



JBF Industries Limited

Ref No : JBF/SECTL/BOD/

30th May, 2024

The Secretary Bombay Stock Exchange Limited Pheroz Jeejabhoy Towers, Dalal Street, Mumbai, Maharashtra 400 001.	The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East Mumbai, Maharashtra 400 051.
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Sub : Financial Results

Sir/Madam,

In Compliance with Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Audited Financial Results for the quarter and year ended on 31st March, 2024, approved by the Board of Directors of the Company in their meeting held on 30th May. 2024.

The date of Annual General Meeting and Book Closure will be informed in due course of time

The Meeting of Board of Directors of the Company commenced at 15.30 hrs. and concluded at 16..05 hrs

Thanking you,

Yours faithfully,

For JBF INDUSTRIES LIMITED

**MRS UJJWALA APTE
COMPANY SECRETARY**

Regd office : 1st Floor, Building No.B-2, Tiriupati Residency, Tirupati Balaji Temple, Basera Road, Silvassa – 396230. Tel : +91 6356020333 E-mail : sec.shares@jbffmail.com

(ISO 9001/14001 & 18001 CERTIFIED) CIN : L99999DN1982PLC000128

S. C. AJMERA & CO.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL RESULTS

To
The Resolution Professional
JBF Industries Limited.

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of **JBF INDUSTRIES LIMITED** (the "Company") for the quarter and year ended March 31, 2024 (the "statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulation"), as amended.

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the statement:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India for the net loss and other comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2024.

Basis for Qualified Opinion

- (i) As mentioned in Note 4 to the statement, provision of interest @ Nil% p.a. on monthly compounding basis on Term Loan and simple interest in Cash Credit Limits and Cumulative Redeemable Preference Shares (CRPS) Rs.2,47,379 (Term Loan Rs. 64,121 lakhs and Cash Credit Rs. 1,71,862 lakhs and CRPS Rs. 11,396 lakhs) lakhs for the year ended from 1st April 2023 to 31st March 2024 as against the documented rate, resulting into lower provision of finance cost for the quarter and year ended 31st March, 2024 by Rs. 8819 lakhs and Rs. 34390 lakhs respectively, which is not in compliance with Ind AS -23 "Borrowings Costs" read with Ind AS-109 on "Financial Instruments". Aggregate amount of Interest not provided for as at 31st March, 2024 is Rs. 1,16,481 lakhs. Had the interest been provided at the documented rate, finance cost, net profit/loss after tax for the period/year, total comprehensive income and EPS for the quarter and year ended 31st March, 2024 would have been Rs. (8853) lakhs and Rs. 34,399 lakhs, Rs. 8,094 lakhs and Rs. (35,454) lakhs, Rs. 8,094 lakhs and Rs. (35,454) lakhs, and Rs. 9.89 and Rs. (43.30) respectively.



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against the reported figure of Rs. (17,672) lakhs and Rs. 9 lakhs, Rs. 16,913 lakhs and Rs. (1,064) lakhs, Rs. 16,913 lakhs and Rs. (1064) lakhs and Rs. 20.66 and Rs. (1.30) respectively in the above results. Further current financial liabilities-others and other equity as at 31st March, 2024 would have been Rs.1,62,281 lakhs and Rs. (4,09,417) lakhs respectively as against reported figure of Rs.45,800 lakhs and Rs.(2,92,936) lakhs respectively in the above results.

- (ii) As mentioned in Note 10 to the statement regarding the application filed with the National Company Law Tribunal (NCLT), by one of the operational creditors of JBF RAK LLC (JBF RAK), situated at UAE, a subsidiary of the company, against the Company, for supply of raw materials to JBF RAK and claim of Rs. 12,848 Lakhs (US\$ 19,899,091.53) as per notice dated 17th February, 2020. No provision has been considered for the above claim for the reasons stated therein. The matter described in above has uncertainties related to the outcome of the legal proceedings and hence we are unable to quantify the provisions for above claim at this stage, if any, and its consequential impacts on the financial results of the Company.

We concluded our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described In the Auditor's Responsibility for the Audit of the Standalone Financial Results 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 Standalone Financial results under the provisions of the Companies Act, 2013 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 are sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to:-

- (i) Note 2 to the statement that Company's secured assets including the manufacturing plants situated in Sarigam, Athola and Saily are no longer in the possession of the Company. Further, the management is also of the view that the operations of the Company without the manufacturing plants will be severely affected. With effect from 1st December, 2022 manufacturing operations from all locations have been discontinued. The Company's ability to sustain itself and generate revenues has been critically dented. Further, there is a significant and material impact on the "going concern" status of the Company and its future operations. The company has also transferred MAT credit entitlement of Rs. 6,409 Lakhs to Statement of Audited



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Financial Results under the head Tax Expenses "Short/(Excess) Provision of Tax of Earlier Years (Net)" as there is no possibility of earning revenue in future. The Company will find it difficult to meet its financial commitments. Furthermore, application of one of the operational creditors against the company was admitted by NCLT on dated 25th January 2024 and NCLT has appointed a Resolution Professional with directions to perform all functions contemplated under the IBC. Therefore, the company ceases to continue as a going concern.

- (ii) Note 2 & 3 to the statement, the part secured assets including land, building, sundry debtors, investments, cash and bank balances, deposits, intangible assets (including the SAP software) and other movable assets amounting to Rs. 2,39,664 Lakhs (Net of Provisions) have been sold to the MEPL by CFM on 6th June 2022 for Rs. 87,386 Lakhs and balance assets were sold to MEPL by CFM on 20th December 2022. The same has resulted into loss of Rs. 1,50,359 Lakhs on account of repossession of secured assets by the Lender, which has been shown as exceptional items in the financial results of the company.

Further, the Company has received demand notice from Tamilnad Mercantile Bank Ltd, (TMBL) under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("Sarfaesi Act") and the Rules framed thereunder for recovery of their dues vide letter dated 23rd November, 2021 amounting to Rs. 32.94 Crores plus future interest as applicable thereon in terms of loan agreement. TMBL has denied to release the charge on assets of the company. However, the remaining 14 lenders have assigned their debts to Asset Reconstruction Company CFM on dated 13.08.2021 and also transferred all the assets (fixed assets, investment and current assets) of the company to CFM on dated 11.11.2021. CFM has taken physical possession of all secured assets of JBF.

CFM has sent intimation for sale of all the secured assets of the company to Madelin Enterprises Private Limited (MEPL) for total consideration of Rs. 881 Crores on dated 11.05.2022.

However, TMBL has not agreed to the decision of remaining 14 lenders, therefore, it has in principal charge over the secured assets of the company on pro-rata basis, which have been subsequently transferred to CFM and finally to MEPL.

Thereafter, TMBL approached DRT Mumbai for recovery of their dues from the Company and CFM. The matter is now pending before the DRT Mumbai and it is subjudice.



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- (iii) Note 5 to the statement, regarding invocation of corporate guarantee given by the company to the lender of JBF Petro Chemicals Ltd. ("JPL"). The company has denied above invocation and is of the view that above invocation is not tenable for the reasons explained therein and hence no provision against the claims under the invoked corporate guarantee is considered necessary.
- (iv) Note 7 to the statement, regarding non-preparation of consolidated financial statement due to the reasons mentioned therein. The company has subsidiaries and is required to present consolidated financial results. The Company has not prepared and presented the consolidated financial statements/results required by Companies Act, 2013 and IND AS 110 "Consolidated Financial Statements" and the Listing Regulation. However, as on 31st March 2023, M/s. Madelin Enterprises Pvt. Ltd., has acquired the holding of JBF Industries Ltd. in its Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer of shares in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date.
- (v) Note 8 to the statement, regarding the vacancy of the post of the Chief Executive Officer and Chief Financial Officer since 1st May, 2019 and 1st July, 2023 respectively due to the reason as mention therein.
- (vi) The company has not appointed any Internal Auditor, which is required by section 138 of the Companies Act 2013.
- (vii) The company has paid remuneration to Directors, which is in excess of limit laid down under section 197 of the Companies Act, 2013.

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors, and has been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the presentation of these standalone financial statements that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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.



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selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 Standalone Financial Results.

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 Standalone Financial Results, 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.
- Obtain an understanding of internal financial controls 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 standalone 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 the Board of Directors.



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- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 standalone financial results 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, these standalone financial results have been prepared on the basis that the company does not continue to be a going concern as stated in the emphasis of matter paragraph.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and where applicable, related safeguards.

Other Matter

We report that the figures for the quarter ended 31st March, 2024 represent derived figures between the audited figures in respect of the financial year ended 31st March, 2024 and the published unaudited year-to-date figures up to 31st December, 2023 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us.



Place: Udaipur
Date: 30.05.2024

For S.C. Ajmera & Co.
Chartered Accountants
FRN 002908C

S. C. Ajmera

(S.C. Ajmera - Partner)
M.No. 081398

UDIN: 24081398BKHQYV3536

JBF INDUSTRIES LIMITED

Regd Office : 1st Floor, Building No. B-2, Tirupati Residency, Tirupati Balaji Temple, Basera Road, Silvassa - 396230.

CIN : L99999DN1982PLC000128

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2024

(Rs. In Lakh except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
1	Income					
	a) Revenue From Operations	(0)	-	139	194	1,09,717
	b) Other Income (Refer note no-6)	(0)	-	104	1	1,235
	Total Income	(0)	-	243	195	1,10,952
2	Expenses					
	a) Cost of materials consumed	-	-	-	-	60,398
	b) Purchases of Stock- in- trade	-	-	111	190	2,422
	c) Changes in Inventories of Finished goods and work-in-progress	-	-	-	-	19,653
	d) Employee benefits expense	41	68	(95)	264	4,869
	e) Finance Costs (Refer note no-3)	(17,672)	5,912	5,736	9	23,518
	f) Depreciation and amortisation expense	-	-	-	-	1,420
	g) Other Expenses	137	9	5,195	215	26,977
	Total Expenses	(17,494)	5,989	10,947	678	1,39,257
3	Profit/(Loss) before Exceptional Items and tax (1- 2)	17,493	(5,989)	(10,704)	(483)	(28,305)
4	Exceptional Items (Refer note no-2)	237		(123)	237	1,50,359
5	Profit/(Loss) before Tax (3-4)	17,256	(5,989)	(10,581)	(720)	(1,78,664)
6	Tax Expenses					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	273	-	273
	c) Short/(Excess) Provision of Tax of Earlier Years (Net)	343	-	6,409	343	6,409
	Total Tax Expense	343	-	6,682	343	6,682
7	Net Profit/(Loss) for the Period/Year (5 - 6)	16,913	(5,989)	(17,263)	(1,064)	(1,85,346)
8	Other Comprehensive Income (OCI)					
	i) Items that will not be reclassified to profit or loss:					
	a) Re-measurement gains / (losses) on defined benefit plans	-	-	(781)	-	(781)
	b) Income tax effect on above	-	-	273	-	273
	ii) Items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income	-	-	(508)	-	(509)
9	Total Comprehensive Income for the Period / Year (7+8)	16,913	(5,989)	(17,771)	(1,064)	(1,85,854)
10	Paid Up Equity Share Capital (Face Value of Rs. 10/- each fully paid up)	8,187	8,187	8,187	8,187	8,187
11	Other Equity excluding Revaluation Reserve	-	-	-	-	-
12	Earning per equity share: Basic & Diluted (Not Annualised)*	20.66	(7.31)**	(21.09)**	(1.30)**	(226.39)**



Balance Sheet as at 31st March, 2024 is as under :

		(Rs in Lakh)	
	Particulars	As at 31st March, 2024 (Audited)	As at 31st March, 2023 (Audited)
I.	ASSETS		
1	Non-current assets:		
	(a) Property, Plant and Equipment	-	-
	(b) Capital work-in-progress	-	-
	(c) Investment Property	-	-
	(d) Other Intangible assets	-	-
	(e) Financial Assets		
	(i) Investments	-	-
	(ii) Others	-	-
	(f) Other non-current assets	-	-
	Total Non-Current Assets	-	-
2	Current assets		
	(a) Inventories	-	-
	(b) Financial Assets		
	(i) Trade receivables	554	836
	(ii) Cash and cash equivalents	32	28
	(iii) Bank balances other than (ii) above	19	24
	(iv) Loans	(0)	-
	(v) Others	1	12
	(c) Current Tax Assets (Net)	1	339
	(d) Other current assets	4,815	4,941
	Total Current Assets	5,421	6,180
	Total Assets	5,421	6,180
II.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8,187	8,187
	(b) Other Equity	(2,92,936)	(2,91,873)
	Total Equity	(2,84,749)	(2,83,686)
	Liabilities		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Lease Liabilities	-	-
	(b) Provisions	-	-
	(c) Deferred tax liabilities (net)	-	-
	Total Non-Current Liabilities	-	-
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	2,35,983	2,35,984
	(ii) Lease Liabilities	-	-
	(iii) Trade Payables:-		
	Total outstanding dues of Micro & Small Enterprises	160	160
	Total outstanding dues of Creditors other than Micro & Small Enterprises	3,442	3,074
	(iv) Other financial liabilities	3,601	3,234
	(b) Other Current liabilities	45,800	45,697
	(c) Provisions	4,719	4,895
	(d) Current Tax Liabilities (Net)	66	56
	Total Current Liabilities	2,90,170	2,89,866
	Total Equity and Liabilities	5,421	6,180



STATEMENT OF UNAUDITED CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH,2024

(Rs in Lakh)

Particulars	For the year ended 31st March, 2024 (Audited)	For the year ended 31st March, 2023 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss Before Tax as per Statement of Profit and Loss	(720)	(1,78,664)
Adjusted for :		
Depreciation, Amortisation and Impairment Expense	-	1,420
Unrealised (Gain)/Loss on Foreign Currency Transactions (Net)	-	559
Loss on Sale of Property, Plant and Equipment (Net)	-	-
(Gain)/Loss on Financial Instruments Measured at Fair Value Through Profit or Loss (Net)	-	-
Finance Costs	9	23,518
Gain on Lease Cancellation	-	(243)
Recovery from Doubtful Debts	-	-
Interest Income	(1)	(63)
Provision for doubtful debts	237	-
Sundry Balances Written Off / (Back) (Net)	(9)	35
	236	25,226
Operating Profit Before Working Capital Changes	(484)	(1,53,438)
Adjusted for :		
Trade & Other Receivables	182	(6,993)
Inventories	-	(398)
Trade and Other Payables	318	(3,242)
Cash from/(used in) Operations	16	(1,64,071)
Direct taxes Refund/(paid)	(4)	(572)
	12	(1,64,643)
Exceptional Items		1,50,359
Net Cash from Operating Activities	12	(14,284)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment		(260)
Sale of Property, Plant and Equipment		-
Loan given to subsidiaries		-
Proceeds from Sale of Financial Assets		-
Interest on Investment / Loans	1	865
Net Cash used in Investing Activities	1	605
C. CASH FLOW FROM FINANCING ACTIVITIES		
Movement in Long Term Borrowings (net)		
Movement in Short Term Borrowings (net)		
Margin Money (Net)		(16)
Payment of Lease Liabilities		(172)
Finance Costs Paid	(9)	(136)
Net Cash used in Financing Activities	(9)	(324)
Net Increase in Cash and Cash Equivalents (A+B+C)	4	(14,003)
Opening Balance of Cash and Cash Equivalents	28	14,031
Closing Balance of Cash and Cash Equivalents	32	28



Notes :

- 1 The above results have been review and approved by the Resolution Professional (based on review by suspended Board of Directors) at their meeting held on 30th May, 2024.

On 13th August, 2021, all the lenders (except Tamilnad Mercantile Bank Ltd) had assigned the debts along with all the rights and interests on the secured assets to CFM Asset Reconstruction Private Limited (CFM) under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) by executing two Assignment Agreements both dated 13th August, 2021. A total of 14 fourteen lenders aggregating approximately 99 % of the total debt of the Company had assigned their debt to an Asset Reconstruction Company called CFM as on 13th August, 2021. The Board of Directors are no longer in the helm of affairs of the Company w.e.f - 13th August, 2021. CFM was closely monitoring and managing the day to day plant and corporate office operations through Deloitte Touche Tohmatsu India LLP, Mumbai who had been appointed as the nodal agency by CFM. Further, to the intimation of the said assignment, CFM had also issued a demand notice under Section 13(2) of the SARFAESI Act, 2002 and the rules framed there under to recover the entire dues including principal and interest. In response to the said notice, the Company had given an "In principle consent" to handover the secured assets which includes land, building, movable assets, inventory, sundry debtors, investments in subsidiaries & step-down subsidiary, intangible assets (including the SAP accounting software) and other current and non-current assets of the Company to CFM. On 11th November 2021, CFM took physical possession of the secured assets of JBF. Further the Company was in receipt of Intimation for sale of secured assets by way of private treaty under the SARFAESI Act, 2002 on 11th May, 2022 and thereafter, proceeded to sell the same by way of private treaty under the SARFAESI Act to Madelin Enterprises Private Limited (MEPL).

Further to the above mentioned points, we would like to bring to your kind attention that the part secured assets including land, building, sundry debtors, investments, cash and bank balances, deposits, intangible assets (including the SAP software) and other movable assets have been sold to the MEPL by CFM on 6th June 2022 and balance assets were sold by CFM to MEPL on 20th December, 2022. In addition, MEPL has also taken over the affairs and operations of all the three plants and the corporate office and the current Board of Directors have no control over the same. With effect from 1st December, 2022 manufacturing operations from all locations have been discontinued.

In addition, the Company has received demand notice from Tamilnad Mercantile Bank Ltd, (TMBL) under Section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") and the Rules framed thereunder for recovery of their dues vide letter dated 23rd November, 2021, amounting to Rs. 32.94 Crores plus future interest as applicable thereon in terms of loan agreement. TMBL has denied to release the charge on assets of the company. However, the remaining 14 lenders have assigned their debts to Asset Reconstruction Company CFM on dated 13.08.2021 and on 11th November 2021, CFM took physical possession of the secured assets of JBF.

CFM has sent intimation for sale of all the secured assets of the company to Madelin Enterprises Private Limited (MEPL) for total consideration of Rs. 881 Crores on dated 11.05.2022.

However, TMBL has not agreed to the decision of remaining 14 lenders, therefore, it has in principal charge over the secured assets of the company on pro-rata basis, which have been subsequently transferred to CFM and finally to MEPL. Thereafter TMBL approached DRT Mumbai for recovery of their dues from the Company and CFM. The matter is now pending before the DRT Mumbai and it is subjudice.

In light of the above facts, it is evident that the Company's secured assets including the manufacturing plants situated in Sarigam, Athola and Saily are no longer in the possession of the Company. Further, the management is also of the view that under the above mentioned circumstances, the operations of the Company without the manufacturing plants will be severely affected. The Company's ability to sustain itself and generate revenues has been critically dented. Further, there could be a significant and material impact on the "going concern" status of the Company and its future operations. The company has also transferred MAT credit entitlement of Rs. 6,409 Lakhs to Statement of Audited Financial Results under the head Tax Expenses "Short/(Excess) Provision of Tax of Earlier Years (Net)" in the earlier year. The Company will find it difficult to meet its financial commitments. The same has been referred by the auditors in their report on results and was also referred by the auditors in their reports on the financial statements & results for the earlier years/ quarters.

- 3 Exceptional items for the year ended 31st March 2024 and for year ended 31st March 2023 represents loss on account of Provision for doubtful debts and repossession of secured assets by the Lender.

As the Company was admitted by the Hon'ble NCLT vide its order dated 25th January 2024, therefore, the Company has provided interest @ Nil% p.a. w.e.f. 1st April 2023 on term loan, Cash Credit limits and Cumulative Redeemable Preference Shares (CRPS) on its borrowings aggregating to Rs. 2,47,379 lakhs (Term Loan Rs. 64,121 lakhs and Cash Credit Rs. 1,71,862 lakhs and CRPS Rs. 11,396 lakhs) as against the documented rate as required as per IND AS - 23 "Borrowing Costs" read with IND AS-109 on "Financial Instruments" since Company unable to service interest liability. Aggregate amount of interest not provided for as at 31st March, 2024 is Rs 116,481 lakhs. Accordingly, finance costs for the quarter ended 31st March 2024, for the quarter ended 31st Dec, 2023, for the quarter ended 31st March, 2023 and for the year ended 31st March 2024 and for the year ended 31st March 2023 is lower by Rs. 8,819 lakh, Rs. 5,912 lakh, Rs. 2,104 lakh, Rs. 34,390 lakh and Rs. 11,668 lakh respectively. The same has been qualified by the Auditors in their report on the results and was also qualified by the Auditors in their reports on the Financial Statements & results for the earlier year/ quarters.

5 The Company had issued a corporate guarantee of USD 463.96 Million (equivalent of Rs. 3,77,587 lakhs) to the lenders of JBF Petrochemicals Limited ("JPL"), a step down subsidiary. However, following the sale of secured assets (including its investments in subsidiaries and step down subsidiary). One of the lenders of JPL vide its letter dated 24th April, 2018 invoked corporate guarantee to the extent of USD 252.00 Million (equivalent of Rs 1,99,155 lakhs) as JPL has defaulted in servicing its borrowings towards principal and interest thereon. Company has denied above invocation and is of the view that above corporate guarantee was valid only up to one year from the Commercial operation date i.e. 31st March, 2017 and all obligations of the Company towards above lenders stand rescinded, have fallen away and ceased to exist as on 1st April, 2018. In view of the above, invocation of corporate guarantee on 24th April, 2018 is not legally tenable and hence no provision is required towards the guarantee so invoked. Company has discontinued recognition of guarantee commission w.e.f. 1st April, 2018. The same has been referred by the Auditors in their report on the results and was also referred by the Auditors in their reports on the Financial Statements & results for the earlier years/ quarters.

6 The Company as on 6th June, 2022 has an aggregate exposure of Rs.47,125 lakhs (excluding corporate guarantee as mentioned in note no. 5 above) in its subsidiaries namely JBF Global Pte Ltd ("JGPL") by way of investment in equity of Rs.39,617 lakhs, loans including interest of Rs.6,828 lakhs and interest thereon of Rs.680 lakhs.

The Company's exposure in the step down subsidiary namely JBF Petrochemicals Limited (JPL) amounting to Rs.1,05,722 lakhs as on 31st March, 2022 has been fully impaired and provided for. This is in light of the fact that the application filed by one of the lenders of JPL before the National Company Law Tribunal (NCLT), Ahmedabad under Insolvency and Bankruptcy Code, 2016 has been admitted on 28th January, 2022. The Resolution Professional (RP) appointed by the Committee of Creditors (COC) has taken over the plant and the Board of Directors of JPL has been suspended on 28th January, 2022. The RP has taken over the day to day operations of JPL, subsequently GAIL has acquired JPL through the bidding process.

The lenders of JPL have also invoked the pledged equity shares of JPL held by JGPL and corporate guarantee of the Company as mentioned in note no. 4 above.



Further, the Company had discontinued recognition of interest income on Inter- corporate deposits amounting to Rs.78,139 lakhs given by it to JPL w.e.f. 1st April 2018 and accordingly interest income for the quarter ended 30th Sept.2022 for the quarter ended 31st March, 2022, for the quarter ended 30th Sept, 2021, and for the year ended 31st March, 2022 is lower by Rs.3,104 lakhs, Rs. 2,271 lakhs, Rs.2,462.lakhs and Rs.8,958 lakhs respectively.


However, following the repossession of secured assets including all investments made by the Company in its subsidiaries and step-down subsidiary on 6th June, 2022, the above exposures has been reduced to NIL.

- 7 Due to financial restructuring / negotiation with lenders and/or investors, Company did not receive the audited financial statements of its subsidiaries, hence the Company could not prepare the consolidated financial statements of the Company and accordingly no consolidated financial results have been published. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters. As on 31st March 2023, M/s. Madelin Enterprises Pvt.Ltd., has acquired the holding of our Company in the Subsidiary Company JBF Global Pte Limited situated at Singapore under the Sarfaesi Act but pending transfer in the name of Madelin Enterprises Pvt. Ltd., the shares are still in the company as on date.
- 8 Chief Executive Officer (CEO) of the Company had tendered his resignation from the post of CEO with effect from 1st May, 2019. Chief Financial Officer (CFO) has tendered his resignation on 1st July 2023. Management of the Company is actively looking out for suitable candidates to fill in the above vacancies. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters.
- 9 As approved by the shareholders at its meeting held on 4th October, 2018, the Company has reserved issuance of 40,00,000 equity shares of face value of Rs. 10 each and 24,00,000 equity shares of face value of Rs. 10 each under the Employees Stock Option Plan 2018 (ESOP) & Employees Stock Purchase Scheme 2018 (ESPS) respectively.
- 10 One of the operational creditors of JBF RAK LLC, situated at UAE (JBF RAK), had made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 against the Company, for supply of raw materials to JBF RAK and claimed for a debt of Rs. 12,848 lakh (US\$ 19,899,091.53) as per notice dated 17th February, 2020. Management is of the view that in view of negotiation with the above creditor by JBF RAK and based on past settlement by the Company with above creditors in respect of raw material purchased by the Company, there will be no liability on account of it to the Company and hence no provision is required towards above claim. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters.
- 11 In the opinion of the management, the Company is engaged only in the business of producing polyester based products. As such, there are no separate reportable segments.
- 12 An application was filed before the National Company Law Tribunal (NCLT), Ahmedabad, by one of the Operational Creditor against the Company under section 9 of Insolvency and Bankruptcy Code, 2016. The matter was admitted by the Hon'ble NCLT vide its order dated 25th January 2024. The Hon'ble NCLT appointed IRP Mr. Dhaval C Khamar and subsequently NCLT appointed Mr. Mukesh Verma as RP with directions to perform all functions contemplated under the IBC.

In pursuit of his appointment, the IRP made public announcement in Financial Express (English) and Financial Express (Gujarati) on 8th February 2024 intimating the creditor and other stakeholder about the commencement of CIR process inviting their claims as provided in section 15 of IBC 2016.

Further RP Invites Express of Interest (EOI) under IBC, from prospective Resolutions applicants. The last date for the submission of EOI is further extended to 3rd June 2024.

- 13 The figures for the corresponding previous period/year have been regrouped/re-arranged wherever necessary, to make them comparable.


MUKESH VERMA
 Resolution Professional Of
 JBF Industries Limited (Under CIRP)
 Place : Mumbai
 Date : 30th, May 2024



For and on behalf of suspended Board of Director
 JBF INDUSTRIES LIMITED


SEETHARAM N SHETTY
 DIRECTOR
 DIN-07962778

Statement on Impact of Audit Qualification

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024 on Standalone Financial Statements

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	Rs. 1.95 Crore	Rs.1.95 Crore
	2.	Total Expenditure	Rs. 6.78 Crore	Rs.350.68 Crore
	3.	Net (Loss) [after taxes, before OCI]	Rs.(10.64) Crore	Rs.(354.54) Crore
	4.	Earnings Per Share	Rs. (1.30)	Rs. (43.31)
	5.	Total Assets	Rs. 54.21 Crore	Rs.54.21 Crore
	6.	Total Liabilities	Rs.54.21 Crore	Rs.54.21 Crore
	7.	Net Worth	Rs. (2,847.49) Crore	Rs.(3,191.39) Crore
	8.	Any other financial item(s)	Not Applicable	Not Applicable

II. Audit Qualifications

(a) Details of Audit Qualification:

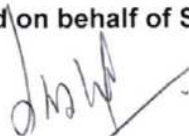
The auditors of the Company in their report on the Standalone Financial Statements, have reported in their report, that:-

- i. As the Company was admitted by the Hon'ble NCLT vide its order dated 25th January 2024, therefore, the Company has provided interest @ Nil% p.a. w.e.f. 1st April 2023 on term loan, Cash Credit limits and Cumulative Redeemable Preference Shares (CRPS) on its borrowings aggregating to Rs. 2,47,379 lakhs (Term Loan Rs. 64,121 lakhs and Cash Credit Rs. 1,71,862 lakhs and CRPS Rs. 11,396 lakhs) as against the documented rate as required as per IND AS -23 "Borrowing Costs" read with IND AS-109 on "Financial Instruments" since Company unable to service interest liability. Aggregate amount of interest not provided for as at 31st March, 2024 is Rs.116,481 lakhs. Accordingly, finance costs for the quarter ended 31st March 2024, for the quarter ended 31st Dec, 2023, for the quarter ended 31st March,2023 and for the year ended 31st March 2024 and for the year ended 31st March 2023 is lower by Rs. 8,819 lakh, Rs.5,912 lakh, Rs. 2,104 lakh, Rs. 34,390 lakh and Rs. 11,668 lakh respectively. The same has been qualified by the Auditors in their report on the results and was also qualified by the Auditors in their reports on the Financial Statements & results for the earlier year/ quarters.
- ii. One of the operational creditors of JBF RAK LLC, situated at UAE (JBF RAK), had made an application with National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 against the Company, for supply of raw materials to JBF RAK and claimed for a debt of Rs. 12,848 lakh (US\$ 19,899,091.53) as per notice dated 17th February, 2020. Management is of the view that in view of negotiation with the above creditor by JBF RAK and based on past settlement by the Company with above creditors in respect of raw material purchased by the Company, there will be no liability on account of it to the Company and hence no provision is required towards above claim. The same has been referred by the auditors in their report on results and was also referred by the auditors in their report on the financial statements & results for the earlier years/ quarters.



	<p>(b) Type of Audit Qualification:- Qualified Opinion</p> <p>(c) Frequency of Audit Qualification: Qualification Referred in II (a) (i) – Since March 2019, in II (a) (ii) – Appeared since March 2020.</p> <p>(d) For Audit Qualification where the impact is quantified by the auditor, Management's Views:</p> <p>(i) As the Company was admitted by the Hon'ble NCLT vide its order dated 25th January 2024 and the Company will not be in a position to service the finance cost.</p> <p>(e) For Audit Qualification where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Not Applicable</p> <p>(ii) If the Management is unable to estimate the impact, reasons for the same:</p> <ul style="list-style-type: none"> In respect of Audit Qualification as referred in (II) (a) (ii) above –application filed by one of the operational creditors of JBF RAK LLC, a subsidiary of the Company, against the Company - in view of the negotiation with the above creditors by the JBF RAK LLC and based on past settlement by the Company with above creditors in respect of raw material purchased by the Company, there will be no liability on account of it and hence, management of the Company does not expect any liability on account of above claim. The company has shown this amount as Contingent Liability. <p>(iii) Auditors' Comments on (i) or (ii) above:- Refer " Basis for Qualified Opinion " in the Independent Audit Report on the Standalone Financial Statements dated 30th May, 2024.</p>
III.	Signatories:

For and on behalf of Suspended Board of Director


Seetharam N Shetty
(Director)


MUKESH VERMA
Resolution Professional Of
JBF Industries Limited (Under CIRP)



Place: Mumbai
Date: 30.05.2024

Refer our Independent Auditor's Report dated 30th May, 2024 on the Standalone Financial Statements of the Company.

For S.C. Ajmera & Co.
Chartered Accountants
Firm Registration No – 002908C


S.C. Ajmera
Partner
Membership No – 081398
Place: Udaipur
Date: 30.05.2024

