

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT To the Members of JK Files (India) Limited Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of JK Files (India) Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400 063
T: +91 (22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of JK Files (India) Limited
Report on the audit of the Financial Statements

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Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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INDEPENDENT AUDITOR'S REPORT

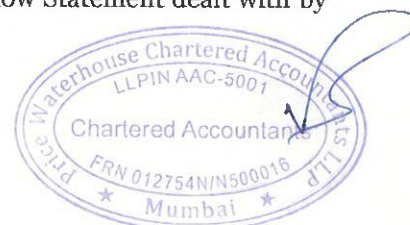
To the Members of JK Files (India) Limited
Report on the audit of the Financial Statements

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. 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 Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of JK Files (India) Limited
Report on the audit of the Financial Statements

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- d) In our opinion, the aforesaid financial statements comply with the 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its financial statements – Refer Note 35 to the financial statements;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019; and
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 25, 2019

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements for the year ended March 31, 2019

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Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of JK Files (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
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 with reference to financial statements.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements for the year ended March 31, 2019

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Meaning of Internal Financial Controls with reference to financial statements

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

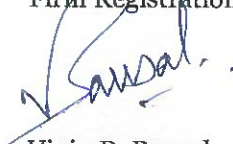
Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
April 25, 2019

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 2 on Property, Plant and Equipment and Note 12 on Assets classified as held for sale to the financial statements, are held in the name of the Company, except for following leasehold land transferred to the Company, pursuant to a demerger from Raymond Limited, which is pending registration in the name of the Company:

(Rs. In lakhs)

Location	Type of Immovable Property	Gross Block	Net Block
Chiplun	Leasehold Land	154.79	135.21

- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Provident Fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, income tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 35 to the financial statements regarding management's assessment on certain matter relating to provident fund.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements as of and for the year ended March 31, 2019

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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, duty of excise, and goods and services tax as at March 31, 2019 which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, and value added tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956 and West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	66.23	2007-08 and 2011-12	Revision Board
The Central Sales Tax Act, 1956 and Maharashtra Value Added Tax Act, 2002	Sales Tax (VAT and CST)	84.39	2009-10 and 2013-14	Deputy Commissioner of Sales Tax
The Central Sales Tax Act, 1956, Maharashtra Value Added Tax Act, 2002, West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	21.52	2012-13 to 2014-15	Sales Tax Officer
The Central Sales Tax Act, 1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	2.45	2015-16	Deputy Commissioner
The Central Sales Tax Act, 1956 and Maharashtra Value Added Tax Act, 2002	Sales Tax (VAT and CST)	3.76	2010-11	Joint Commissioner (Appeals)
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014-15	Sr. Joint Commissioner
The Central Sales Tax Act, 1956	Sales Tax	0.22	1996-97	Appellate Board
The Income Tax Act, 1961	Income Tax	53.49	2009-10 to 2012-13	Commissioner of Income Tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



Price Waterhouse Chartered Accountants LLP

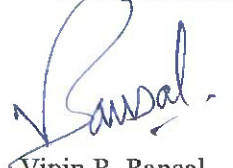
Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements as of and for the year ended March 31, 2019

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- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Vipin R. Bansal
Partner

Membership Number: 117753

Mumbai
April 25, 2019

	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
I	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	2	5,145.68	5,774.86
	(b) Capital work - in - progress		30.62	34.93
	(c) Goodwill		79.41	79.41
	(d) Other Intangible assets	3	128.12	375.09
	(e) Investment in subsidiary	4	724.89	724.89
	(f) Financial assets			
	(i) Loans	5	129.69	133.29
	(ii) Other Financial Asset	6	0.50	0.50
	(g) Deferred tax assets (net)	30	368.52	367.80
	(h) Non Current tax asset (net)		20.48	210.94
	(i) Other non - current assets	7	228.51	282.81
	Total Non-Current Assets		6,856.42	7,984.52
2	Current assets			
	(a) Inventories	8	4,857.46	3,720.52
	(b) Financial assets			
	(i) Trade receivables	9	5,517.42	6,284.99
	(ii) Cash and cash equivalents	10	3.93	21.83
	(iii) Other financial asset	6	5.83	84.53
	(c) Other current assets	11	1,833.71	2,459.30
	Total Current Assets		12,218.35	12,571.17
3	Assets classified as held for sale	12	105.75	6.56
	TOTAL ASSETS		19,180.52	20,562.25
II	EQUITY AND LIABILITIES			
1	Equity			
	a) Equity share capital	13	3,074.07	3,074.07
	b) Other equity	14	2,152.90	718.06
	Total Equity		5,226.97	3,792.13
2	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	3,427.82	3,679.52
	Total Non Current Liabilities		3,427.82	3,679.52
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	2,147.72	3,919.77
	(ii) Trade payables	17		
	(a) total outstanding of micro and small enterprises		58.52	-
	(b) total outstanding other than (ii) (a) above		4,738.60	5,647.15
	(iii) Other financial liabilities	18	1,872.19	2,716.57
	(b) Provisions	19	317.86	406.56
	(c) Other current liabilities	20	1,390.84	400.55
	Total Current Liabilities		10,525.73	13,090.60
	Total Liabilities		13,953.55	16,770.12
	TOTAL EQUITY AND LIABILITIES		19,180.52	20,562.25
	SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes (1 to 47) are an integral part of these financial statements

As per our attached Report of even date

For and on behalf of Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Director
K. A. NARAYAN
DIN: 00950539

Director
VIPIN AGARWAL
DIN: 02963480

Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai
25th April, 2019

Srinivasan Ganapathy
Chief Financial Officer

Archana Panchal
Company Secretary

Mumbai
25th April, 2019

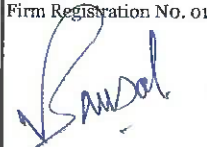
Statement of Profit and Loss for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
I	Revenue from operations	21	40,438.64	36,719.96
II	Other income	22	131.85	2.77
III	Total income (I+II)		40,570.49	36,722.73
IV	Expenses			
	Cost of raw materials consumed	23	11,383.63	9,909.39
	Purchases of Stock-in-Trade	24	4,498.19	2,987.83
	Changes in inventories of work-in progress, finished goods and Stock-in-Trade	25	(32.19)	(434.82)
	Employee benefits expense	26	6,304.95	6,446.15
	Finance costs	27	871.11	785.11
	Depreciation and amortization expense	28	903.99	925.69
	Other expenses	29		
	(a) Manufacturing and operating expenses		9,151.00	10,204.66
	(b) Other expenses		5,204.09	4,611.30
	Total expenses (IV)		38,284.77	35,435.31
V	Profit / (Loss) before exceptional items and tax (III-IV)		2,285.72	1,287.42
VI	Exceptional Items	43	29.06	2,906.77
VII	Profit/(Loss) before tax (V-VI)		2,256.66	(1,619.35)
VIII	Tax expense	30		
	Current tax		697.87	-
	Deferred tax		45.47	209.74
IX	Profit/ (Loss) for the year (VII- VIII)		1,513.32	(1,829.09)
X	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	31	84.21	(9.80)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	30	(29.43)	(3.27)
	Other Comprehensive Income for the year		54.78	(6.53)
XI	Total Comprehensive Income for the year (IX+X)		1,568.10	(1,835.62)
XII	Earnings per equity share of Rs. 10 each	33		
	Basic earnings per share (in Rs.)		17.31	(20.93)
	Diluted earnings per share (in Rs.)		14.31	(20.93)
	SIGNIFICANT ACCOUNTING POLICIES	1		

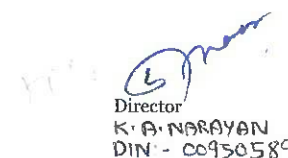
The accompanying notes (1 to 47) are an integral part of these financial statements

As per our attached Report of even date

For and on behalf of Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016


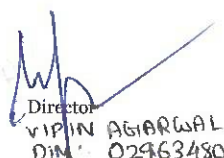
Vipin R. Bansal
Partner
Membership No.: 117753
Mumbai
25th April, 2019



Director
K.A. NARAYAN
DIN - 00950589



Srinivasan Ganapathy
Chief Financial Officer

Mumbai
25th April, 2019


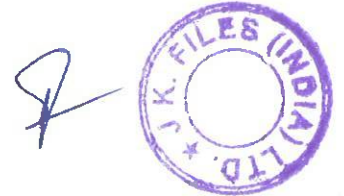
Director
VIPIN AGARWAL
DIN - 02963430



Archana Panchal
Company Secretary

Statement of Cash Flow for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018	
A.	Cash Flow from Operating Activities				
	Profit/(loss) before exceptional items and tax as per statement of profit and loss		2,285.72		1,287.42
	Adjustment for :				
	Depreciation and Amortisation expenses	903.99		925.69	
	Net gain/(loss) on disposal/discard of property, plant and equipment	10.17		137.02	
	Liabilities no longer required written back	(10.88)		-	
	Interest income	(69.30)		(67.32)	
	Finance Cost	871.11		785.11	
	Unrealised (gain)/loss on foreign exchange fluctuations	61.63		(49.98)	
	Net gain on sale of investments	-		(28.57)	
	Allowances for doubtful debts and advances	368.09		80.53	
	Changes in Accounting Policy (Refer note 46)	(179.46)		-	
	Remeasurement of net defined benefit plan	84.21		(9.80)	
	Changes in Operating Assets & Liabilities		2,039.56		1,772.68
			4,325.28		3,060.10
	(Increase)/Decrease in Inventory	(1,136.94)		(362.28)	
	(Increase)/Decrease in Trade & Other receivables	1,099.10		(2,971.61)	
Increase/(Decrease) in Trade & other Payables	(1,043.81)		1,765.72		
Increase/(Decrease) in Provisions	(88.70)		52.40		
		(1,170.35)		(1,515.77)	
		3,154.93		1,544.33	
Add / (Less): Direct Taxes (Paid)/ Refund received (Net)		(536.84)		94.95	
Less : Exceptional Item		2,618.09		1,639.28	
		29.06		2,906.77	
Net cash flows (used in)/generated from operating activities after exceptional items		2,589.03		(1,267.49)	
B.	Cash Flow from Investing Activities				
	Inflows				
	Sale Proceeds of property, plant & equipment (including Advances)		1,116.53		104.43
	Proceeds from sale of current investments		-		1,028.57
	Interest received		70.03		67.40
			1,186.56		1,200.40
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress)		(268.01)		(206.48)
	Purchase of current investments		-		(1,000.00)
			(268.01)		(1,206.48)
Net cash flows (used in)/generated from investing activities		918.55		(6.08)	
C.	Cash Flow from Financing Activities				
	Inflows				
	Proceeds of short term borrowings (net)		-		1,884.18
			-		1,884.18
	Outflows				
	Repayment of long term borrowings		(878.60)		(942.00)
	Repayment of Short term borrowings (net)		(1,772.05)		-
	Interest Paid		(874.83)		(784.57)
			(3,525.48)		(1,726.57)
	Net cash flows (used in)/generated from financing activities		(3,525.48)		157.61
Net Increase in Cash and Cash Equivalents (A+B+C)		(17.90)		(1,115.96)	
Add :Cash and Cash Equivalents at the beginning of the financial Year		21.83		1,137.79	
Cash and Cash Equivalents as at the end of the Year		3.93		21.83	
		3.93		21.83	



Statement of Cash Flow for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March, 2019	Year ended 31st March, 2018
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	3.93	21.83
Balance as per Statement of Cash Flows	3.93	21.83

The accompanying notes (1 to 47) are an integral part of these financial statements

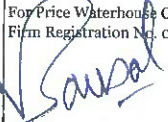
Note

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cashflows.

As per our attached report of even date

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016


Vipin R Bansal
Partner
Membership Number - 117753

Mumbai
25th April, 2019


Director
K. P. NARAYAN
DIN: 00950589

Sunivasan Ganapathy
Chief Financial Officer
Mumbai
25th April, 2019


Director
VIPIN AGARWAL
DIN: 02963480

Archana Panchal
Company Secretary

J K Files (India) Limited
Statement of Changes in Equity for the year ended 31st March, 2019
 (All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at 1st April, 2017	3,074.07
Change in equity share capital during the year	-
As at 31 March, 2018	3,074.07
Change in equity share capital during the year	-
As at 31 March, 2019	3,074.07


B. Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April, 2017	314.50	2,239.18	2,553.68
Loss for the year	-	(1,829.09)	(1,829.09)
Other Comprehensive Income for the year	-	(6.53)	(6.53)
Total Comprehensive Income for the year	-	(1,835.62)	(1,835.62)
Balance as at 31st March, 2018	314.50	403.56	718.06
Change in accounting policy (Refer Note 46)	-	(133.26)	(133.26)
Profit for the year	-	1,513.32	1,513.32
Other Comprehensive Income for the year	-	54.78	54.78
Total Comprehensive Income for the year	-	1,434.84	1,434.84
Balance as at 31st March, 2019	314.50	1,838.40	2,152.90


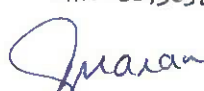
The accompanying notes (1 to 47) are an integral part of these financial statements


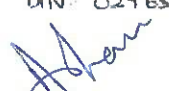
As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016


 Vipin R. Bansal
 Partner
 Membership No.: 117753
 Mumbai
 25th April, 2019

For and on behalf of Board of Directors


 Director
 K. S. NARAYAN
 DIN: 00950589

 Srinivasan Ganapathy
 Chief Financial Officer
 Mumbai
 25th April, 2019


 Director
 VIPIN AGARWAL
 DIN: 02963480

 Archana Panchal
 Company Secretary

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

I. Background and Operations

JK Files(India) Limited incorporated in India having registered office at Mumbai and Manufacturing facilities at Ratnagiri, Chiplun, Pithampur and Vapi. The Company is a leading Engineering tools Company.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015], as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that is measured at fair value;
- 2) assets held for sale - measured at the lower of its carrying amount and fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

(iii) New and amended standards adopted by the Company

The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018 :

- Ind AS 115, Revenue from Contracts with Customers
- Amendment to Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance
- Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Amendment to Ind AS 12, Income taxes
- Amendment to Ind AS 40, Investment Property
- Amendment to Ind AS 28, Investments in Associates and Joint Ventures and Ind AS 112, Disclosure of Interests in Other Entities

The Company has applied Ind AS 115 for the first time by using the modified retrospective method with the date of initial application of April 1, 2018. The details are disclosed in note 46. Most of the others did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the (company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold land is amortised over the period of lease.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which is based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

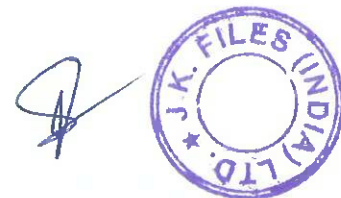
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Goodwill generated as part of business combination are not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.



Trademarks

Trademarks acquired separately are shown at historical cost. Trademarks acquired in business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method

The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

- Computer Software : 3 years
- Trademark : 10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Ministry of Corporate Affairs (MCA), on 30 March 2019, notified amendments to Ind AS 116, Lease. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the accounting period beginning on or after April 1, 2019.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stock-in-trade, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investment in subsidiary

Investment in subsidiary is recognised at cost as per Ind AS -27.

(i) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- * those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- * those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

* Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.



(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Equity

Preference shares, which are Compulsory Convertible are classified as Equity. The Company will have option for redemption of the said shares at par.

(k) Derivative financial instruments

Derivative financial instruments such as forward currency contracts and option contract, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(n) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in Statement of Profit and loss.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed in respect of possible asset that may arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

(o) Revenue recognition

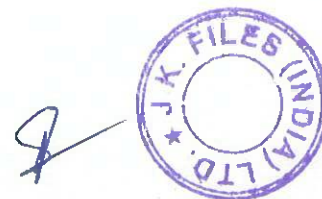
Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods is sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme", "Merchandise Export from India Scheme" etc. is accounted in the year of export.



(p) Employee benefits

(i) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(ii) Post-employment obligations

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.



(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Manufacturing and operating Expenses :

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the company.

(v) Impairment of non-financial assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(w) Non-current assets held for sale :

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

1(a) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 31).
- Inventory write down (Refer Note 8).



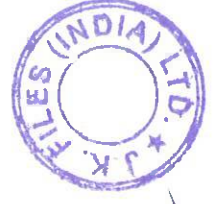
J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2- Property, Plant and Equipment

	Land		Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
	Freehold	Leasehold							
Gross Carrying amount									
Balance as at 1st April, 2017	35.47	413.23	1,603.15	5,596.78	112.37	23.68	28.70	131.68	7,945.06
Additions	-	-	8.90	185.05	1.56	3.49	0.93	13.80	213.73
Disposals	-	-	-	142.83	0.56	-	0.60	0.35	144.34
Reclassification as held for sale (Refer note 12)	-	-	-	184.61	-	-	-	-	184.61
Balance as at 31st March, 2018	35.47	413.23	1,612.05	5,454.39	113.37	27.17	29.03	145.13	7,829.84
Additions	-	-	48.36	167.45	6.02	-	12.81	9.29	243.93
Disposals	-	-	-	207.56	-	0.11	-	2.41	210.08
Reclassification as held for sale (Refer note 12)	35.47	-	119.87	-	-	-	-	-	155.34
Balance as at 31st March, 2019	-	413.23	1,540.54	5,414.28	119.39	27.06	41.84	152.01	7,708.35
Accumulated Depreciation									
Balance as at 1st April, 2017	-	12.32	158.91	1,132.52	49.59	12.65	17.41	77.06	1,460.46
Additions	-	6.16	64.76	549.20	16.91	4.46	4.26	29.70	675.45
Disposals	-	-	-	38.89	0.56	-	0.43	-	39.88
Reclassification as held for sale (Refer note 12)	-	-	-	41.05	-	-	-	-	41.05
Balance as at 31st March, 2018	-	18.48	223.67	1,601.78	65.94	17.11	21.24	106.76	2,054.98
Additions	-	6.22	61.83	551.81	12.42	2.00	2.63	16.31	653.22
Disposals	-	-	-	93.89	-	0.08	-	1.97	95.94
Reclassification as held for sale (Refer note 12)	-	-	49.59	-	-	-	-	-	49.59
Balance as at 31st March, 2019	-	24.70	235.91	2,059.70	78.36	19.03	23.87	121.10	2,562.67
Net Block									
Balance as at 31st March, 2018	35.47	394.75	1,388.38	3,852.61	47.43	10.06	7.79	38.37	5,774.86
Balance as at 31st March, 2019	-	388.53	1,304.63	3,354.58	41.03	8.03	17.97	30.91	5,145.68

NOTE:

- 1) Leasehold Land of Chiplun Plant is under process of execution in the name of the Company having carrying amount Rs 135.21 lakhs (31st March, 2018 : Rs 137.20 lakhs)
- 2) Refer note 34 for information on Property Plant and Equipment pledged as security by the company.
- 3) Refer note 36 for disclosure of contractual commitments for acquisition of Property Plant and Equipment.



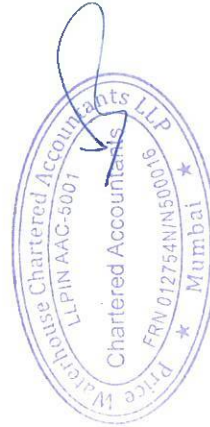
J K Files (India) Limited

Notes to the financial statements for the year ended 31st March, 2019

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3- Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
Balance as at 1st April , 2017	34.04	1,125.00	1,159.04
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2018	34.04	1,125.00	1,159.04
Additions	3.80	-	3.80
Disposals	-	-	-
Balance as at 31st March, 2019	37.84	1,125.00	1,162.84
Accumulated Amortisation			
Balance as at 1st April , 2017	33.71	500.00	533.71
Additions	0.24	250.00	250.24
Disposals	-	-	-
Accumulated Amortisation as at 31st March ,2018	33.95	750.00	783.95
Additions	0.77	250.00	250.77
Disposals	-	-	-
Accumulated Amortisation as at 31st March ,2019	34.72	1,000.00	1,034.72
Net carrying amount			
Balance as at 31st March, 2018	0.09	375.00	375.09
Balance as at 31st March, 2019	3.12	125.00	128.12



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-4 Investment in subsidiary

Unquoted

Equity instruments at cost
JK Talabot Limited
72,48,936 Equity Shares of Rs.10 each (31st March, 2018) 72,48,936 of Rs.10 each

Total

Aggregate value of unquoted investment

As at 31st March, 2019	As at 31st March, 2018
724.89	724.89
724.89	724.89
724.89	724.89

Note-5 Loans

Security Deposits

Total

Break-up of security details

Loans considered good - Secured
Loans considered good - Unsecured
Loans which have significant increase in credit risk
Loans credit impaired

Total

Loss allowance

Total Loans

As at 31st March, 2019	As at 31st March, 2018
129.69	133.29
129.69	133.29
As at 31st March, 2019	As at 31st March, 2018
-	-
129.69	133.29
-	-
-	-
129.69	133.29
129.69	133.29

Note-6 Other financial assets

Non-current

Margin money deposit with Banks*

Total

*Held as lien with Government Department

Current

Mark to Market of derivative financial instruments (Refer Note 38)
Receivable from Related party (Refer Note 41)
Less: Allowance for doubtful receivable
Interest accrued

Total

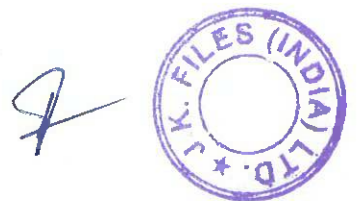
As at 31st March, 2019	As at 31st March, 2018
0.50	0.50
0.50	0.50
As at 31st March, 2019	As at 31st March, 2018
2.68	1.04
83.51	79.61
(83.51)	-
3.15	3.88
5.83	84.53

Note-7 Other non-current assets

Capital advances
Less: Allowance for doubtful advances
VAT refundable
Deposits with government authorities

Total

As at 31st March, 2019	As at 31st March, 2018
11.69	6.10
(3.77)	(3.77)
151.52	205.01
69.07	75.47
228.51	282.81



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-8 Inventories

	As at 31st March, 2019	As at 31st March, 2018
Raw materials	464.07	394.99
Raw material in transit	-	7.22
Work-in-progress	1,213.16	1,566.27
Finished goods	1,560.95	850.88
Stock-in-trade	1,056.38	598.99
Stock-in-trade in transit	225.90	1.91
Stores and spares	337.00	299.79
Stores and spares in transit	-	0.47
Total	4,857.46	3,720.52

Inventory writedowns are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-back of inventories amounted to Rs.355.03 lakhs for the year ended 31st March, 2019 (write down Rs. 182.12 lakhs for the year ended 31st March,2018). These write back /write-downs were recognised as income/ expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the statement of Profit and Loss.

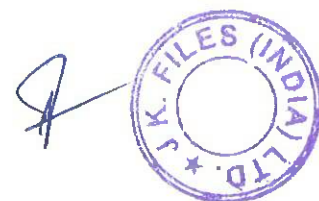
Note-9 Trade receivables

	As at 31st March, 2019	As at 31st March, 2018
Receivables from related parties (Refer note 41)	435.88	455.68
Others	5,714.67	6,223.85
Less: Allowance for doubtful receivables	(633.13)	(394.54)
Total receivables	5,517.42	6,284.99

Break-up of security details

	As at 31st March, 2019	As at 31st March, 2018
Secured, considered good	204.35	150.66
Unsecured, considered good	5,313.07	6,134.33
Doubtful	633.13	394.54
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	6,150.55	6,679.53
Allowance for doubtful debts	(633.13)	(394.54)
Total trade receivables	5,517.42	6,284.99

Refer Note-38 for information about credit risk and market risk of trade receivable.



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-10 Cash and cash equivalents

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Balances with Banks		
- In current accounts	2.03	19.52
Cash on hand	1.90	2.31
Total	3.93	21.83

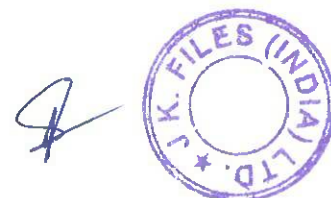
Note-11 Other current assets

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Export benefit receivables	518.68	414.73
GST receivable/refundable	967.29	1,469.52
Advances to suppliers	283.82	508.88
Prepaid expenses	34.39	35.21
Advance recoverable in kind or for value to be received	29.53	30.96
Total	1,833.71	2,459.30

Note-12 Assets classified as held for sale

	<u>As at</u> <u>31st March, 2019</u>	<u>As at</u> <u>31st March, 2018</u>
Plant and Equipment	-	6.56
Land - Freehold	35.47	-
Building	70.28	-
Total	105.75	6.56

In FY 17-18, the company has closed its plant at Kolkata, on account of which the property plant and equipment previously disclosed under "Assets held for sale" have been sold off in the current year. Further during the year, the Company has decided to sell its remaining assets (land and building) having book value of Rs 105.75 Lakhs located at Kolkata. The Company has partially received advance of Rs 1006 Lakhs (Previous year Rs. Nil) against proposed sale of these assets. The said amount is shown under head note 20 "Other current liabilities". The land and building are carried at book value in accordance with 'Ind AS 105 - Non current asset held for sale and discontinued operations' being lower than the fair value less cost to sell.



Note-13 Equity Share capital

Authorized
1,70,00,000 [31st March, 2018 : 1,70,00,000] Equity Shares of Rs. 10 each
22,00,000 [31st March, 2018 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each

	As at 31st March, 2019	As at 31st March, 2018
	1,700.00	1,700.00
	2,200.00	2,200.00
Total	3,900.00	3,900.00

Issued, subscribed and fully paid up
87,40,658 [31st March, 2018 : 87,40,658] Equity Shares of Rs. 10 each
22,00,000 [31st March, 2018 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each

	874.07	874.07
	2,200.00	2,200.00
Total	3,074.07	3,074.07

a) Reconciliation of number of preference shares

	As at 31st March, 2019	As at 31st March, 2018
Equity Shares :		
Balance as at the beginning of the year	874.07	874.07
Balance as at the end of the year	874.07	874.07
Instruments entirely equity in nature		
Preference share:		
Balance as at the beginning of the year	22,00,000	22,00,000
Balance as at the end of the year	22,00,000	22,00,000

b) Right, Preference and Restrictions attached to shares:

Equity shares: The Company has only one class of equity shares having par value of Rs.10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

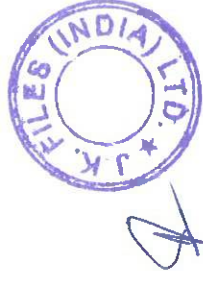
Preference shares: 9% Non-cumulative compulsory convertible preference shares (NCCCPs) will be converted into 18,33,300 number of equity shares of Rs. 10 each on October 27, 2029. Each shareholder of is entitled to one vote per share only on resolutions placed before the Company which directly affects their rights attached to NCCCPs. The dividend proposed by the Board of Directors is subject to approval of shareholders. The Company has an option to redeem the shares at par. In the event of liquidation of the Company, the holders of NCCCPs will have priority over equity shares in payment of dividend and repayment of capital.

c) Shares of the company held by holding company

	As at 31st March, 2019	As at 31st March, 2018
Equity Shares:		
Raymond Limited, India and its nominees	87,40,658	87,40,658
Preference Shares:		
Raymond Limited, India	22,00,000	22,00,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at 31st March, 2019	As at 31st March, 2018	% of Holding	% of Holding
Equity Shares :				
Raymond Limited, India and its nominees	87,40,658	87,40,658	100%	100%
Preference Shares :				
Raymond Limited, India	22,00,000	22,00,000	100%	100%



J K Files (India) Limited

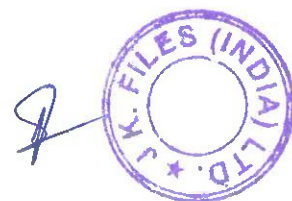
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 14 Other Equity

	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April, 2017	314.50	2,239.18	2,553.68
Loss for the year	-	(1,829.09)	(1,829.09)
Other Comprehensive Income for the year	-	(6.53)	(6.53)
Total Comprehensive Income for the year	-	(1,835.62)	(1,835.62)
Balance as at 31st March, 2018	314.50	403.56	718.06
Change in accounting policy (Refer Note 46)	-	(133.26)	(133.26)
Profit for the year	-	1,513.32	1,513.32
Other Comprehensive Income for the year	-	54.78	54.78
Total Comprehensive Income for the year	-	1,434.84	1,434.84
Balance as at 31st March, 2019	314.50	1,838.40	2,152.90

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.



Note-15 - Non current borrowings

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loans		
Term loan from a bank	-	251.70
(Payable in 16 quarterly installments beginning June 2016. Rate of interest as at year end 10.90% p.a. (31st March 2018: 10.55%) and secured by first pari passu charge by the way of hypothecation of the entire movable fixed assets, both present and future, situated at Chiplun, Ratnagiri, Pithampur, Vapi and Hyderabad). Last installment due in March 2020. Amount outstanding as on 31st March, 2019 - Rs 251.70 lakhs (Previous year: Rs. 505.30 lakhs).		
Term loan from a bank	-	-
Repaid in January 2019. Rate of interest as at year end 10.50% p.a. (31st March 2018 : 10.40% p.a.) and during the year charge against freehold immovable property has been satisfied. Amount outstanding as on 31st March, 2019 - Rs. Nil (Previous year: Rs. 625 lakhs).		
Total (A)	-	251.70
Unsecured		
(a) Term loan from Raymond Limited (the holding company)		
Repayable in September, 2021, Rate of interest as at year end 10.50% p.a. (31st March 2018 : 10.50% p.a.)	3,427.82	3,427.82
Total (B)	3,427.82	3,427.82
Total (A+B)	3,427.82	3,679.52

Installments falling due within a year in respect of all the above loans aggregating Rs 251.70 lakhs (31st March 2018 : Rs 878.60 lakhs) have been grouped under "current maturities of long-term debt". (Refer note 18)

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security

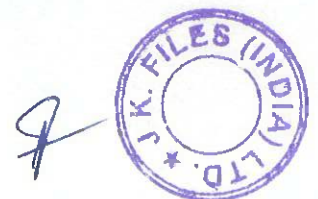
Note 16 - Current borrowings

	As at 31st March, 2019	As at 31st March, 2018
Secured		
- Loan repayable on demand from banks	1,247.72	2,219.77
- Indian Rupee Packing credit	900.00	1,700.00
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)		
Total	2,147.72	3,919.77

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security

	As at 31st March, 2019	As at 31st March, 2018
Net debt reconciliation		
Cash and cash equivalents	(3.93)	(21.83)
Current Borrowings	2,147.72	3,919.77
Non Current Borrowings	3,427.82	3,679.52
Current maturities of long-term debt	251.70	878.60
Interest accrued but not due on borrowings	6.73	10.45
Net debt	5,830.04	8,466.51

	Cash and Cash equivalents	Non current borrowings (Including current maturities of long term debt and interest accrued)	Current borrowings	Total
Net Debt as at April 1, 2017	1137.79	5,510.03	2,035.59	6407.83
Cash flows	(1,117.97)	(942.06)	1,884.18	2,060.09
Interest expense	-	573.88	211.23	785.11
Interest paid	-	(573.28)	(211.23)	(784.51)
Interest received on deposits	2.01	-	-	(2.01)
Net Debt as at March 31, 2018	21.83	4568.56	3919.77	8466.51
Net Debt as at March 31, 2018	21.83	4568.56	3919.77	8466.51
Cash flows	(18.23)	(878.59)	(1,772.06)	(2,632.42)
Interest expense	-	513.87	357.24	871.11
Interest paid	-	(517.59)	(357.24)	(874.83)
Interest received on deposits	0.33	-	-	(0.33)
Net Debt as at March 31, 2019	3.93	3686.25	2147.72	5,830.04



J K Files (India) Limited

Notes to the financial statements for the year ended 31st March, 2019

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-17 - Trade payables

	As at 31st March, 2019	As at 31st March, 2018
Trade payables (Refer Note below)		
- Payable to related parties (Refer note 41)	433.44	165.38
- Micro and small enterprises	58.52	-
- Others	4,305.16	5,481.77
Total	4,797.12	5,647.15

Refer Note-38 for information about liquidity risk and market Risk of trade payables.

Note:**DUES TO MICRO AND SMALL ENTERPRISES**

The Company has no dues to suppliers under Micro, small and Medium enterprises Development Act, 2006 ("MSMED Act"). The disclosure pursuant to the said MSMED Act are as follows:

	As at 31st March, 2019	As at 31st March, 2018
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	58.52	-
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
Total	58.52	-



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-18 - Other current financial liabilities

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debt (Refer Note 15)	251.70	878.60
Interest accrued but not due on borrowings	6.73	10.45
Capital creditors	22.52	41.53
Deposits from dealers, agents etc.	560.82	622.06
Employee Benefits payable	857.77	1,031.70
Other payables	172.65	132.23
	1,872.19	2,716.57

Refer **Note-38** for information about Liquidity risk of Financial Liabilities

Note-19 - Provisions

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits (Refer note 31)		
-Gratuity	14.19	138.64
-Compensated absences	303.67	267.92
Total	317.86	406.56

Note 20-Other Current liabilities

	As at 31st March, 2019	As at 31st March, 2018
Contract Liabilities (Refer note 46)	166.76	-
Advance from customers	-	203.68
Advance against Sale of Land and Building (Refer note 12)	1006.00	-
Statutory dues payable	218.08	196.87
Total	1,390.84	400.55



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-21 Revenue from Operations

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from Contract with Customers (Sale of Products)		
(i) Manufactured goods - Domestic	16,633.66	15,808.74
(ii) Manufactured goods - Export	17,149.87	15,685.68
(iii) Stock-in trade- Domestic	4,490.23	3,727.79
(iv) Stock-in trade- Export	476.77	422.15
Other operating revenue		
(i) Export Incentives	1,160.76	645.60
(ii) Process waste sale	527.35	430.00
Total	40,438.64	36,719.96

Note:

Goods and services tax (hereinafter referred to as "GST") has been effective from 1st July 2017. Consequently, excise duty, value added tax (VAT), service tax etc. have been replaced with GST. Until 30th June 2017 "Sale of products" included the amount of excise duty recovered on sales. With effect from 1st July 2017, 'Sales of Products' excludes the amount of GST recovered. Accordingly, revenue from "Sale of products" and 'Revenue from operations' for the year ended 31st March 2019 are not comparable with those of the previous year. The amount of excise duty included in sale of products of Rs.Nil (PY Rs 486.67 Lakhs) has been classified under Manufacturing and Operating Costs (Refer note 29(a))

There are no unstatisfied performance obligations resulting from Revenue from Contracts with Customers as at March 31, 2019.

Reconciliation of revenue recognised with contract price:

	Year ended 31st March, 2019
Contract price	40,791.15
Adjustments for:	
Discounts, Rebates, Sales related Schemes, etc.	(2,040.62)
Revenue from contract with customers	38,750.53

Note-22 Other income

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income	69.30	67.32
Liabilities no longer required written back	10.88	-
Net gain/(loss) on disposal/discard of property, plant and equipment	(10.17)	(137.02)
Net gain on sale of investments	-	28.57
Miscellaneous Income	61.84	43.90
Total	131.85	2.77

Note-23 Cost of raw materials consumed

	Year ended 31st March, 2019	Year ended 31st March, 2018
Raw material at the beginning of the year	402.21	160.62
Purchases	11,445.49	10,150.98
Less : Raw material at the end of the year	464.07	402.21
Total	11,383.63	9,909.39

Note-24 Purchases of Stock-in-Trade

	Year ended 31st March, 2019	Year ended 31st March, 2018
Purchases of Stock-in-Trade	4,498.19	2,987.83
Total	4,498.19	2,987.83

Note-25 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening inventories		
Finished goods	850.88	1,324.50
Stock-in-trade	600.90	602.24
Work-in-progress	1,566.27	927.15
	3,018.05	2,853.89
Changes in accounting policy (Refer Note 46)		
	1,006.15	-
	4,024.20	2,853.89
Closing inventories		
Finished goods	1,560.95	850.88
Stock-in-trade	1,282.28	600.90
Work-in-progress	1,213.16	1,566.27
	4,056.39	3,018.05
Excise duty on increase/ (decrease) of finished goods	-	(270.66)
Total	(32.19)	(434.82)



J K Files (India) Limited

Notes to the financial statements for the year ended 31st March, 2019

Note-26 Employee benefits expense

Salaries and wages
Defined benefit plan expense (Refer note 31)
Contribution to provident and other funds (Refer note 31)
Workmen and Staff welfare expenses

Total

Year ended 31st March, 2019	Year ended 31st March, 2018
5,408.13	5,538.51
108.76	128.85
305.78	350.80
482.28	427.99
6,304.95	6,446.15

Note-27 Finance costs

Interest expense on term loan
Interest expense - Others
Other borrowing costs

Total

Year ended 31st March, 2019	Year ended 31st March, 2018
513.87	573.88
297.86	157.38
59.38	53.85
871.11	785.11

Note-28 Depreciation and amortization expense

Depreciation on property, plant and equipment
Amortization on Intangible assets

Total

Year ended 31st March, 2019	Year ended 31st March, 2018
653.22	675.45
250.77	250.24
903.99	925.69

Note-29 (a) Manufacturing and Operating expenses

Consumption of stores and spare parts
Power and fuel
Job work charges
Payment to labour contractor
Repairs to buildings
Repairs to machinery
Excise duty (Refer note 21)
Other Manufacturing and Operating expenses

Total

Year ended 31st March, 2019	Year ended 31st March, 2018
3,178.17	3,122.71
1,810.68	1,737.59
1,965.42	2,728.78
1,504.17	1,414.88
72.02	68.39
386.45	396.33
-	486.67
234.09	249.31
9,151.00	10,204.66

Note-29 (b) Other expenses

Rent (Refer Note- 32)
Lease Rentals (Refer Note- 32)
Insurance
Repairs & Maintenance Others
Rates and Taxes
Commission to selling agents
Freight, Octroi, etc
Legal and Professional Expenses
IT outsourced Support Services
Travelling & Conveyance
Advertisement Expenses
Sales Promotion expenses
Director Fees
Facility Charges (Refer note 41)
Net(gain)/loss on foreign exchange fluctuations
Allowances for doubtful receivables and advances
Less: Allowances there against
Bad Debts written off
Less: Allowances there against
Software expenses
Security charges
Communication expenses
Printing and stationery expenses
Staff recruitment
Motor car expenses
Miscellaneous expenses

Total

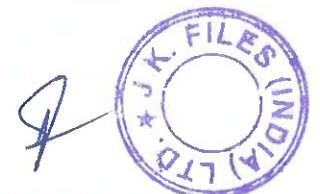
Year ended 31st March, 2019	Year ended 31st March, 2018
410.86	386.21
2.11	2.11
107.20	113.91
63.38	70.73
30.03	18.15
945.86	962.05
838.94	793.74
510.35	384.79
199.61	189.54
380.68	435.35
74.36	76.55
135.63	142.38
7.50	5.00
480.00	480.00
6.28	(114.53)
483.62	80.53
(115.53)	-
45.99	-
(45.99)	-
39.58	42.42
129.50	128.34
35.73	59.36
51.86	41.04
8.19	5.37
77.05	73.33
301.30	234.91
5,204.09	4,611.30

Note-29 (c) Details of Auditor's remuneration included in Legal and Professional expenses (net of credit of taxes)

a) Audit Fees
b) Limited Review Fees
c) Certification Fees
d) Reimbursement of out-of-pocket expenses

Total

Year ended 31st March, 2019	Year ended 31st March, 2018
12.00	10.00
3.00	3.00
0.50	0.50
1.08	0.66
16.58	14.16



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 30: Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at 31st March, 2019	As at 31st March, 2018
Current tax		
Current year	697.87	-
Adjustments for prior periods	-	-
Total current tax	697.87	-
Deferred tax		
Deferred tax charge	45.47	209.74
Total deferred tax	45.47	209.74
Total income tax expense	743.35	209.74

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	As at 31st March, 2019	As at 31st March, 2018
Reconciliation of effective tax rate		
Profit/(loss) before tax	2,456.66	(1,619.35)
Enacted income tax rate in India	34.94%	33.06%
Tax Expense at enacted income tax rate	788.48	(535.41)
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	(9.47)	598.80
Reassessment of unrecognised deferred tax	(7.78)	18.45
Change in Tax Rate	(28.88)	27.90
Others		
Total income tax expense	743.35	209.74

Consequent to reconciliation items shown above, the effective tax rate is 32.94% (2017-18: 12.95%)

The movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2019

	As at 1st April, 2017	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive	As at 31st March, 2018	Credit/(charge) in Statement of Profit and Loss	Retained Earnings (Refer note 46)	As at 31st March, 2019
Movement during the year ended 31st March, 2019							
Deferred tax assets/(Liabilities)							
Provision for employee benefits	98.43	(12.26)	3.27	89.44	16.46	-	105.90
Allowances for doubtful debts and advances	108.68	29.04	-	131.72	118.76	-	350.48
VRS paid	131.67	658.81	-	790.48	(167.99)	-	622.49
Depreciation on Property Plant and Equipment	(291.76)	(155.78)	-	(447.54)	35.69	-	(411.85)
Depreciation on Revaluation Asset under Business Combination	-	(371.78)	-	(371.78)	93.31	-	(278.47)
Unabsorbed business loss	145.72	(146.72)	-	155.94	(155.94)	-	-
Unabsorbed depreciation	367.23	(211.29)	-	155.94	14.24	-	79.93
Others	13.30	6.24	-	19.54	-	46.20	46.20
Total	574.27	(209.74)	3.27	367.80	(45.47)	46.20	368.52

There are no material unrecognised deferred tax assets as at 31st March, 2019.



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 31: Post retirement benefit plans

i) Defined benefit plans - Gratuity

The company provides for gratuity for employees in India as per the payment of gratuity act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs. The gratuity plan is funded plan and the company makes contributions to recognised fund in India.

As per Actuarial Valuation as on 31st March, 2019 and 31st March, 2018, amount recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

Gratuity		
As at	As at	As at
31st March, 2019	31st March, 2018	31st March, 2018
(4,935.80)	(1,873.69)	(1,873.69)
1,921.61	1,735.05	1,735.05
(14.19)	(138.64)	(138.64)

B. Movements in plan assets and plan liabilities

	As at March,19			As at March,18		
	Plan Assets	Plan Liabilities	Total	Plan Assets	Plan Liabilities	Total
	1735.05	(1,873.69)	(138.64)	2,231.06	(2,300.80)	(69.74)
Current service cost (including past service cost)	-	(97.92)	-	(119.61)	(119.61)	
Return on plan assets excluding actual return on plan asset	3.91	-	3.91	-	-	
Interest cost	-	(146.52)	-	(177.62)	(177.62)	
Actuarial gain/(loss) arising from changes in financial assumptions	135.68	(32.60)	103.08	168.38	168.38	
Actuarial gain/(loss) arising from experience adjustments	-	112.90	(112.90)	-	12.00	
Employer contributions	149.00	-	149.00	69.75	(21.80)	
Benefit payments	(102.03)	-	(102.03)	(734.14)	69.75	
As at 31st March	1,921.61	(1,935.80)	(14.19)	(1,873.69)	(138.64)	

The liabilities are split between different categories of plan participants as follows:

- Active members - 1204 Nos. (2017-18: 1222 Nos.)
- Deferred members - Nil (2017-18: Nil)
- Retired members - Nil (2017-18: Nil)

The Company expects to contribute Rs. 110.13 lakhs to the funded plans in financial year 2019-20 (2018-19: Rs. 185.90 lakhs) for gratuity



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
C. Statement of Profit and Loss

	Year ended 31st March, 2019	Year ended 31st March, 2018
Employee Benefit Expenses:		
Current service cost (including past service cost)	97.92	119.61
Total	97.92	119.61
Finance cost/(income)	10.84	9.24
Net impact on the Profit / (Loss) before tax	108.76	128.85
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	3.91	-
Actuarial gains/(losses) arising from changes in financial assumptions	(32.60)	12.00
Actuarial gain/(loss) arising from experience adjustments	112.90	(21.80)
Net impact on the Other Comprehensive Income before tax	84.21	(9.80)

D. Assets

	As at 31st March, 2019	As at 31st March, 2018
Gratuity		
Insurer managed fund	1921.61	1735.05
Total	1921.61	1735.05

E. Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31st March, 2019	As at 31st March, 2018
Financial Assumptions		
Discount rate	7.54%	7.82%
Salary Escalation Rate	7.50%	7.50%
Attrition rate	2.00%	2.00%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	As at 31st March, 2019	As at 31st March, 2018
Change in assumption	Increase in assumption having an impact on present value of plan liability	Increase in assumption having an impact on present value of plan liability
Discount rate	(111.94)	(113.15)
Salary Escalation Rate	122.60	124.66
Attrition rate	(0.34)	1.12
	Decrease in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
	125.38	(113.81)
	(111.55)	126.27
	0.28	(113.81)
		(1.35)



J K Files (India) Limited

Notes to the financial statements for the year ended 31st March, 2019

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

G. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

Gratuity :	Defined benefit obligation	
	As at 31st March, 2019	As at 31st March, 2018
2019	-	112.08
2020	208.67	133.12
2021	103.97	179.95
2022	155.81	169.76
2023	204.85	211.38
2024	226.49	1,183.04
Thereafter	2,559.32	1,472.46

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan asset underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternatives investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employees state insurance scheme etc in India for employees. The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 305.78 lakhs (31st March, 2018 - Rs. 350.80 lakhs).

(iii) Compensated absences:

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs 303.67 lakhs (31st March, 2018 - Rs. 267.92 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 32: Lease

The company has significant operating leases for offices, factories, premises, warehouse etc. These lease arrangements range for a period between 3 to 5 years, which are cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clause. The company has given security deposit in some of these leases.

There are no non-cancellable leases as at March 31st 2019 and corresponding period.

Total operating lease expense (including lease rentals) debited to Statement of Profit and loss

	As at 31st March, 2019	As at 31st March, 2018
	-	-
	-	-
	412.97	388.32

Note 33: Earnings per share

Basic Earnings Per Share has been computed as under:

Profit/(Loss) for the year

Weighted average number of equity shares outstanding
Earnings Per Share (Rs.)

	Year ended 31st March, 2019	Year ended 31st March, 2018
A	1,513.32	(1,829.09)
B	87,40,658	87,40,658
A/B	17.31	(20.93)

Diluted

Profit/(Loss) for the year

Less: Adjustment

Adjusted Profit/(Loss) for the year

Weighted average number of shares (in numbers)

Add: Dilutive potential equity share (Refer Note 13)

Weighted average number of equity shares for dilutive EPS

Dilutive Earnings Per Share (Rs.)

	1,513.32	(1,829.09)
	-	-
C	1,513.32	(1,829.09)
	87,40,658	87,40,658
	18,33,000	18,33,000
D	1,05,73,658	1,05,73,658
C/D	14.31	(17.30)*

Nominal value per equity share (in Rs.)

10.00 10.00

* Considering anti-dilutive nature of potential Equity shares, Diluted Earnings Per Share has been considered same as Basic Earnings Per Share in the previous year.

Note 34: Assets Hypothecated as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	As at 31st March, 2019	As at 31st March, 2018
Current Assets		
Financial Assets		
Floating Charge		
Trade receivables	5,517.42	6,284.99
Inventories	4,857.46	3,790.52
Cash and cash equivalents	3.93	21.83
Others financial asset	5.83	84.53
Other current assets	1,833.71	2,459.39
Total Current assets given as security	12,218.35	12,574.16
Non Current Assets		
First Charge		
Land (Freehold)	-	35.47
Building	-	72.82
Plant and machinery	3,354.58	3,852.61
Other Assets	97.94	103.65
Total non-current assets Hypothecated as security	3,452.52	4,064.55
Assets classified as held for sale	-	6.56
Total assets Hypothecated as security	15,670.87	16,642.27

Note 35: Contingent liabilities (to the extent not provided for)

	As at 31st March, 2019	As at 31st March, 2018
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	128.77	128.77
Sales tax Matters	206.21	539.55
Excise and service tax Matters	28.38	30.42
Other Matters	89.87	83.78

(ii) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circulars issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the Company, which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 36: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March, 2019	As at 31st March, 2018
Property, plant and equipment	24.06	28.63
Less: Capital advances	11.69	6.10
Net Capital commitments	12.37	22.53





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J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
 (All amounts are in Rs. lakhs, unless stated otherwise)

Note-32: Fair Value measurement

Financial Instruments for categories and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair values of trade receivables, cash and cash equivalents, other current financial assets, short term borrowing, trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	Non Current		Routed through P & L					Total	Carried at amortised cost	Total Amount
	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets										
Loans	129.69	129.69	-	-	-	-	-	129.69	129.69	
Other Financial Assets	0.94	6.23	-	2.68	-	2.68	-	5.65	6.39	
Trade receivable	-	5,57,742	-	-	-	-	-	5,57,742	5,57,742	
Cash and Cash equivalents	3,321	3,321	-	-	-	-	-	3,321	3,321	
	4,651.19	5,69,757	-	2.68	-	2.68	-	5,65,4.69	5,65,7.37	
Financial Liabilities										
Borrowings	3,427.82	2,14,772	-	-	-	-	-	5,575.54	5,575.54	
Other Financial Liabilities	-	1,872.19	-	-	-	-	-	1,872.19	1,872.19	
Trade Payables	3,427.82	3,29,232	-	-	-	-	-	4,727.12	4,727.12	
	3,427.82	4,43,994	-	-	-	-	-	12,224.85	12,224.85	
Financial Assets and Liabilities as at 31st March, 2018										
Financial Assets										
Loans	1,13,249	1,39,320	-	-	-	-	-	1,31,299	1,31,299	
Other Financial Assets	0.59	84.53	-	1.04	-	1.04	-	81.599	82.498	
Trade receivable	-	6,28,419	-	-	-	-	-	6,28,419	6,28,419	
Cash and Cash equivalents	-	21.81	-	-	-	-	-	21.81	21.81	
	1,13,799	6,29,145	-	1.04	-	1.04	-	6,52,251.4	6,52,251.4	
Financial Liabilities										
Borrowings	3,679.52	3,919.77	-	-	-	-	-	7,699.29	7,699.29	
Other Financial Liabilities	-	2,716.57	-	-	-	-	-	2,716.57	2,716.57	
Trade Payables	3,427.82	5,69,745	-	-	-	-	-	5,69,745	5,69,745	
	3,679.34	12,423.49	-	-	-	-	-	15,995.41	15,995.41	

Notes:

Financial asset and liabilities, considering the nature of rights and obligations with relevant terms including receivable/payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount and it includes

- Trade Receivable
- Cash and Cash equivalents
- Other financial asset
- Trade Payable
- Other financial liabilities
- Current borrowings
- Advances

Further in respect of long term security deposits being assets of interest and other deposits with no fixed maturity date, fair value are considered to be carrying value

Fair value liabilities measured at amortised cost

	As at 31st March, 2019		As at 31st March, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Non current borrowings	3,427.82	3,414.11	3,427.82	3,410.49
	3,427.82	3,414.11	3,427.82	3,410.49



Notes 28 : Financial risk management objectives.

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through treasury departments, which evaluate and estimate independent control over the entire process of market risk management. The treasury department's management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, improving strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by tailoring the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

a) Exposure to interest rate risk

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total borrowings	5,847.24	8,477.80
Less: Zero-coupon-bearing variable rate of interest	4.1%	0.0%

b) Interest rate sensitivity

A change of 50 basis points would have the following impact on profit before tax:

	2018-19	2017-18
50 bp increase would decrease the profit before tax by	(14.73)	35.46
50 bp decrease would increase the profit before tax by	(14.73)	(35.46)

3) Market risk - Foreign Currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by forward contracts, purchasing of goods, commodities and services in the respective currencies.

Derivative instrument and unhedged foreign currency exposures (Refer note 39)

Foreign Currency Risk Sensitivity

A change of 1% in foreign currency would have following impact on profit before tax

	2018-19	2017-18
1% Increase	28.12	(22.00)
1% Decrease	8.10	(8.10)
Net Increase/Decrease in Profit or Loss	0.12	(0.28)
	0.03%	0.01%

B) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

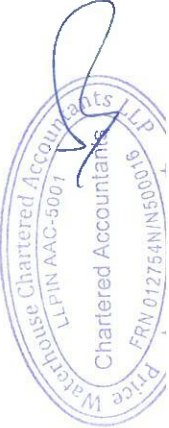
- i) Actual or expected significant adverse changes in business,
- ii) Deterioration or expected significant changes in the operating results of the counterparty,
- iii) Significant increase in credit risk on other financial instruments from the counterparty,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company engages a loan or receivable for write-off when a debtor fails to make contractual payments greater than 2 years past due. Where form or recoverables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.





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J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trends, industry practices and the business environment in which the entity operates. Loss ratios are based on actual credit loss experience and past trends. Based on the historical data, less on extinction of receivable is not material hence no additional provision considered.

1) Aging of Account receivables

	As at 31st March, 2019	As at 31st March, 2018
Not due	3,409,566	4,081,754
0-6 months	2,098,310	1,781,441
6-12 months	3,815	3,815
beyond 12 months	894,098	1,09,84
Total	6,395,789	6,976,814

2) Movement in provision for doubtful Trade Receivables

	As at 31st March, 2019	As at 31st March, 2018
Opening provision	804.54	314.01
Add - Provision made	400.11	84.83
Less - Provision written off	118,531	-
Less - Provision adjusted against bad debts	183.13	-
Closing provision	804.54	314.01

3) Movement in provision for doubtful Receivables

	As at 31st March, 2019	As at 31st March, 2018
Opening provision	-	-
Add - Additional provision made	83.51	-
Less - Provision write off/revoked	-	-
Less - Provision adjusted against bad debts	-	-
Closing provision	83.51	-

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding, as well as settlement management. In addition, processes and policies related to risk are reviewed by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(1) Financing arrangements

The company had access to following undrawn borrowing facilities at end of reporting period:

	As at 31st March, 2019	As at 31st March, 2018
Variable financing - Cash Credit expires within 1 year	2,852.38	786.23

The bank cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturity patterns of borrowings

	As at 31st March, 2019		As at 31st March, 2018	
	0-1 years	beyond 1 years	0-1 years	beyond 1 years
Long term borrowings (including current maturity of long term debt)	53,79	3,079.54	896.86	3,079.54
Short term borrowings	3,157.72	-	3,830.77	-
Total	3,191.51	3,079.54	4,727.63	3,079.54

Maturity patterns of other Financial Liabilities

	As at 31st March, 2019		As at 31st March, 2018	
	0-3 months	3-6 months	6 months to 12 months	beyond 12 months
Capital creditors	3,412.74	1,600.11	770.87	-
Employee benefits payable	22.21	527.58	55.15	204.54
Provisions	54.35	-	117.80	704.84
Other Financial liability (Current and Non Current)	3,063.14	1,827.04	854.07	620.08
Total	10,552.44	4,154.73	1,769.89	1,530.46

As at 31st March 2018

Trade Payable	2,862.47	4,410.79	3,177.05	5,647.15
Capital creditors	-	-	-	41.88
Employee benefits payable	104.14	802.109	65.20	1,692.00
Deposits	-	-	622.409	1,242.00
Other Financial liability (Current and Non Current)	50.27	86.90	1,140.45	1,192.21
Total	3,117.41	5,500.69	5,195.70	10,775.24

Note -39: Derivative instruments and unhedged foreign currency exposure

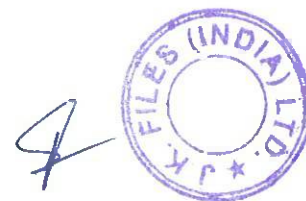
(a) Foreign Currency Exposure as at the reporting date

Particulars	As at 31 March, 2019						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
A.Trade Recievable	4.01	2,811.63	0.98	810.14	0.01	10.20	-
B.Cover by Forwards	-	-	(0.08)	(66.03)	-	-	-
C.Unhedged Exposure	4.01	2,811.63	0.90	744.11	0.01	10.20	-
A.Trade Payable	-	-	-	-	-	-	-
B.Against Credit Financing	-	-	-	-	-	-	-
C.Cover by Forwards	-	-	-	-	-	-	-
D.Unhedged Exposure	-	-	-	-	-	-	-
Gross Exposure	4.01	2,811.63	0.90	744.11	0.01	10.20	3,565.94

Particulars	As at 31 March, 2018						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
A.Trade Recievable	4.22	2,750.46	1.17	942.78	0.03	28.31	-
B.Cover by Forwards	(0.70)	(460.20)	-	-	-	-	-
C.Unhedged Exposure	3.52	2,290.26	1.17	942.78	0.03	28.31	-
A.Trade Payable	-	-	-	-	-	-	-
B.Against Credit Financing	-	-	-	-	-	-	-
C.Cover by Forwards	-	-	-	-	-	-	-
D.Unhedged Exposure	-	-	-	-	-	-	-
Gross Exposure	3.52	2,290.26	1.17	942.78	0.03	28.31	3,261.35

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

* Amount is below the rounding off norms adopted by the company



Note-40 Capital risk management

(a) The company aim to manage its capital efficiency so as to safeguard its ability to continue as going concern and optimise return to our shareholder

The capital structure of the company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. We consider the amount of capital in proprtion to risk and manage the capital structure in light of changes in economic conditions and risk charecterstics of the underlying asset. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares

The company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain investor, Creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, Its capital structure

(b) Dividend

The Company has not paid any dividend for the current year as well as previous year.



Note-41 : Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

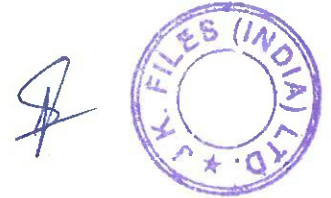
- (a) **Holding Company**
Raymond Limited
- (b) **Subsidiary Company**
JK Talabot Limited

Other related parties with whom transactions have taken place during the period:

- (c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited
Ring Plus Aqua Limited
Raymond Apparel Limited
- (d) **Associate Enterprises**
P. T. Jaykay Files Indonesia
PT. Jaykay International Indonesia (Subsidiary)
J K Helene Curtis Ltd

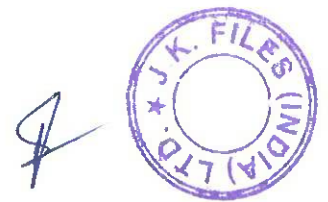
Other related parties:

- (e) **Key Management Personnel :**
Whole time Director : Mr. Ganesh Kumar Subramanian
Independent director : Mr. Narayan Ramalingam
Independent director : Mr. Ramchandra Anant Prabhudesai
Independent Director : Mrs. Rashmi Mundada Brijgopal (w.e.f 16th March, 2018)
Non executive director : Mr. Krishnan Ashwath Narayan
Non executive director : Mr. Geetha Ghaneekar (till 10th July, 2017)
- (f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme



Note-2. Transactions carried out with related parties referred in 1 above for the Year ended 31st March, 2019, in ordinary course of business :

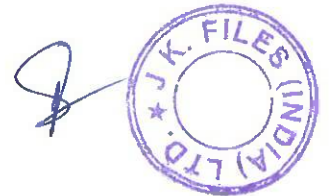
Nature of transactions	Referred in 1(a) above	Referred in 1 (b) & (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above
Purchases :					
Purchase of raw material and stock-in-trade	-	2,113.80 (1709.39)	0.57	-	-
Purchase of DEPB licence	-	19.33 (163.24)	-	-	-
Sales :					
Sale of products	-	702.99 (646.07)	47.57 (131.82)	-	-
Property, plant and equipment	-	96.53 (98.25)	-	-	-
Expenses :					
Rent expenses	145.42 (145.42)	-	-	-	-
Facility Charges	480.00 (480.00)	-	-	-	-
Commission to selling agents	-	(16.15)	-	-	-
Managerial remuneration	(6.57)	-	-	238.78 (185.94)	-
Directors fees	-	-	-	7.50 (5.00)	-
Electricity charges	93.91 (87.46)	-	-	-	-
Legal and Professional Expenses	43.40 (18.38)	-	-	-	-
Miscellaneous expenses	46.63 (51.93)	(0.54)	-	-	-
Paid to trust - Employees Gratuity fund contribution	-	-	-	-	149.00 (69.75)
Cost of shared manpower	2.62	-	-	-	-
Other Receipts :					
Cost of shared manpower	7.92	99.70 (103.37)	-	-	-
Reimbursement of expenses	799.14 (737.49)	20.07 (2.37)	3.91 (38.13)	-	-
Finance :					
Inter Company loan received	3,500.00 (2000.00)	-	-	-	-
Inter Company loan repaid	3,500.00 (2000.00)	-	-	-	-
Interest expense on term loan	434.91 (399.04)	-	-	-	-
Outstandings :					
Trade Payable	4.18 (7.98)	429.26 (157.40)	-	-	-
Non current borrowing	3,427.82 (3427.82)	-	-	-	-
Trade Receivable	-	15.05 (0.23)	435.88 (455.45)	-	-
Recoverable from related party	-	-	83.51 (79.61)	-	-



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-1-'1.b&c' -Fellow Subsidiary Companies with whom transactions have taken place for the year ended 31st March, 2019

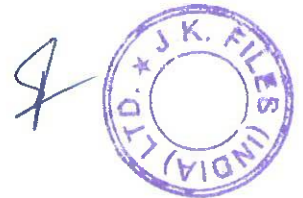
Nature of transactions	J K Talabot Ltd	Raymond Apparel Ltd	Raymond Europe Ltd	Ring Plus Aqua Ltd.	Total 1 (b) & (c)
Purchases :					
Purchase of raw material and stock-in-trade	2,111.59 (1709.39)	2.21 -	- -	- -	2,113.80 (1709.39)
Purchase of DEPB licence	19.33 (6.95)	- -	- -	- (156.29)	19.33 (163.24)
Sales :					
Sale of products	700.27 (640.38)	- -	- -	2.72 (5.69)	702.99 (646.07)
Property, plant and equipment	96.53 (98.25)	- -	- -	- -	96.53 (98.25)
Expenses :					
Commission to selling agents	-	-	(16.15)	-	(16.15)
Miscellaneous expenses	-	(0.54)	-	-	(0.54)
Other Receipts :					
Cost of shared manpower	14.27 (17.94)	- -	- -	85.43 (85.43)	99.70 (103.37)
Reimbursement of expenses	6.77 (0.79)	- -	- -	13.30 (1.58)	20.07 (2.37)
Outstandings :					
Trade Payable	413.11 (116.53)	- -	16.15 (40.87)	- -	429.26 (157.40)
Trade Receivable	-	-	-	15.05 (0.23)	15.05 (0.23)



Note-1.d'- Other related parties where control exists for the year ended 31st March, 2019

Nature of transactions	P T Jaykay Files Indonesia	PT Jaykay International Indonesia	J K Helene Curtis Ltd	Total 1 (d)
Expenses :				
Sales Promotion expenses	-	-	0.57	0.57
	-	-	-	-
Sales :				
Sale of products	47.57	-	-	47.57
	(81.82)	(50.00)	-	(131.82)
Other Receipts :				
Other reimbursements	3.91	-	-	3.91
	(38.13)	-	-	(38.13)
Outstandings :				
Trade Receivable*	116.84	319.04	-	435.88
	(200.82)	(254.63)	-	(455.45)
Recoverable from related party*	83.51	-	-	83.51
	(79.61)	-	-	(79.61)

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia amounting to Rs.483.62 lakhs (previous year Nil) has been provided during the year. (Refer note 7 and 9)

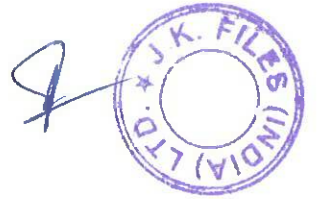


Note-1.e - Key Management Personnel for the Year ended 31st March, 2019

Nature of transactions	Short term employee benefits	Post employment benefits	Director sitting fees	Total
Mr. Ganesh Kumar Subramanian	228.86 (176.39)	9.92 (9.55)	- -	238.78 (185.94)
Mr. Narayan Ramalingam	- -	- -	2.50 (2.00)	2.50 (2.00)
Mr. Ramchandra Anant Prabhudesai	- -	- -	2.50 (2.50)	2.50 (2.50)
Mrs. Rashmi Mundada Brijgopal	- -	- -	2.50 (0.50)	2.50 (0.50)
Mr. Krishnan Ashwath Narayan	- -	- -	- -	- -
Mr. Geetha Ghaneekar	- -	- -	- -	- -
Total 1 (e)	228.86 (176.39)	9.92 (9.55)	7.50 (5.00)	246.28 (190.94)

* The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately

Note: Amounts in brackets represent previous year figures



Note 42 Segment Information

- (i) The company's business operations fall within a single primary business segment of "Engineering, tools and related component". Accordingly the company is single segment company in terms of its product
(ii) Entity wide disclosure - Information in respect of geographical area is as under

	India		Africa		America		Rest of the world		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment revenue*	21,411.36	19,906.53	7,349.33	6,704.83	4,605.98	3,414.08	7,071.97	6,634.53	40,438.64	36,719.96
Carrying cost of segment non-current asset**	6487.40	7616.23	-	-	-	-	-	-	-	-

* Based on location of customer

** Excluding financial asset and deferred tax asset

Considering the nature of business of Company in which it operates, the Company deals with various customers including multiple geographies. Consequently, none of the customer contribute materially to the revenue of the Company.

Note 43 Exceptional Items

The company has during the financial year offered voluntary retirement benefits and other termination benefits (VRS Scheme) to its eligible employees at Ratnagiri unit beginning from 24th July 2018 Ending on 31st July 2018. Pursuant to above, 7 employees opted for the scheme. Total separation cost of Rs. 29.06 lakhs has been determined and paid, which has been disclosed as "Exceptional Item" in the statement of Profit & Loss. Previous year VRS scheme was in respect of eligible employees of Kolkata unit.

	Year ended	Year ended
- Voluntary retirements benefits	31st March, 2019	31st March, 2018
- Other retirement benefits	29.06	2689.37
	-	217.40
	29.06	2906.77

Note 44 As per second proviso of rule 6 of Companies (Account) Amendment Rule, 2016, the company being- (i) a wholly owned subsidiary of Raymond Limited; (ii) not listed in India or outside India and (iii) the parent company ('Raymond Limited') files its consolidated financial statements, hence the company has availed the exemption from preparation of consolidated financial statement.

Note 45 Corporate Social Responsibility:

The Company formulated a Corporate Social Responsibility (CSR) Committee of its directors.

	Year ended 31st March, 2019	Year ended 31st March, 2018
Corporate Social Responsibility expenditure		
Gross amount required to be spent as per Section 135 of the Act	11.00	-
Amount spent during the year	-	-



J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2019
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 46 **Changes in Accounting Policies**

Impact on the financial statements

The Company has adopted Ind AS-115 Revenue from Contracts with Customers from April 1, 2018 which resulted to changes in accounting policies and adjustments to the amount recognized in the financial statements. In accordance with the transition provisions in Ind AS -115, the Company has adopted the new rules with modified Retrospective approach. As a result of change in accounting policies, adjustments to the transition provision has been made in respective item as at April 1, 2018 with corresponding Impact to equity net of tax.

The impact on the balance sheet as at April 1, 2018 is as follows :

Item	April 1, 2018 (originally presented)	Adjustment of Ind AS-115	April 1, 2018 (Restated numbers)
Trade receivables	6,284.99	1,223.50	7,508.49
Inventory	3,720.52	(1,006.15)	2,714.37
Other Equity	718.06	(133.26)	584.79
Deferred Tax Asset	367.80	(46.20)	321.60
Other current assets	2,409.32	27.75	2,437.07
Trade Payables	5,660.10	(65.64)	5,594.46

A. Presentation of assets and liabilities related to contract with customer:

The Company has voluntary changed the presentation of certain amounts in the balance sheet to reflect the terminology of Ind AS 115.

Contract liabilities pertains to advances received from customers of Rs 166.76 Lakhs as at March 31, 2019.

B. The disclosures for the comparative period in the notes to the financial statements follow the requirement of the previous standards. Further, the disclosure required by Ind AS 115 does not include comparative information.

Note 47 The Financial Statements were authorised for issue by the directors on April 25, 2019.

