone Ind AS Financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these stand alone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The standalone Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 30, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of subsection (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the

operating effectiveness of such controls, refer to our separate Report in **Annexure A**.

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements - Refer Notes 31 (9) to the standalone Ind AS financial statements ;
 - ii. The Company does not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has been no occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

for **P. M. BHARGAVA & CO**
CHARTERED ACCOUNTANTS
FRN 145087W

P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595

Place : MUMBAI
Date : 18TH MAY 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 10(f) under (Report on Other Legal and Regulatory Requirements sections, of our report of even date)

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

.....

1. We have audited the internal financial controls over financial reporting of Jainex Aamcol Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Act.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.
5. 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

6. 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 the standalone Ind AS 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone Ind AS 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 (iii) 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **P. M. BHARGAVA & CO**
CHARTERED ACCOUNTANTS
FRN 145087W

P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595

Place : MUMBAI
Date : 18TH MAY 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 10 under Report on Other Legal and Regulatory Requirements, of our report of even date)

Report on Company's (Auditors Report) Order, 2016 ('the Order') issued by the Central government in terms of Section 143 (11) of the Companies Act, 2013 ('the Act') of JAINEX AAMCOL LIMITED ('the Company')

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that :

(i) In respect of the Company's Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets other than furniture & fixtures and office equipments.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

(ii) In respect of the Company's Inventories

As explained to us, the inventories except goods in transit were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) In respect of the Company's Loans granted

The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the 'the Act'. Accordingly, clause (iii) of the Order is not applicable to the Company.

(iv) In respect of the Company's Loans, Investments, Guarantees and Securities

The company has not granted any loans, made investments, provided guarantees and securities as per the provisions of sections 185 and 186 of the Act. Accordingly, the clause (iv) of the Order is not applicable to the company.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

(v) In respect of Loans/Deposits taken

The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3(v) of the order are not applicable to the Company. However, the Company has mostly carried forward loans from related parties viz. a body corporate shareholder, a director and a firm in which directors are interested.

(vi) In respect of Cost Audit

The Central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the products/services dealt by the company. Accordingly, the clause (vi) of the Order is not applicable to the company.

(vii) In respect of Statutory Dues

According to the information and explanation given to us

(a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, customs duty, excise duty/ cess, value added tax(VAT), GST and any other material statutory dues applicable to it with appropriate authorities.

(b) There were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, service tax, customs duty, excise duty/cess, value added tax(VAT), GST and any other material statutory dues in arrears as at 31st March, 2018 for a period of six months from the date they became payable.

(c) Details of dues set out herein below in respect of customs duty which has not been deposited as at 31st March, 2018 by the company with the appropriate authorities on account of disputes.

Name of Statute	Nature of Dues	Amount in Rs. lacs	Amount in Rs. lacs paid under protest	Period to which the amount relates	Forum were disputes is pending
Customs	Custom Duty	7.14	2.00	2008-2009	Customs and Excise Tribunal, Mumbai – Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh.

There were no dues of income tax, VAT, Service Tax, Excise duty / Cess and GST which have not been deposited as at 31st March, 2018 on account of dispute.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

(viii) In respect of default in repayment of loans or borrowings from banks/financial institutions/debenture holders and government

In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of term loan installments of **Bank of India** as mentioned below.

(Rs. In lacs)

Sr. No.	Period/Type			Amount of default	Delay – till date of this report
	Financial year	Due Date	Loan Type		
1.	2017 (part) and 2018	Monthly	Term Loan 15	56.99	Monthly installment due from February 17 to March 18 resulting in delay from 1 month to 13 months as the case may be respectively as per bank's original sanction but not reflected in their system hence neither demanded nor recovered.
			Total (1)	56.99	

(ix) In respect of money raised

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loan. Accordingly, the clause (ix) of the Order is not applicable to the company.

(x) In respect of Fraud

To the best of our knowledge and according to the explanations given to us, no fraud by the company and no fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) In respect of Managerial Remuneration

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In respect of Nidhi Companies

The Company is not a Nidhi Company. Accordingly, the clause (xii) of the Order is not applicable to the company.

(xiii) In respect of transactions with related parties

In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, wherever applicable for all the transactions with the related parties and the details of related party transactions have been disclosed in Standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24 Related Party Disclosure specified under section 133 of the Act.

(xiv) In respect of preferential allotments, private placement of shares and convertible debentures

During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, the clause (xiv) of the Order is not applicable to the company.

(xv) In respect of non cash transactions under section 192

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors. Accordingly, the clause (xv) of the Order is not applicable to the company.

(xvi) In respect of registration as NBFC under section 45-IA of RBI Act, 1934

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) of the Order is not applicable to the company.

for **P. M. BHARGAVA & CO**
CHARTERED ACCOUNTANTS
FRN 145087W

P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595

Place : MUMBAI
Date : 18TH MAY 2018

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Balance Sheet as at March 31, 2018

PARTICULARS	Note No.	As at 31st March,18	As at 31st March,17	As at 1st April,16
		₹	₹	₹
<u>ASSETS</u>				
<u>Non-Current Assets</u>				
(a) Property, Plant and Equipment	2	83464245	93941131	102832164
(b) Intangible Assets	3	109778	243085	504898
<u>(c) Financial Assets</u>				
i Others	4	2757976	6457942	5428838
(d) Deffered Tax Assets (Net)	5	364331	2513790	1825662
<u>Total Non-Current Assets</u>		86696330	103155948	110591562
<u>Current Assets</u>				
(a) Inventories	6	32021325	21224742	17603516
<u>(b) Financial Assets</u>				
i Trade Receivables	7	42464361	41631580	33473121
ii Cash and Cash Equivalents	8	1884664	723138	1232512
iii Other Bank Balances	9	15000	0	75850
(c) Other Current Assets	10	730478	2169361	1383628
<u>Total Current Assets</u>		77115828	65748821	53768627
<u>Total Assets</u>		163812158	168904769	164360189
<u>EQUITY AND LIABILITY</u>				
<u>Equity</u>				
(a) Equity Share Capital	11	14993940	14993940	14993940
(b) Other Equity	12	17699529	18000038	23323232
<u>Total Equity</u>		32693469	32993978	38317172
<u>Liabilities</u>				
<u>Non-Current Liabilities</u>				
<u>(a) Financial Liabilities</u>				
i Borrowings	13	13415790	24527000	37714285
ii Others	14	25394400	26394400	26794400
(b) Provisions	15	389897	389897	389897
<u>Total Non-Current Liabilities</u>		39200087	51311297	64898582

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Balance Sheet as at March 31, 2018 (Cond.)

PARTICULARS	Note No.	As at 31st March,18	As at 31st March,17	As at 1st April,16
<u>Current Liabilities</u>				
(a) Financial Liabilities				
i Borrowings	16	24452235	24683665	25567147
ii Current Maturities - Long-Term	17	16332633	21367974	16484734
iii Trade Payables	18	37715233	25083025	12739547
(b) Other Current Liabilities	19	6951602	7496288	2299385
(c) Provisions	20	6192628	5968542	4053622
(d) Current Tax Liabilities (net)	21	274271	0	0
<u>Total Current Liabilities</u>		91918602	84599494	61144435
<u>Total Liabilities</u>		131118689	135910791	126043017
<u>Total Equity and Liabilities</u>		163812158	168904769	164360189

Notes to the Financial Statements - Note Nos. 1 to 31

In terms of our report attached.

For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 18th May,2018

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Statement of Profit & Loss for the year ended March 31, 2018

PARTICULARS		Note No.	As at 31.03.2018 ₹	As at 31.03.2017 ₹
	INCOME			
I	Revenue from Operations	22	157620911	152294015
II	Other Income	23	294138	646171
III	Total Income (I+II)		157915049	152940186
	Expenses			
IV	Cost of Materials Consumed	24	44271178	34728687
	Change in Inventories of Finished Goods and Work-in Progress	25	-4419263	-4237481
	Excise Duty/Service Tax	26	2566145	15215983
	Employees Benefits Expenses	27	48576179	44763775
	Finance Costs	28	9083979	10630223
	Depreciation and Amortization Expense	29	11458409	12475562
	Other Expenses	30	44509039	40760033
	Total Expenses		156045666	154336782
V	Profit/(Loss) before Exceptional Items and Tax		1869383	-1396596
VI	Exceptional Items (net)		0	0
VII	Profit/(Loss) before Tax (V-VI)		1869383	-1396596
VIII	Tax Expense:			
	Current Tax		376644	0
	MAT Credit C/f		-356211	0
	Earlier Year		0	4297
	Deferred Tax Credit(-)/Debit(+)		2149459	736496
			2169892	740793
IX	Profit/(Loss) for the year (VII-VIII)		-300509	-2137388
X	Other Comprehensive Income/(loss)			
A.	Item that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0	-4610429
	(ii) Income tax effect on above		0	1424623
B.	Item that may be reclassified to profit or loss:			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0	0
	(ii) Income tax effect on above		0	0
	Total Other Comprehensive Income/(Loss) for the year (A+B)		0	-3185806
XI	Total Comprehensive Income/(Loss) for the period comprising profit/ (loss) and other Comprehensive Income (IX-X)		-300509	-5323194
XII	Earnings/(Loss) per equity share (of ₹ 10 each) from continuing operations as there is no discontinued operation			
	Basic and Diluted (in ₹ per share)		-0.20	-3.56
	Notes to the Financial Statements - Note Nos. 1 to 31			

In terms of our report attached.

For P. M. BHARGAVA & CO.

CHARTERED ACCOUNTANTS

(P.M.BHARGAVA)

PROPRIETOR

Membership No. : 100595

Firm Regn. No.: 145087W

Place :- Mumbai

Dated :- 18th May, 2018

(M. Z. Kothari)

Managing Director

(DIN : 01486305)

(Rahul Dugar)

Director

(DIN : 00013704)

(Kunal Bafna)

Chief Financial Officer

& Whole-time Director

(DIN : 00902536)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Cash Flow Statement for the year ended 31st March, 2018

Sr. No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
A.	<u>Cash flow from operating activities</u>		
1	Net Profit / (Loss) before extraordinary items and tax	1869383	(1396596)
	<i>Adjustments for:</i>		
	Depreciation and amortisation	11458409	12334064
	Amortisation of share issue expenses and discount on shares	0	141498
	Finance costs	9083979	10630223
	Interest income	(208256)	(320536)
		22203515	21388653
2	Operating profit / (loss) before working capital changes		
	<i>Changes in working capital:</i>		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	10796583	3621226
	Trade receivables	832781	8158459
	Financial assets - Loans		
	Other current assets	(1438883)	927232
	Non current - Loans	(3699966)	1029105
		6490515	13736021
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	12632208	12343478
	Others	0	0
	Current Long term Borrowing	(5035341)	4883240
	Other Current Liabilities	(544686)	586474
	Current Provisions	224086	1914920
	Current tax liabilities (net)	274271	0
		7550538	19728111
	Cash flow from extraordinary items	0	0
	Cash generated from operations	(1060023)	(5992090)
	Net income tax (paid) / refunds	(20433)	(4297)
		23243105	27376446
3	Net cash flow from / (used in) operating activities (A)		
	<u>Cash flow from investing activities</u>		
	Capital expenditure on fixed assets, including capital advances	(848216)	(3181216)
	Proceeds from sale of fixed assets	0	0
	Interest received	208256	320536
	Cash flow from extraordinary items	0	0
	Net cash flow from / (used in) investing activities (B)	(639960)	(2860680)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Cash Flow Statement for the year ended 31st March, 2018

Sr. No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
C.	Cash flow from financing activities		
	Proceeds from long-term borrowings	(12111210)	(13587285)
	Net increase / (decrease) in working capital borrowings	(231430)	(883482)
	Proceeds from other short-term borrowings	0	0
	Finance cost	(9083979)	(10630223)
	Net cash flow from / (used in) financing activities (C)	(21426619)	(25100990)
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1176526	(585224)
	Cash and cash equivalents at the beginning of the year	723138	1308362
	Cash and cash equivalents at the end of the year (Refer Note 8)	1899664	723138
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents as per Balance Sheet (Refer Note 8)	1899664	723138
	* Comprises:		
a)	Cash on hand	65012	51993
b)	Balances with banks		
	(I) In current accounts	1819652	671145
	(ii) In earmarked accounts	15000	0
		1899664	723138
	Notes :		
	(i) Figures for previous year have been rearranged/regrouped wherever necessary.		

In terms of our report attached.

For **P. M. BHARGAVA & CO.**
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 18th May,2018

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Statement of Change in Equity for the year ended March 31, 2018

A Equity Share Capital

Particulars	2017-18		2016-17	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	1496338	14993940	1496338	14993940
Add: Shares issued on exercise of employee stock options during the year	0	0	0	0
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1496338	14993940	1496338	14993940

B Other Equity

Particulars	Reserves and Surplus				Amount in ₹		
	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Retained Earnings	Total Reserve other than OCI	Item of other comprehensive item	Total
	(a)	(b)	(c)	(d)	(e)= (a to d)	(f)	(g)= (e + f)
Balance as at April 1, 2016	1500000	3897400	24000000	-6074168	23323232		23323232
Profit/(Loss) for the year				(2137388)	(2137388)		(2137388)
Other Comprehensive Income/(loss) for the year (Representing Provision for employees benefits on Gratuity)						(3185806)	(3185806)
Total Comprehensive Income/(loss) for the Year						(3185806)	(3185806)
Balance as at March 31, 2017	1500000	3897400	24000000	(8211556)	21185844	(3185806)	18000038
Profit/(Loss) for the year				-300509	-300509		(300509)
Other Comprehensive Income/(loss) for the year				0		0	
Total Comprehensive Income/(loss) for the Year							
Balance as at March 31, 2018	1500000	3897400	24000000	(8512065)	20885335	(3185806)	17699529

In terms of our report attached.

For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 18th May,2018

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
1	<p><u>COMPANY INFORMATION</u> Jainex Aamcol Limited ("the company") is a public limited company incorporated with its Registered office in Mumbai, Maharashtra, India. The company is listed on the Bombay Stock Exchange (BSE). The company has a manufacturing unit in Aurangabad, Maharashtra for manufacture of Gear Cutting Tools. The functional and presentation currency of the company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the company operates. As on 31st March, 2018, Jainex Foods Pvt Ltd owns 38.62% of the equity shares of the company, and has the ability to influence the company's operations. The financial statements for the year ended March 31, 2018 were approved by the Board of Directors on May 18, 2018.</p>
2	<p><u>SIGNIFICANT ACCOUNTING POLICIES</u></p>
2.01	<p><u>ACCOUNTING CONVENTION</u> The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.</p>
a)	<p><u>Statement of compliances</u> The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time which became applicable to the company from 1st April, 2017 though IND AS came in to effect from 1st April, 2016 in phases.</p>
b)	<p><u>Basis of preparation</u> The financial statements have been prepared under the historical cost convention on the basis of going concern and in accordance with generally accepted accounting principles and IND AS of ICAI as per provisions of the Companies Act 2013.</p>
c)	<p><u>USE OF ESTIMATES AND ACCOUNTING JUDGEMENTS</u></p>
(i)	<p><u>Use of estimates</u> The preparation of the financial statements require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates, are recognised in the periods in which the results are known / materialised.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
(ii)	<p><u>Impairment</u> Impairment of assets has been recognized and losses where ever applicable has been charged to Profit & Loss account.</p> <p>As of each balance sheet date, the carrying amount of assets is tested for impairment so as to determine -</p> <ul style="list-style-type: none"> i. the provision for impairment loss, if any, required, or ii. the reversal, if any, required or impairment has recognized in previous year.
(iii)	<p><u>Useful lives of property, plant and equipment and intangible assets :-</u> The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each report period. This reassessment may result in change in depreciation and amortization expense in future periods.</p>
(iv)	<p><u>Taxes on Income and Valuation of deferred tax assets :-</u> Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per applicable tax rates and laws.</p> <p>Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originates in one period and capable of reversal in one or more subsequent periods as described in relevant Note No 5 to financial statements.</p>
(v)	<p><u>Provisions, contingent liabilities and contingent assets</u></p> <p>a) <u>Provisions</u> The provisions are recognised and measured by using a substantial degree of estimation.</p> <p>Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.</p> <p>Constructive obligation is an obligation that derives from an entity's actions where:</p> <ul style="list-style-type: none"> (i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and; (ii) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
	<p>b) <u>Contingent liabilities</u> Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p> <p>c) <u>Contingent assets</u> Contingent assets are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p>
(vi)	<p><u>Fair value measurements of financial instruments</u> The company has no financial instruments / investments hence fair value measurement is not applicable.</p>
(vii)	<p><u>Employee Benefits and Retirement obligations</u></p> <p>a) <u>Defined Contribution Plan</u> The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid / payable under the schemes are recognised during the year in which the employee renders the related services.</p> <p>b) <u>Defined benefit plan/ Long Term Compensated Absences.</u> The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on previous experience and actual valuation given by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements subject however to payment of arrears as reflected in the company's financial statements under the head Other Comprehensive Income (OCI). Since the valuation by LIC is based on their vast experience and at actuals, no third party actuarial advice is taken.</p> <p>c) <u>Compensated Absences</u> The company has provided for the actual leave encashment liability at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial advice is considered necessary.</p>
2.02	<p><u>Property, plant and equipment</u> Tangible and intangible property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes all direct costs and expenditure incurred to bring the asset to its working condition and location for its intended use. Related trial run expenses (net of revenue), borrowing cost during construction / erection period and commissioning are capitalised where ever and whenever applicable. The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognized in the statement of profit and loss.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
2.03	<p><u>Depreciation and amortization of property, plant and equipment and intangible assets</u></p> <p>a) Depreciation is provided under straight line method (SLM) to the extent depreciable based on the useful life of most of the assets as prescribed in Schedule II of the Companies Act, 2013</p> <p>b) Depreciation on additions is provided on pro-rata basis from the date of intended use. Depreciation on deletions is provided on pro-rata basis till the date of its effective use.</p> <p>c) No depreciation has been provided on fixed assets where written down value has reached to 5% of the original cost and also on fixed assets not put to use.</p>
2.04	<p><u>Leases</u></p> <p>The company's '95 years Leasehold Land at MIDC Aurangabad acquired on annual economic rent in 1974 was revalued on 01.04.1998 at Rs. 51,60,000 and thereafter over the years, the same was amortised prorata until FY 15 against the revaluation reserve created in the accounts. During FY 2016, the balance in the leasehold land account was fully adjusted against revaluation reserve account.</p>
2.05	<p>a <u>Financial assets</u></p> <p>(i) <u>Cash and bank balances</u> <u>Cash and bank balances consist of</u></p> <p>(i) Cash and cash equivalents includes cash in hand, balances held with banks which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value. These balances with banks are unrestricted for withdrawal and usage.</p> <p>(ii) Other bank balances which includes balances and deposits with banks that are restricted for withdrawal and usage.</p> <p>(ii) Other financial assets are taken at cost or net realisable value as the case may be.</p>
2.05	<p>b <u>Financial Liabilities</u></p> <p><u>Trade and other payables / liabilities</u></p> <p>(i) Trade and other payables / liabilities are initially measured at fair value / cost as recorded in the books.</p> <p>(ii) Interest bearing bank loans, overdrafts, term liabilities and other debts are initially measured at fair value / cost as recorded in the books using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
	(iii) The company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.
2.06	<p><u>Inventories</u></p> <p>(I) Inventories are stated at the lower of cost and net realizable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.</p> <p>(ii) Stores and spare parts are carried at lower of cost and net realizable value.</p> <p>(iii) Provisions are made to cover slow moving and obsolete items based on historical experience of utilization on a product category basis, which involves individual businesses considering their product lines and market conditions.</p> <p>(iv) However, based on above, the inventories are valued as under</p> <ol style="list-style-type: none"> a) Raw materials are valued at cost. b) Work in Progress is valued at raw material cost + overheads. c) Finished Goods are carried at lower of cost or market value which ever is less. d) Stores are taken at cost. e) Tools and Spares are taken at net of 1/3rd for usage. f) Scraps are taken at realisable value
2.07	<p><u>Non-current assets held for sale and discontinued operations</u></p> <p>The company has no non current assets held for sale.</p> <p>The company has not discontinued any operations during the year.</p>
2.08	<p><u>Revenue from operations.</u></p> <p>(i) <u>Sales and other operational income</u></p> <p>Revenue from sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership and no longer retains control over the goods sold. The amount of revenue can be measured reliably. It is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports, sale delivery is completed on issuance of bill of lading/air way bill.</p> <p>However, until June 2017; turnover includes excise duty, education cess, service tax, and is net of VAT/CST and GST there after.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
	<p>(ii) Other income</p> <p>(a) Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.</p> <p>(b) Other income viz exchange gain/ loss, misc. receipts, bad debts recovery etc. are accounted on generally accrual basis except recovery of bad debts, misc receipts which are accounted on receipt basis.</p>
2.09	<p>Foreign currency transactions and translations</p> <p>The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.</p> <p>In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded as under :</p> <p>a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.</p> <p>b) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end are translated at exchange rates applicable on that date.</p> <p>c) Non-monetary items denominated in foreign currency (such as fixed assets) are valued at forward contract exchange rate contracted for the such liability, wherever applicable.</p> <p>d) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Profit & Loss account with regard to revenue items. Similarly FX gain or loss arising on account of capital items are debited/credited to capex items where ever applicable.</p> <p>e) In the case of forward exchange contracts where ever applicable, the premium or discount arising at the inception of such contracts, is amortised as income or expense over the life of the contract as well as exchange difference on such contracts, i.e. difference between exchange rate at the reporting / settlement date and the exchange rate on the date of inception/ the last reporting date, is recognised as income / expense for the period.</p> <p>f) Exchange differences arising on the re-translation or settlement of other monetary items are included in the statement of profit and loss for the period.</p>
2.10	<p>Borrowing costs</p> <p>Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of such assets till such</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
	time as the assets are ready for their intended use. Qualifying assets are assets that necessarily require a substantial period of time to get ready for their intended use. All the other borrowing cost is recognized as an expense on accrual basis.
2.11	<u>Earnings per share</u> Basic/Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the number of equity shares outstanding during the year.
2.12	<u>Segment reporting</u> The company operates in a business segment viz. Gear Cutting, Special Cutting Tools and Spline Gauges and is considered single segment operations.
2.13	<u>Change in accounting policy</u> There is no change in accounting policy save and except the provisions of IND AS becoming applicable to the company from April 1,2017 during the year with regard to employees benefits on gratuity as shown under the head OCI by recasting / revising its earlier years' liability.
2.14	The financial statements are drawn in compliance with Companies (Indian Accounting Standards) Rules 2015 as amended by MCA vide notification no. G.S.R.404(E) dated 6 April 2016 amending Schedule III (Balance Sheet and Profit and Loss Accounts format) of the Companies Act 2013.

Notes forming part of the Financial Statements (Contd.)
NOTE No. [2] - Property, Plant and Equipments

Sr.No.	Class of assets	Cost			Depreciation		Impairment		Book Value	
		Value as at 01.04.2017	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	For the year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
	Tangible Assets									
A.	Leasehold Land *	178777	0	0	178777	178777	0	17877	0	0
B.	Factory & Office Building * (Owned)	5015179	0	0	5015179	2358436	120299	2478735	0	2536444
C.	Plant and Equipment (Owned)	229722464	743183	0	230465647	139975069	10979845	150954914	0	79510733
D.	Office Equipment	1183215	34456	0	1217671	1031594	63824	1095418	0	122253
E.	Furnitures & Fixtures	5816505	0	0	5816505	5303400	79368	5381768	0	434737
F.	Vehicles	1184921	0	0	1184921	1012659	56509	1069168	0	115763
G.	Computer	10612594	70577	0	10683171	9912589	26257	9938846	0	744325
	TOTAL	253713655	848216	0	254561871	159772524	11325102	171097626	0	83464245
	(Previous Year)	250532439	3181216	0	253713655	147700273	12072251	159772525	0	93941131

(*) Please refer Note 1 - (2.02), (2.03) and (2.04) of Significant Accounting Policies.

NOTE No. [3] - Intangible Assets

Sr.No.	Class of assets	Cost			Depreciation		Impairment		Book Value	
		Value as at 01.04.2017	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	For the year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
1	Intangible Assets Computer Software	1508415	0	0	1508415	1265330	133307	1398637	0	109778
	TOTAL	1508415	0	0	1508415	1265330	133307	1398637	0	109778
	(Previous Year)	1508415	0	0	1508415	1003517	261813	1265330	0	243085

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [4]			
	Financial Assets :			
	Others - Non-Current			
	Un-secured, considered good			
a	Security Deposits	810841	1680837	890611
b	Bank Deposits Earmarked against EPC Bank Guarantee	0	3186181	2947303
c	Deposit with Custom's Appeal - Capital item	200500	200500	200500
d	MAT Credit Entitlements	1746635	1390424	1390424
		2757976	6457942	5428838
	NOTE No. [5]			
	Deferred Tax Assets (Net)			
	<u>Tax effect on items constituting deferred tax liability</u>			
a)	On difference between book balance and tax balance of fixed assets.	11637620	13371045	14039834
b)	<u>Tax effect on items constituting deferred tax assets</u>			
	Leave Encashment	494199	336577	287882
	On Employees benefit- Gratuity	0	1424623	
	Preliminary Expenses	0	0	43723
	Interest on Term Loan	0	564596	704427
	Excise Duty Payable	0	94797	0
	Unabsorbed Depreciation c/f - as per Income Tax	11507752	13464243	14829464
		12001951	15884835	15865496
	Net Deferred Tax Assets (a-b)	364331	2513790	1825662
	NOTE No. [6]			
	Inventories			
a	<u>Raw Materials</u>	12590985	6808695	7214444
	Goods in Transit	0	0	0
		12590985	6808695	7214444
b	Work-in-Progress	8644171	2835687	2537057
c	<u>Finished Goods</u>			
	Internally Manufactured	7483846	8421013	5026932
d	Stores	2323762	1556624	1585678
e	Tools & Spares	347975	673948	549249
f	Machines Spares	418830	264965	571116
g	Scraps	211756	663810	119040
		32021325	21224742	17603516

For mode of valuation refer Note No. 1 - (2.06) of Significant Accounting Policies

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [7]			
	Financial Assets :			
	Current : Trade Receivables			
	Unsecured			
a	Outstanding for a period exceeding six months from the date they are due for payment			
	Unsecured, considered good	5722527	5774087	5750662
	Unsecured, considered doubtful	0	0	0
		5722527	5774087	5750662
b	Outstanding for a period less than six months from the date they are due for payment			
	Unsecured, considered good	36741834	35857493	27722459
	Unsecured, considered doubtful		0	0
		36741834	35857493	27722459
		42464361	41631580	33473121
	No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. No any debts/receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.			
	NOTE No. [8]			
	Financial Assets :			
	Current : Cash and Cash Equivalents			
	<u>Balances with Banks</u>			
i	In Current Accounts	1819652	671145	1146133
ii	Cash on Hand	65012	51993	86379
		1884664	723138	1232512
	NOTE No. [9]			
	Financial Assets :			
	Current : Other Bank Balance			
	<u>Other Bank Balances</u>			
	<u>In TDR Accounts</u>			
	held as margin against BG/LCs	15000	0	75850
		15000	0	75850
	NOTE No. [10]			
	Financial Assets :			
	Other Current Assets			
	Unsecured, considered good			
a	Prepaid Expenses	505703	286036	233979
b	<u>Balances with Govt Authorities</u>			
	Balance with GST/Excise Authorities	105668	170323	338561
	Balance with Income Tax Authorities	0	119530	132285
		105668	289853	470846
c	Others	119107	1593472	678803
		730478	2169361	1383628

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [11]			
a)	<u>Equity Share Capital Authorised</u> Equity Shares of Rs. 10/- each.	30000000	30000000	30000000
	Number of shares	3000000	3000000	3000000
b)	<u>Issued, Subscribed & Paid up</u> Equity Shares of Rs. 10/- each.	14963380	14963380	14963380
	Number of shares	1496338	1496338	1496338
	Less :Calls in Arrears from others	3595	3595	3595
		14959785	14959785	14959785
	Add : <u>Forfeited Shares</u> Equity Shares of Rs. 2.50/- each.	34155	34155	34155
	Number of shares	13662	13662	13662
		14993940	14993940	14993940
c)	<u>Reconciliation of number of shares</u> Issued, subscribed and fully paid up outstanding at the beginning of the year	1496338	1496338	1496338
	Add :- Shares issued during the year	0	0	0
	Outstanding shares at the year end	1496338	1496338	1496338
d)	<u>Shareholder holding more than 5% of the equity shares at the end of the year:</u>			
		31.03.2018	31.03.2017	01.04.2016
		No. of Shares	No. of Shares	No. of Shares
		% of holding	% of holding	% of holding
	1 Jainex Foods Private Ltd	577956	577956	577956
		38.62%	38.62%	38.62%
	2 Bhagat Singh Dugar	62597	137097	211597
		4.18%	9.16%	14.14%
	3 Bharti Bafna	205700	131200	56700
		13.75%	8.77%	3.79%
	4 Rahul Bhagat Dugar	95250	95250	95250
		6.37%	6.37%	6.37%
		941503	941503	941503
		62.92%	62.92%	62.92%

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
e)	<u>Following details during the period from 01.04.2013 to 31.03.2018</u>			
i.	Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	0	0	0
ii.	Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	0	0	0
iii.	Aggregate number and class of shares bought back	0	0	0
f)	Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date.	0	0	0
g)	<u>Terms/rights attached to equity shares</u> The Company has only one class of shares capital, i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share held.			
	<u>NOTE No. [12]</u>			
	<u>Other Equity</u>			
a)	<u>Capital Reserve</u> As per last Balance Sheet	1500000	1500000	1500000
b)	<u>Capital Redemption Reserve</u> As per last Balance Sheet	3897400	3897400	3897400
c)	<u>Share Premium Account</u> As per last Balance Sheet (On Preferential Allotment in FY 13)	24000000	24000000	24000000
d)	<u>Retained Earnings</u> As per last Balance Sheet Add :- Profit for the year	(8211556) (300509)	-6074168 (2137388)	(6074168) 0
		(8512065)	(8211556)	(6074168)
e)	<u>Other Comprehensive Income (OCI)</u> As per last Balance Sheet Add :- Movement in OCI (Net) during the year	(3185806)	0 (3185806)	0
		(3185806)	(3185806)	-
	Total Other Equity	17699529	18000038	23323232

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [13]			
	Financial Liabilities :			
	Borrowings - Non Current			
	(Secured)			
	From Bank of India, Mumbai			
a	Rupee Term Loans - (*)	15237702	24152473	24680986
b	Corporate Loan - (*)	14510721	21742501	29518033
		29748423	45894974	54199019
	Less : Shown under other current liabilities as current maturities Note No. 17	16332633	21367974	16484734
		13415790	24527000	37714285
	Total (a to b)	13415790	24527000	37714285
	(*) Includes			
a)	Interest accrued but not due			
	Term Loans	11288	0	30034
	Corporate Loan	10721	0	0
	(a)	22009	0	30034
b)	Interest due and in default but paid after year end			
	Term Loans	0	1891207	1553481
	Corporate Loan	0	242501	726219
	(b)	0	2133708	2279700
c)	Default in Repayment of Principal			
	Term Loans	5698872	4922266	1682471
	Corporate Loan	0	500000	1791814
	(c)	5698872	5422266	3474285
d)	Period of Default			
	Term Loans	Between 1 to 13 months		
	Corporate Loan	0 < 1 month		
	Nature of Security and terms of repayment for Long Term secured borrowings:			
TLs	Nature of Security	Terms of Repayments		
VI 14	Term Loan of ₹ 0 Lacs (Previous year ₹ 33 Lacs)	Repayable in 24 Quarterly Instalments starting from 31.03.2012. Last Instalment due on 31.12.2017 which has been fully paid.		
VII 15	Term Loan of ₹ 152.38 Lacs including interest of ₹ 11288 (Previous Year Term Loan of ₹ 208.52 Lacs including of ₹ 18.91 lacs.)	Repayable in 24 Quarterly Instalments starting from 31.03.2013. Last Instalment due on 31.12.2018.		
VII 3	Corporate Loan of ₹ 145.11 Lacs (Previous Year Loan of ₹ 217.43 Lacs.)	Repayable in 60 Monthly Instalments starting from 31.10.2015. Last Instalment due on 30.09.21		
	Prime Security			
	Above Term Loans are secured by hypothecation of Plant & Machinery acquired under specific term loans and are collaterally secured by Equitable Mortgage of Land and Building situated at L/3,Chikhalhana, MIDC Indl Estate, Aurangabad and hypothecation of Plant and Machinery not acquired under above term loans.	Rate of interest on above Term Loans is 12.85% p.a. (previous year 13.60% p.a.) as modified by Bank from time to time.		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [14] Other Financial Liabilities : Others - Non-Current (Unsecured) Loans & Advances from related parties	25394400	26394400	26794400
		25394400	26394400	26794400
	NOTE No. [15] Provisions - Non-Current Claims due to employees	389897	389897	389897
	NOTE No. [16] Financial Liabilities : Borrowings - Current Secured Loans repayable on demand From Bank of India			
1	a Cash Credit Account	22916419	24196005	22833127
a	b Packing Credit Account	1535816	487660	2228367
c	c Acceptances under ILCs	0	0	505653
		24452235	24683665	25567147
	Prime Security			
	(Secured against hypothecation of Raw Materials, Work in Process, Finished Goods and Receivables)			
	Collateral Securities			
	(The above limits are collaterally secured by Equitable Mortgage of Land and Building situated at L/3, Chikhalthana, MIDC Indl Estate, Aurangabad) and hypothecation of Plant & Machinery not acquired under Term Loans from Bank of India.			
	NOTE No. [17] Financial Liabilities : Current Maturities of Long-Term Borrowings(Secured) From Bank of India			
a	a Term Loans and Corporate loan	16310624	19234266	14175000
b	b Interest accrued and due on term loans	11288	1891207	1583515
c	c Interest accrued and due on corporate loan	10721	242501	726219
	Refer Note No: - 13 - Borrowings - non current	16332633	21367974	16484734

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹	As at 01.04.2016 ₹
	NOTE No. [18]			
	Financial Liabilities :			
	Current - Trade Payables			
	<u>Other than Acceptances</u>			
	For Materials/Goods	28199394	16876888	8590185
	For Expenses	9515839	8206137	4149363
		37715233	25083025	12739547
	Sundry Creditors due to Micro and SMEs exceeding Rs. 1 lakh.	Not available	Not available	Not available
	NOTE No. [19]			
	Other Current Liabilities			
a	Statutory dues	6463225	6716862	1604846
b	Advance/ Credit balance of customers	488377	779426	694539
		6951602	7496288	2299385
	NOTE No. [20]			
	Current Liabilities :			
	Provisions			
	Provision for Employee Benefits			
a				
1	Salary & Reimbursements	4415521	4702281	2976121
2	Contribution to PF	177758	177016	145843
3	Leave Encashment	1599349	1089245	931658
		6192628	5968542	4053622
	NOTE No. [21]			
	Current Tax Liabilities (net)			
	Income Tax	274271	0	0
		274271	0	0

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2018 ₹	For the year ended on 31.03.2017 ₹	
a	NOTE No. [22]			
	Revenue from operations			
	SALES	Sales Returns Net		
	Gear Hobs	104042865 1559747 102483118	102483118	88920800
	Milling Cutters	30642958 101528 30541430	30541430	28540019
	Spline Gauges	13653161 581315 13071846	13071846	13620889
		148338984 2242590 146096394		
			146096394	131081708
	Add: Central Excise Duty & ED. Cess Collected		3253197	14005085
	Gross Sales		149349591	145086793
	b	Other Operational Income		
		Job Work Charges		5249619
		Add :Service Tax collected on Job Work		780404
		Scrap /Misc. Sales		1177199
				8271320
Total (a+ b)			157620911	152294015
includes export of Rs.			18977912	19045793
NOTE No. [23]				
Other Income				
LBT / Octroi received		0	202250	
Income Tax Refund		22224	0	
Misc. Receipts/write-off(net)		12573	47088	
Interest Received		200710	314654	
Interest on Income Tax Refund		7546	5882	
Exchange Gain on Import (net)		-86460	70630	
Exchange Gain on Export (net)		137545	-78218	
Bad Debt Recovered		0	83885	
		294138	646171	

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2018 ₹	For the year ended on 31.03.2017 ₹
	NOTE No. [24] Cost of Raw Material Consumed Inventory at the beginning of the year	6808695	7214444
	Add : Purchase (net of returns, centvat + freight & octroi)	50053468	34322938
	Less : Inventory at the end of the year	12590985	6808695
		44271178	34728687
	<u>Details of Raw Material Consumption</u>		
		17-18	16-17
		Qty. in Kgs.	Qty. in Kgs.
a)	Import	116 0.34%	1511 5.35%
b)	Indigenous/ Local purchase	33657 99.66%	26740 94.65%
		33774	28251
		100.00%	100.00%
		539874	2114136
		1.22%	6.09%
		43731304	32614551
		98.78%	93.91%
		44271178	34728687
		100.00%	100.00%
	NOTE No. [25] Changes in Inventories		
a	<u>Inventories at the end of the year:</u> Finished Goods	7483846	8421013
	Work-in-Progress	8644171	2835687
	Scrap	211756	663810
		16339773	11920510
b	<u>Inventories at the beginning of the year:</u> Finished Goods	8421013	5026932
	Work-in-Progress	2835687	2537057
	Scrap	663810	119040
		11920510	7683029
	Net (Increase)/Decrease	-4419263	-4237481
	NOTE No. [26] Excise duty/Service tax		
	Excise Duty	3282958	14044123
	Service Tax	218855	794740
	Increase /(decrease) of Excise Duty on Finished Goods	-935668	377120
		2566145	15215983
	NOTE No. [27] Employees Benefits Expenses		
a	Salaries, Wages & Allowances (*)	43264802	39857215
b	Contribution to Provident and Other Funds	2097724	2061710
c	Gratuity Fund Contribution	1053859	592749
d	Staff Welfare Expenses	2159794	2252101
		48576179	44763775
	(*) Includes Remuneration to Whole Time Directors	2817793	2406890

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2018 ₹	For the year ended on 31.03.2017 ₹
	NOTE No. [28]		
	Finance Cost		
a)	Interest expense on:		
	Borrowings from Bank (WC + TL)	8583208	10098554
b)	Other borrowing costs	500771	531669
		9083979	10630223
	NOTE No. [29]		
	Depreciation and Amortization Expense		
	Depreciation	11458409	12334064
	Preliminary Expenses W/off	0	141498
		11458409	12475562
	NOTE No. [30]		
	Other Expenses		
a)	Manufacturing Expenses		
	Consumption of Stores etc.	3640417	4070756
	Consumption/Write off of Tools and Spares	2517682	1615642
	Consumption of Packing Materials	783780	670788
	Labour Charges (Mfg.)	5762250	4658430
	Power and Fuel	6349415	6071945
	Repairs and Maintenance - Buildings	77248	23605
	Repairs and Maintenance - Machinery	2079597	2342448
	Repairs and Maintenance - Others	494991	235784
		21705380	19689398
b)	Administrative & Other Expenses		
	Travelling and Conveyance	2867484	2291569
	Sales Commission	8330215	7568913
	Consignment Expenses	3127203	3365387
	Legal and Professional	3620742	3840940
	Miscellaneous Expenses	4858015	4003825
		22803659	21070635
	Total (a+b)	44509039	40760033

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
1	<p>NOTE No. [31] - Additional information</p> <p><u>Contingent liabilities</u> <u>(To the extent not provided for)</u></p> <p>(i) Claims against the company not acknowledged as debt</p> <p>(ii) Letters of credits opened awaiting shipment / delivery.</p> <p>(iii) <u>Guarantees</u></p> <p>(a) Bank Guarantee valid upto 28/09/2021 against EPGC Licence issued by Bank of India against export obligations to be fulfilled in 6 yrs commencing from FY 12. The said guarantee was equivalent to 15% of duty saved amount of Rs. 119.49 lacs on import of 3 Machines (but reduced for two machines consequent upon re-exporting of one machine), under export obligation against which 100% margin by way of TDR (i.e. 15% of Rs. 119.49 lacs equivalent to Rs. 17.92 lacs but rounded to Rs. 20.70 lacs) was held by bank. The said guarantee has been redeemed/ discharged during the year.</p> <p>(b) A Bond of Rs. 335 lacs in the form of undertaking dated 27/09/2011 is given by the Company under said EPGC No. 03330030577 dated 15/09/2011 in favour of President of India account custom towards duty saved plus interest for 10 years at 18% p.a. in case if there is a short fall in meeting the export obligations. (Export obligations have been fulfilled during FY 12 to FY 17). An application was submitted for redemption of EPCG Licence on April 14,2017 and the redemption order from DGFT was received on 08.11.2017. Accordingly vide its letter dated 27.02.18, JNPT Custom has cancelled the Bond and Bank Guarantee and returned the original Bond duly cancelled along with the bank guarantee.</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>0</p> <p>2070000</p> <p>0</p> <p>0</p>
2	<p><u>Commitments</u></p> <p>(i) Commitment pending on capital accounts - net of advance</p> <p>(ii) Uncalled liability on shares and other investments partly paid</p> <p>(iii) Other commitments (specify nature)</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p> <p>0</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p> <p>0</p>
3	<p><u>Payment to Auditors</u></p> <p>a) As Auditor</p> <p>b) For Tax Audit Fees</p> <p>c) For Taxation & Other Matters</p> <p>d) For Banking Matters</p> <p>e) GST/Service Tax</p>	<p>75000</p> <p>25000</p> <p>15000</p> <p>25000</p> <p>11700</p> <p>76700</p> <p>151700</p>	<p>75000</p> <p>15000</p> <p>10000</p> <p>25000</p> <p>18750</p> <p>68750</p> <p>143750</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
4	CIF Value of Imports		
	i. Raw Materials;	427725	429133
	ii. Components and Spare Parts;	1315606	772500
		1743331	1201633
5	Expenditure in Foreign Currency		
	Travelling	649192	377692
	Commission	974102	0
	Exhibition Expenses	39955	0
6	Earning in Foreign Exchange		
	Export of goods calculated on FOB basis	18977912	19045793
7	Earning per Share (EPS) - Basic & Diluted - computed as per INDAS 33		
	(i) Profit after tax	-300509	-5323194
	(ii) Number of shares fully paid up (net of forfeiture)	1496338	1496338
	(iii) Nominal value of equity shares	10	10
	(iv) Basic earning per share	-0.20	-3.56
	(v) Diluted earning per share	-0.20	-3.56
8	The Disclosure on "Employee Benefits" as per Ind AS 19 and the Companies (Accounting Standards) Rules, 2006.		
	a) Defined Contribution Plan		
	The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid/payable under the schemes are recognised during the year in which the employee renders the related services.		
	Contribution to Defined Contribution Plan, recognised and charged off during the year are as under.		
	Employer's Contribution to state governed Provident Fund	612136	693712
	Employer's Contribution to state governed Pension Schemes	1303362	1164018
	Employer's Contribution to state governed Employees State Insurance Scheme.	592331	480372
		2507829	2338102
	b) Defined Benefit Plan/ Long Term Compensated Absences.		
	The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on previous experience and actual valuation given by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements subject however to payment of		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
	<p>arrears as reflected in the company's financial statements under the head ' Other Comprehensive Income (OCI) '. Since the valuation by LIC is based on their vast experience and at actuals , no third party actuarial advice was considered necessary by the management.</p> <p>The amount of obligation as at the year end is determined as per actual valuation by Company's Employees Group Gratuity Scheme maintained with LIC Aurangabad under their master policy no. 66567 and policy no.703000405.</p>		
	i) Value of obligation as at 1st April 2017	6475048	1371797
	Interest Cost	139365	104999
	Current Service Cost	531192	544426
	Short provision of earlier years	0	4610429
	Plan Amendments	0	0
	Actual Losses/(Gains)	0	0
	Benefit paid	186489	156603
	Value of obligation as at 31st March 2018	6959116	6475048
	ii) Fair value of Assets		
	(a) with Lic		
	Plan Assets at beginning of period	1864619	1371797
	Expected return on Plan Assets	139365	104999
	Actual Company Contribution	531192	544426
	Acturial Losses/(Gains)	0	0
	Benefits paid	-186489	-156603
	Net Asset(liability) at the end of period	2348687	1864619
	(b) Bank balance in Gratuity trust account	96537	96441
	Total fair value of assets	2445224	1961060
	iii Excess/(Short) payments (i -ii) (provided but not funded)	4513892	4513988
	c) Compensated Absences		
	The company has provided for the actual leave encashment liability as per company rules at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn. Since leave encashment liability at actual is fully provided , no actuarial advice is considered necessary by the management. However, provision made for leave encashment during the year and unpaid liability at year end are as under.		
	Provision made for the year in Profit & Loss account	775940	308430
	Unpaid Liability (non funded) under leave encashment at year end	1599349	1089245

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
9	<p>Amounts not provided for</p> <p>a) Import against LC (DA/DP) for purchase of raw materials.</p> <p>b) Claims by employees On account of claims by two ex-employees recorded in the accounts as liability amounting to Rs. 0.67 lacs and Rs. 3.23 lacs out of which the claim of Rs.3.23 lacs has been decided in favour of the late ex-employee for his claim on LIC. Any additional probable liability arising in connection with the said cases; will be provided at the time of claim by LIC on the company.</p> <p>c) Civil Suit, Counter Claim and FIR on erstwhile Technical Director</p> <p>(i) Civil Suit Erstwhile Technical Director of the company had filed a civil suit in the City Civil Court at Aurangabad claiming an amount of Rs 50 lacs from the company in FY 04 - 05 for his alleged terminal dues. As a counter claim to the suit the company had claimed Rs 75 lac from the said ex-employee Mr. N. K. Chatterjee. All parties to the civil suit to maintain the cordial relations against each others; have by negotiations and deleberations decided to withdraw the claims made against each others and accordingly the Hon'ble 6th Joint Civil Judge Senior, Aurangabad passed a <u>PURSHISH</u> Order on 19th August, 2017 to the said effect. Hence all the parties have withdrawn their respective claims. The suit and the counter claim were disposed of as withdrawn.</p> <p>(ii) FIR In view of the withdrawl of civil suit and counter claim by mutual consent and as per direction by the Hon'ble Joint Civil Judge Senior, Aurangabad in the order dated 19th August 2017 that "<u>whatever civil or criminal letigations pending against each others in the different courts of law are also to be withdrawn by each others</u>". Accordingly an application has been made to JMFC, XVth Court, Aurangabad to withdraw / discharge the criminal proceedings. The order against the same is awaited.</p> <p>d) On account of penalty of imposed by SEBI which is represented by the company for remission/ waiver and is still continuing as pending.</p> <p>e) On account of additional custom duty demand of Rs. 7,13,812/- on a CNC machine imported in FY 07 - 08 and contested in appeal before the Customs , Excise</p>	<p>0</p> <p>0</p> <p>175000</p>	<p>0</p> <p>0</p> <p>175000</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
	<p>and Service Tax Appellate Tribunal at Mumbai against which an amount of Rs. 2,00,500/- has been deposited to admit the appeal. The custom authorities issued SCN (show cause notice) in the said matter demanding the said amount as CVD instead of basic custom duty. The matter came up for hearing before Tribunal, at Mumbai on 3rd May 2018. The counsel for the company represented and argued the issue of SCN as bad in law as it did not pertain to issue under SCN / dispute. The Hon'ble Tribunal has remanded back the matter to the concerned authority and the order is awaited.</p> <p>The above provisions being possible but not probable have not been made as the company believes that none of the above contingencies would have a material adverse effect on the company's financial conditions, results of operations or cash flows.</p>	713812	713812
10	<u>Related Party Disclosures</u>		
a)	<u>Related Party and their Relationship</u>		
	Subsidiaries : NIL		
	Associates : Jainex Foods Private Limited Jainex Limited Jainex Imports & Exports Private Limited Dugar Brothers & Company		
	Key Management Personnel : Mr. B. S. Dugar (Chairman) Mr. M. Z. Kothari (Managing Director) Mr. Kunal Bafna (Whole Time Director and CFO)		
b)	Relatives of Key Management Personnel : NIL		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
	Transactions with Related Party	Amount FY 2017-18	Amount FY 2016-17
	Nature		
	Subsidiaries :	Nil	Nil
	Directors :	Nil	Nil
	Sitting Fees to Directors	Nil	Nil
	Interest to Director	Nil	Nil
	Reimbursement of exp.	Nil	Nil
	<u>Payments to Body Corporates</u>	202960	Nil
	Purchases - items for sales promotion		
	Repayment of Loans	1000000	1800000
	<u>Payments to Relatives of Director</u>	Nil	Nil
	Interest		
	<u>Payments to/from Director/a Firm</u>	Nil	Nil
	Interest	Nil	Nil
	Purchases	Nil	Nil
	Loans Received	0	1400000
	Loans Repaid	Nil	Nil
	Key Management Personnel :	2817793	2406890
	Director's Salary	Nil	Nil
	Allowances, Rent etc.		
	Relatives of Key Management Personnel :		
c)	Balances with the related parties :		
	<u>Loans taken</u>	4694400	5694400
	Jainex Foods Pvt. Ltd.	20200000	20200000
	Dugar Brothers & Co	500000	500000
	Kunal Bafna		
	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
11	<u>Disclosure as required by Clause 32 of listing Agreement.</u>		
	Amount of Loans/Advances in nature of loans outstanding from Subsidiaries and Associates during the year		
	Subsidiaries :	Nil	Nil
	Associates :	Nil	Nil
	Key Management Personnel :	Nil	Nil
	Relatives of Key Management Personnel :	Nil	Nil

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

Notes forming part of the Accounts (Contd.)

NOTE No. [31] - Additional information (Contd.)

Sr. No.	Particulars	FY 2017-18 ₹	FY 2016-17 ₹
12	<u>Qualified Company Secretary</u> The company is not having a Qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013.		
13	<u>Confirmation of Balances</u> The balances of trade receivables, trade payables, unsecured loans and loans and advances are subject to confirmation.		
14	Figures for previous year have been rearranged/regrouped wherever necessary.		

As per our report of even date attached

In terms of our report attached.

For **P. M. BHARGAVA & CO.**
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 18th May,2018

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

**Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthal Das
Thackersey Marg, New Marine Lines, Mumbai – 400020.**

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-11

Proxy form

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

Name of the member : _____

Registered Address : _____

E-mail Id : _____

Folio No. / Client Id : _____

DP ID : _____

I/We, being the Member(s) of _____ shares of the
above mentioned company, 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: _____, or failing him

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventieth Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018 at 10.30 A.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthaldas Thackersey Marg, New Marine Lines, Mumbai-400020; and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
Ordinary Business:	
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended 31 st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Re-appointment of Mr. Bhagat Singh Dugar as a Director retiring by rotation.

Signed this _____ day of _____, 2018

Signature of the Shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp

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.

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695
Registered Office: 405 & 406, Sharda Chambers, 15, Sir Vitthaladas
Thackersey Marg, New Marine Lines, Mumbai – 400020.

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

SEVENTIETH ANNUAL GENERAL MEETING – SATURDAY, 29TH
SEPTEMBER, 2018 AT 10.30 A.M

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Sr. No.

Name and address of the Shareholder	
Joint holder(s)	
Regd. Folio/DP ID & Client ID	
Number of Shares	

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Seventieth Annual General Meeting of the Company being held on Saturday, 29th September, 2018 at 10.30 A.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthaladas Thackersey Marg, New Marine Lines, Mumbai- 400020.

Name of the Shareholder(s)/Proxy(s)

Signature of the
Shareholder(s)/Proxy(s)
(In Block Letters)

Note: Shareholder/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance of the venue of the meeting.

ELECTRONIC VOTING PARTICULARS

E-Voting Event Number [EVEN]	USER ID	PASSWORD/PIN
109576		

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

**Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthaladas
Thackersey Marg, New Marine Lines, Mumbai – 400020.**

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-12

Polling Paper

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c)
of the Companies (Management and Administration) Rules, 2014]*

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the first Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity

JAINEX AAMCOL LIMITED ANNUAL REPORT 2017-18

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Seventieth Annual General Meeting (AGM) of the Company to be held on **Saturday, 29th September, 2018 at 10.30 A.M.** in respect of business as stated in the Notice dated 14 August, 2018, by conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate boxes given below:

Sr. No	Item No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended 31 st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.			
2.	Re-appointment of Mr. Bhagat Singh Dugar (DIN: 00013082) as a Director retiring by rotation.			

Place:

Signature of the Shareholder

Date:

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done through e-voting shall be considered valid. In case a member casts votes by ballot and also physically votes at the AGM, then the votes cast by ballot shall be considered valid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system, the votes cast by ballot and the votes cast on poll at the AGM to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. Please complete and sign the Ballot Form and send it, so as to reach the Scrutinizer Mrs. Sonal Shah, Proprietor of Sonal Kothari & Associates, Practising Company Secretaries (Membership No. ACS 24216; C.O.P No.: 8769). The last date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority. No other form or photocopy thereof is permitted.
5. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next named joint holder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.
6. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.

7. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the appropriate column provided in the Ballot Form.
8. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on 22nd September, 2018 and as per the Register of Members of the Company.
9. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Ballot Form should reach the Scrutinizer not later than the date and time specified in serial no. 4 above.
10. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which make it difficult for the Scrutinizer to identify either the member or as to whether the votes are cast in favour of or against or if the signature cannot be verified.
11. The decision of the Scrutinizer on the validity of a Ballot Form shall be final and binding.

If Undelivered please return to :

JAINEX AAMCOL LIMITED

CIN : L74999MH1947PLC005695

405 & 406, Sharda Chambers,
15, Sir Vitthalidas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.