

JK Enviro-tech Limited

ANNUAL REPORT 2017-18

Board of Directors

Sh. Vinit Marwaha

Sh. P.S. Sharma

Sh. Ashok Gupta

Registered Office

P.O. Central Pulp Mills – 394660
Fort Songadh, Tapi, Gujarat

Banker

Axis Bank

Auditors

Singhi & Co.
Chartered Accountants
New Delhi

DIRECTORS' REPORT

To the Members of JK Enviro-tech Limited

Your Directors are pleased to present the 11th Annual Report and Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

Financial Results

Audited financial results of the Company, are stated as under:

		Rs. in lakh
	2017-18	2016-17
Total Revenue	12.09	17.87
Total Expenses	<u>4.26</u>	<u>7.18</u>
Profit before Interest, Depreciation & Tax	7.83	10.69
Finance Costs	<u>--</u>	<u>7.69</u>
Profit before Depreciation and Tax	7.83	3.00
Depreciation	--	---
Profit/(Loss) Before Tax	<u>7.83</u>	<u>3.00</u>
Profit/(Loss) After Tax	6.34	2.83

DIVIDEND

The Directors have not recommended dividend to the Members for the financial year ended 31st March 2018.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March 2018 in the prescribed form MGT-9 is attached as Annexure-1 to this Report and forms part of it.

NUMBER OF MEETINGS OF THE BOARD

Six Board Meetings were held during the financial year ended on 31st March, 2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended 31st March 2018, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arms' length basis and were in compliance with the applicable provisions of the Companies Act, 2013. Further, the Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material. In view of the above, disclosure in Form AOC-2 is not applicable.

DIRECTORS

Shri Ashok Gupta, retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.

PARTICULARS OF EMPLOYEES

During the period under review, the Company had no employee in the category specified under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY ETC.

Details of conservation of energy, technology absorption, adaptation and innovation, foreign exchange earnings and outgo under section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable for the period under review.

CORPORATE SOCIAL RESPONSIBILITY

The requirement of Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013 and the rules made thereunder is not applicable to the Company.

STATUTORY AUDITORS AND THEIR REPORT

M/s Singhi & Co., Chartered Accountants, have been appointed as Auditors of the Company to hold the office from the conclusion of the 7th Annual General Meeting held on 27th September 2014 until the conclusion of the 12th Annual General Meeting to be held in year 2019, subject to ratification of the appointment by the members at the respective AGMs. Accordingly, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting.

The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self explanatory.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the financial year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

RISK MANAGEMENT

The Company has a risk management system to inform Board Members about risk assessment and minimization procedures.

DEPOSITS

The Company has not accepted any deposits from the public during the financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis; and
- (e) the proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from the Financial Institutions, Banks, Government Authorities, Vendors and Shareholders during the year under review.

On behalf of the Board of Directors

P.S. Sharma
Director
DIN: 00035882

Ashok Gupta
Director
DIN: 06791126

Place: New Delhi
Date: 27th April, 2018

ANNEXURES TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018

Annexure-I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 2018 [Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U73100GJ2007PLC075963
2.	Registration Date	19.12.2007
3.	Name of the Company	JK Enviro-tech Ltd.
4.	Category/Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office & contact details	Registered office :- P.O. Central Pulp Mills -394660 Fort Songadh Distt. Tapi, Gujarat Ph.. No. : 91-2624-220228/ 220278-80 Fax No. : 91-2624-220138 Email ID:- csjketl@jkmil.com
6.	Whether listed company	No
7.	Name, Address & contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt. Ltd., 44, Community Center, 2 nd floor, Naraina Industrial Area, Phase I, Near PVR, Naraina, New Delhi – 110028 Ph. No. : (011) – 41410592/93/94 Fax No. : (011) - 41410591 Email ID : delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
-	-	-	-

Note : There is no turnover for the financial year 2017-2018.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	JK Paper Limited P.O. Central Pulp Mills – 394660 Fort Songadh, District Tapi, Gujarat	L21010GJ1960PLC018099	Holding	100	2(46)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	14*	14*	0.00	0	14*	14*	0.00	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	16,49,833	153	16,49,986	100	16,49,833	153	16,49,986	100	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)	16,49,833	167	16,50,000	100	16,49,833	167	16,50,000	100	0
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)	0	0	0	0	0	0	0	0	0
(2):-									
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	16,49,833	167	16,50,000	100	16,49,833	167	16,50,000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (International Finance Corporation)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0

*These 14 shares are held by 7 individual shareholders as nominees of JK Paper Limited jointly with JK Paper Limited.

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others									
(i) Trust and Foundation	0	0	0	0	0	0	0	0	0
(ii) Non Resident Individuals	0	0	0	0	0	0	0	0	0
(iii) OCB	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	16,49,833	167	16,50,000	100	16,49,833	167	16,50,000	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April 2017)			Shareholding at the end of the year (as on 31st March 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	JK Paper Limited	16,50,000*	100	-	16,50,000*	100	-	0
	Total	16,50,000	100	-	16,50,000	100	-	

*Out of this, 14 shares are held by 7 individual shareholders as nominees of JK Paper Limited jointly with JK Paper Limited.

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

Sl. No.		Shareholding at the beginning of the year (as on 1st April 2017)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	JK Paper Limited				
	At the beginning of the year	16,50,000*	100	16,50,000*	100
	Increase / Decrease in Promoters Shareholding during the year	NO CHANGE			
	At the end of the year i.e., 31.03.2018			16,50,000*	100

*Out of this, 14 shares are held by 7 individual shareholders as nominees of JK Paper Limited jointly with JK Paper Limited.

(iv) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

The Company is wholly owned subsidiary of JK Paper Limited which holds 16,50,000 (100.00%) equity shares of the Company.

(v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors of the Company were holding any shares in the Company at the beginning of the year, i.e. as on 1st April 2017 and at the end of the year i.e. as on 31st March 2018 and hence there was no increase/decrease in their shareholding during the financial year 2017-18.

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

(Rs. in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		0.00		0.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		0.00		0.00
Total (i+ii+iii)		0.00		0.00
Change in Indebtedness during the financial year				
• Addition		0.00		0.00
• Reduction		0.00		0.00
Net Change		(0.00)		(0.00)
Indebtedness at the end of the financial year				
i) Principal Amount		0.00		0.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		0.00		0.00
Total (i+ii+iii)		0.00		0.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable.**

B. Remuneration to other directors:					
Sl. No.	Particulars of Remuneration	Name of Directors			(in Rs.) Total Amount
1.	Independent Directors	Not Applicable			
	• Fee for attending Board/Committee Meetings				
	• Commission/ Others				
	Total (1)				
2.	Other Non-executive Directors	Sh. Prem Shankar Sharma	Sh. Vinit Marwaha	Sh. Ashok Gupta	
	• Fee for attending Board/Committee Meetings	10,000	12,000	12,000	34,000

	● Commission/ Others	Nil	Nil	Nil	Nil	
	Total (2)	10,000	12,000	12,000	34,000	
	Total(B)= (1+2)					34,000
	Total Managerial Remuneration (A+B)					34,000
	Overall Ceiling as per the Act	Rs. 0.91 lacs (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: Not Applicable.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JK ENVIRO-TECH LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind-AS financial statements of JK Enviro-Tech Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, Statement of Change in Equity, Cash flow statement, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

1. As required by the Companies' (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A statements on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. (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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
(d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
(e) On the basis of written representations received from the directors as on 31st March'2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
(f) The Company has no business activity during the year and has limited transactions. In our opinion, in view of no business activity during the year and limited transactions, the Company has in all material respects, adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March,2018 and
(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company did not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. The Company did not have any amounts required to be transferred to the Investor Education and Protection Fund.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Place: New Delhi
Date: 27th April, 2018

Chanderkant Choraria
Partner
Membership No. 521263

Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: JK Enviro-Tech Limited)

- (i) The Company has no fixed assets. Therefore, the provisions of clause 3 (i) of the Order are not applicable.
- (ii) The Company has no inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies' Act, 2013. Therefore, the provisions of clause 3(iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans etc. covered under section 185 and complied with the provisions of section 186 of the Act, in respect of investment made in wholly owned subsidiary.
- (v) The Company has not accepted any deposit covered under section 76 of the Companies Act, 2013. Therefore, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Company has no operations during the year hence clause 3(vi) of the Order is not applicable.
- (vii) a. According to the records of the Company, the Company is regular in depositing amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service Tax, Duty of customs, Duty of excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
b. According to information and explanation given to us , there are no dues outstanding on account of income-tax, sales-tax, service tax, duty of customs, duty of excise or value added tax on account of any dispute. Therefore, the provisions of clause 3(vii) (b) of the Order are not applicable.
- (viii) The Company did not have any loan or borrowing from any financial institution, banks, Government or debenture holders during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind-AS financial statement and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid/ provided for managerial remuneration. Therefore, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Ind-AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3 (xvi) of the Order are not applicable.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

Place: New Delhi
Date: 27th April, 2018

Chanderkant Choraria
Partner
Membership No. 521263

JK ENVIRO-TECH LIMITED
Balance Sheet at at 31st March 2018

(Amount in Thousand)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I ASSETS			
1 Current Assets			
a Financial Assets			
Cash and cash equivalents	4	418.50	499.92
Bank balances other than above	5	11,173.02	18,554.30
Loans	6	8,000.00	-
Other financial assets	7	118.58	-
b Current Tax Assets (Net)	8	45.14	61.49
		19,755.24	19,115.71
Total Assets		19,755.24	19,115.71
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	9	16,500.00	16,500.00
Other Equity		3,236.08	2,601.92
		19,736.08	19,101.92
2 Current Liabilities			
a Financial Liabilities			
Trade payables		12.96	12.59
b Other current liabilities	10	6.20	1.20
		19.16	13.79
Total Equity and Liabilities		19,755.24	19,115.71

Significant Accounting Policies and other notes on Financial Statements 2&3

The Notes Referred to above form an integral part of the Balance sheet.

As per our Report of even date attached.

FOR SINGHI & Co.
Chartered Accountants
Firm Reg No. 302049E

For and on behalf of the Board of Directors

(Chanderkant Choraria)
Partner
M.No. 521263
New Delhi, the 27th of April 2018

(Directors)

JK ENVIRO-TECH LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018****(Amount in Thousand)**

	Note	2017-18	2016-17
I Revenue from Operations			
Sales		-	-
II Other Income	11	1,209.37	1,786.75
III Total Revenue (I+II)		<u>1,209.37</u>	<u>1,786.75</u>
IV Expenses:			
Employee Benefits Expense	12	347.10	558.16
Finance Costs	13	-	769.32
Other Expenses	14	78.82	160.19
Total Expenses		<u>425.92</u>	<u>1,487.67</u>
V Profit Before Tax (III-IV)		783.45	299.08
VI Tax Expense:			
Current tax	21	149.29	16.57
VII Profit for the year		<u>634.16</u>	<u>282.51</u>
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Tax on (i) above		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Tax on (iii) above		-	-
Total Comprehensive Income(VII-VIII)		<u>634.16</u>	<u>282.51</u>
Basic/ Diluted Earning Per Share (Operating) (Rs.)		0.38	0.17

Significant Accounting Policies and other notes on Financial Statements 2&3

The Notes Referred to above form an integral part of the Statement of Profit & Loss.

As per our Report of even date attached.

FOR SINGHI & Co.
Chartered Accountants
Firm Reg No. 302049E

For and on behalf of the Board of Directors

(Chanderkant Choraria)
Partner
M.No. 521263
New Delhi, the 27th of April 2018

Directors

JK ENVIRO-TECH LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(Amount in Thousand)

A. Equity Share Capital

As at April 1 2016	Changes in equity during 2016-17	As at March 31 2017	Changes in equity during 2017-18	As at March 31 2018
16,500	-	16,500	-	16,500

B. Other Equity

Particulars	Reserve and Surplus		Other Comprehensive Income (OCI)		Total
	Retained Earnings	General Reserve	Items that will not be Reclassified to profit or loss	Items that will be reclassified to profit or loss	
As at March 31, 2016	219.41	2,100.00	-	-	2,319.41
Profit for the year	282.51	-	-	-	282.51
As at March 31, 2017	501.92	2,100.00	-	-	2,601.92
Profit for the year	634.16	-	-	-	634
As at Mar 31, 2018	1,136.08	2,100.00	-	-	3,236.08

As per our Report of even date attached.

FOR SINGHI & Co.
Chartered Accountants
Firm Reg No. 302049E

For and on behalf of the Board of Directors

(Chanderkant Choraria)
Partner
M.No. 521263
New Delhi, the 27th of April 2018

Directors

Note – 1: Corporate Information

JK ENVIRO-TECH LIMITED(JKETL) was incorporated on December 19, 2007, and received its certificate of commencement of business on January 14, 2008. JETL is engaged in the business of establishing and operating of lime kilns for environmental protection and undertaking projects for ecological upgradation including research and development in the field of pollution control filtration and treatment plants and also carries on the business of manufacturers of and dealers in pulp and pulp products. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Gujarat under section 391 to 394 of the Companies Act 1956, which has become effective on 10th April 2015, Lime Kiln Undertaking of the JK Enviro-Tech Ltd has been transferred and vested in the Company as a going concern on slump sale basis with effect from appointed date i.e. 1st April 2013. There are no commercial operations in the Company.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on April 27, 2018.

Note – 2: Basis of Preparation of Financial Statements**I. Basis of Preparation :**

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ("the Act").

The financial statements of the Company for all periods upto were prepared in accordance with accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements have been prepared on an accrual basis and under the historical cost basis.

Financial statements are presented in Indian Rupee, which is Company's functional currency. All values are rounded to the nearest INR Thousand, except when otherwise indicated.

I. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

II. Classification of Assets and Liabilities as Current and Non Current

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Note – 3 : Significant Accounting Policies:

a) Revenue Recognition:

- (i) Revenue from operation is recognized on transfer of the risks and reward of title of the goods or commitments to the buyer and are stated inclusive of duties, taxes, trade discount and rebates (if any), and
- (ii) Interest Income recognized in proportion to time.

b) Borrowing Costs:

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

c) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

d) Impairment of Assets:

The carrying amount of Property, plant and equipments, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

e) Provisions, Contingent Liability & Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

f) Income Tax :

Current income tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

g) Employee Benefits :

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service

h) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

i) Financial Assets

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

i. Assets at Amortised Cost

At the date of initial recognition, are held to collect contractual cash flows of principal on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii. Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

iii. Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

j) Financial Liabilities

Initial Recognition and Measurement.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent Measurement.

The measurement of financial liabilities depends on their classification, as described below :

i) Financial Liabilities at Fair Value through Profit or Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

ii) Financial Liabilities measured at Amortised Cost.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

iii) Loans and Borrowings.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

k) Fair Value Measurement :

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

	(Amount in Thousand)	
	As at 31st March 2018	As at 31st March, 2017
NOTE 4 :		
CASH & CASH EQUIVALENTS		
Cash & Cash Equivalents		
Balance with Banks	418.50	499.92
Current Accounts		
	<u>418.50</u>	<u>499.92</u>
NOTE 5 :		
BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
Bank Deposits with original maturity of 12 months or less	11,173.02	18,554.30
	<u>11,173.02</u>	<u>18,554.30</u>
NOTE 6 :		
CURRENT FINANCIAL ASSETS - LOANS		
Global Strategic Technologies Limited	8,000.00	-
	<u>8,000.00</u>	<u>-</u>
NOTE 7 :		
CURRENT FINANCIAL ASSETS - OTHER		
Interest Receivable	118.58	-
	<u>119</u>	<u>-</u>
NOTE 8 :		
CURRENT TAX ASSETS		
Advance Income Tax/ Tax deducted at source (Net)	45.14	61.49
	<u>45.14</u>	<u>61.49</u>

	(Amount in Thousand)	
	As at 31st March 2018	As at 31st March, 2017
NOTE 9:		
SHARE CAPITAL		
<u>Authorised</u>		
Equity Shares 1,00,00,000 of Rs.10 each (Previous year - 1,00,00,000) of Rs.10 each	1,00,000.00	1,00,000.00
Preference Shares 5,00,000 of Rs.100 each (Previous year - 5,00,000) of Rs.100 each	50,000.00	50,000.00
	1,50,000.00	1,50,000.00
<u>Issued, Subscribed and Fully Paid-up :</u>		
Equity Shares 16,50,000 (Previous year 16,50,000) of Rs.10 each Fully Paid up.	16,500.00	16,500.00
	16,500.00	16,500.00
<i>Notes :</i>		
(a) Reconciliation of Equity Share Capital (In numbers)		
Shares outstanding at the beginning of the year	16,50,000	16,50,000
Add : Shares issued during the year	-	-
Less : Shares bought back during the year	-	-
Less : Reduction in Share Capital pursuant to Scheme of Arrangement	-	-
Shares outstanding at the end of the year	16,50,000	16,50,000
(b) List of shareholders holding more than 5% of the Equity Share Capital of the Company (In numbers)		
JK Paper Limited (Holding Company)	16,50,000	16,33,135
NOTE 10 :		
OTHER CURRENT LIABILITIES		
Statutory Dues	6.20	1.20
	6.20	1.20

(Amount in Thousand)
2016-17

2017-18

Note 11 :-

OTHER INCOME

Interest Income

1,209.37

1,786.75

1,209.37

1,786.75

Note 12 :-

EMPLOYEE BENEFITS EXPENSE

Salaries, Wages, Allowances, etc.

347.10

558.16

347.10

558.16

Note 13 :-

FINANCE COSTS

Interest expense

Interest on Short term Loan

-

769.32

-

769.32

Note 14 :-

OTHER EXPENSES

Insurance

0.58

0.57

Directors' fees (including service tax/GST)

39.76

45.97

Auditors Remuneration (including service tax/GST)

for Audit Fees

14.16

13.80

for Other Services

4.14

22.47

for Out of pocket expenses

1.36

1.30

Miscellaneous Expenses

18.82

76.08

78.82

160.19

15. Estimated amount of contract remaining to be executed on Capital accounts (net of Advances) and not provided for is Rs. Nil (Previous year Nil).
16. Contingent Liability against the Company not acknowledged as debt – Rs. Nil (previous year Nil).
17. Disclosure as required under 'Related Party Disclosures' (IND AS-24), are as below:

List of Related Parties:

Holding Company

JK Paper Ltd.

Subsidiary

JK Paper International (Singapore) Pte. Ltd (ceased to be subsidiary w.e.f 8th of March 2017)

Fellow Subsidiary

Songadh Infrastructure & Housing Limited

Jaykaypur Infrastructure & Housing Limited

JK Paper International (Singapore) Pte. Ltd. (w.e.f 8th of March 2017)

[previously known as Habras International (Singapore) Pte. Ltd.]

Key Management Personnel (KMP)

Non-Executive Directors :

Sh. P.S. Sharma

Sh. Vinit Marwaha

Sh. Ashok Gupta

The following transactions were carried out with related party in the ordinary course of business:

Amount in Thousand

Sl. No.	Nature of Transactions	Holding Company	
		2017-18	2016-17
i	Interest on Loan	---	769.31
ii	Loans & Advance Received	---	1000.00
iii	Loans & Advance Repaid	---	15,000.00
iv	Sale of Shares of Habras International (Singapore) Pte. Ltd.	---	1,742.32
v	Outstanding at end of the year :		
	a) Receivable	---	---
	b) Payable	---	---

Sl. No.	Nature of Transactions	Subsidiary	
		2017-18	2016-17
i	Equity Contribution		1,676.57
ii	Outstanding at end of the year :		
	a) Receivable	---	---
	b) Payable	---	---

Sl. No.	Nature of Transactions	Key Management Personnel	
		2017-18	2016-17
i	Sitting Fees to Non-Executive Directors	34.00	40.00

18. As per the requirements of "The Micro, Small and Medium Enterprises Development Act, 2006" the Company is required to identify the Micro, Small & Medium suppliers and pay interest on overdue amount to the Micro & Small enterprises beyond the specified period irrespective of the terms agreed with the suppliers. As informed, the Company has not received information from vendors regarding their status. Accordingly, the disclosure relating to the amount unpaid at the year end together with Interest payable under this Act can not be provided.

19. Segment Reporting :

The performance is reviewed by the Board of Directors (Chief Operating Decision Makers) and has only one reportable/business segment.

20. Earning Per Share :

	<i>Amount in Thousand</i>	
	<u>31st March 18</u>	<u>31st March 17</u>
Profit After Tax(Operating)	634.16	282.51
Weighted Average No. of Ordinary Shares	16,50,000	16,50,000
Nominal Value of Ordinary Share(Rs)	10/-	10/-
Earnings per Ordinary Share	0.38	0.17

21. Reconciliation of Effective Tax Rate :

	<u>31st March 18</u>	<u>31st March 17</u>
Profit before tax	783.45	299.08
At applicable Statutory Income Tax Rate @ 19.055%	149.29	56.99
Adjustment in respect of current income tax of earlier year	---	40.42
Reported Income Tax Expense	149.29	16.57
Effective Tax Rate	19.05%	5.54%

22. Financial Risk Factors**Liquidity risk :**

Liquidity risk arises when the Company will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects.

The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and company monitors rolling forecasts of its liquidity requirements.

Capital Risk :

The Company's policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the company may use appropriate means to enhance or reduce capital, as the case may be.

23. Employee Benefit

The Company participates in defined contribution schemes and the amount charged to the statements of profit or loss is the total of contributions payable in the year. Gratuity & Leave Encashment liability has not been actuarially calculated due to limited number of employees and provided for on accrual basis, accordingly full disclosure as per Ind AS-19 is not considered necessary by the Management.

24. Fair Value of Financial Assets

Loan given during the year are held to collect contractual cash flows of principal on principal amount outstanding on specified dates. These financial assets are designated at amortised cost (Note 6 of Financial Statement)

25. Figures have been rounded off to the nearest Rupee.

As per our report of even date attached

FOR SINGHI & Co.

For and on behalf of the board of directors

Chartered Accountants
Firm Reg. No. 302049E

(Chanderkant Choraria)
Partner
Membership No. 521263
New Delhi, the 27 day of April, 2018

Directors

CASH FLOW STATEMENT
For the year ended 31st March, 2018

(Amount in Thousand)

	2017-18	2016-17
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	783.45	299.08
Adjustments for :		
Interest and Financial Income	(1,209.37)	(1,017.43)
Operating Profit before Working Capital Changes	(425.92)	(718.35)
Adjustments for Working Capital Changes:		
Trade and Other Receivables	-	19,522.96
Trade and Other Payables	5.37	(4,021.14)
Cash generated from Operations	(420.55)	14,783.47
Taxes paid	(132.94)	3,312.98
Net Cash from Operating Activities	(553.49)	18,096.45
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale / (Purchase) of Investments	-	77.11
Loan Given	(8,000.00)	-
Interest Received	1,090.79	1,925.44
Net Cash from Investing Activities	(6,909.21)	2,002.55
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds/(Repayment) from Short term Borrowing (Net)	-	(10,000.00)
Interest and Financial Charges	-	(941.23)
Net Cash from Financing Activities	-	(10,941.23)
D. Increase/(Decrease) in Cash and Cash Equivalents - Cash & Bank Balance	(7,462.70)	9,157.77
E. Cash and Cash Equivalents as at the beginning of the year - Cash & Bank Balances	19,054.22	9,896.45
F. Cash and Cash Equivalents as at the close of the year - Cash & Bank Balances	<u>11,591.52</u>	<u>19,054.22</u>

As per our Report of even date attached.

FOR SINGHI & Co.
Chartered Accountants
Firm Reg No. 302049E

For and on behalf of the Board of Directors

(Chanderkant Choraria)
Partner
M.No. 521263
New Delhi, the 27th of April 2018

Directors