

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors submit their report together with Audited Accounts of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS (₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2016-2017 (Current Year)	2015-2016 (Previous Year)	2016-2017 (Current Year)	2015-2016 (Previous Year)
Total Income	1,378	3,771	3,902	3773.79
Total Expenditure	1,049	4,803	4,937	5156.10
Operational Profit/(Loss)	328.46	(1,032)	(1,035)	(1,382)
Profit/(Loss) before Tax, Exceptional / Extra Ordinary Items	328.46	(1,032)	(1,035)	(1,382)
Exceptional / Extra Ordinary Items	0	0	0	0
Profit/ (Loss) before Tax	328.46	(1,032)	(1,035)	(1,382)
Profit / (Loss) after Tax	328.46	(1,032)	(1,035)	(1,382)

CONSOLIDATED ACCOUNTS

The Consolidated financial statements of your company for the financial year 2016-17, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (LODR) Regulations, 2015 (erstwhile Listing Agreement) as prescribed by the Securities and Exchange Board of India (SEBI). The financial statement has been prepared on the basis of the audited financial statement of the Company as approved by their respective Board of Directors.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and Auditors report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at the web link: www.jnpaints.com.

SUBSIDIARIES

Your Company has one Subsidiary Company (Jenson & Nicholson Paints Pvt. Ltd.) and one wholly owned Subsidiary (Jenson & Nicholson Colours Pvt. Ltd.) floated on 02/11/2015 and 05/05/2017 respectively.

There are no associate companies within the meaning of Section 2 (6) of the Companies Act, 2013 ("Act").

Further, in terms of proviso to Sub-Section (3) of Section 129 of the Act, the Salient features Of the Financial Statement of the Subsidiaries is set out in the prescribed form AOC-1, which is attached herewith as a Separate **Annexure- I**

In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiaries are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Corporate Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company(www.jnpaints.com). The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company (www.jnpaints.com)

FINANCIAL AND ORGANISATIONAL RESTRUCTURING

Pursuant to Ministry of Finance-Notification dated 25/11/2016, provisions of Sick Industrial Companies (Special Provisions) Repeal Act, 2003 has come into effect from 01/12/2016 hence the Company's reference before BIFR stands abated.

DIVIDENDS

The Directors regret their inability to recommend any dividend in view of present position of the Company.

LOANS, GUARANTEES OR INVESTMENTS

The Company has made investment in its wholly owned subsidiary company namely Jenson & Nicholson Colours Pvt. Ltd. amounting Rs.5,00,000 (50,000 Equity Shares of Rs. 10/- each fully paid), apart from this Company has not given any loans, guarantees or made any investments hence there is nothing to report in respect of requirement of Section 134(3)(g) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year were in the ordinary course of business and were on arm length basis.

There were no material related party transactions entered by the Company with Directors, KMPs or other persons which may have potential conflict with the interest of Company.

All related party transactions, wherever applicable, are placed before the Audit Committee. The quarterly disclosures of transactions with related parties are made to the Audit Committee.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company (www.jnpaints.com).

In Compliance with Section 134(3) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013 are enclosed, in the **Form AOC-2**, as a part of this report (**Annexure-II**).

SHARES

The paid up Equity Share Capital as on March 31, 2017 was Rupees 244851190/-. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

JENSON AND NICHOLSON (INDIA) LIMITED

No disclosure is required under Section 67(3) (c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

The Nomination and Remuneration Policy of the Company provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Nomination and Remuneration Policy can be accessed on the website of the Company (www.inpaints.com).

PERFORMANCE EVALUATION OF THE BOARD

The Board of Directors in its Meeting held on 27th October, 2016 has reviewed the performance of the committees, the members and the Board as a whole. The Criteria and manner for performance evaluation is as per the Nomination and Remuneration policy.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The Information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure- III** to this report and form part of this report.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Particular in respect of Conversation of Energy, Technology Absorption, Foreign Exchange earnings and Outgo under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is given in the **Annexure- IV** hereto.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors hereby confirm that

- a) in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that 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 and loss of the Company for that period;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the company and that such Internal financial control are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

The provision of Section 135 of the Companies Act, 2013, does not applicable on company as it does not meet the criteria to fall in that section.

LISTING OF SHARES

The Company's Equity Shares are listed on the Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange. Annual Listing Fee of Stock Exchanges has been paid.

CORPORATE GOVERNANCE

Since Your Company has equity paid up capital and net worth below the prescribed limit as per Regulation 15 (2) of SEBI (LODR) Regulations, 2015 as on the last day of the previous financial year so regulations 17, 18, 19, 20, 21,22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C , D and E of Schedule V to these Regulations shall not apply to your company.

Accordingly your company is not submitting compliance certificates from CFO and CEO under Regulation 17(8).

Accordingly your Directors have decided not to submit the Corporate Governance report (Para C of Schedule V to SEBI (LODR), Regulations, 2015), Declaration by CEO (Para D of Schedule-V to SEBI (LODR), Regulations, 2015) and Compliance Certificate from Auditor/PCS (Para E of Schedule-V to SEBI (LODR), Regulations, 2015). However as soon as the provisions of said regulation become applicable to a company at a later date, the company shall comply with the requirements of within six months from the date on which the provisions became applicable to the company.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return pursuant to Section 92(3) of the Companies Act, 2013 in Form No.MGT-9 is laid out in **Annexure-V** to this Report.

NO. OF MEETINGS OF THE BOARD

During the twelve months ended March 31, 2017, the Board of Directors met four times on 27th May, 2016, 28th July, 2016, 27th October, 2016and 14th February, 2017.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

JENSON AND NICHOLSON (INDIA) LIMITED**DIRECTORS & KEY MANAGERIAL PERSONNEL****Directors**

In accordance with the provisions of the section 152(6) of the Companies Act, 2013, Mrs. Kiran Sahai retires by rotation and is eligible for re-appointment. Accordingly her re- appointment has been included in the Notice convening the Annual General Meeting of the Company.

Key Managerial Personnel

No Change has been taken place in Key Managerial Personnel.

AUDIT COMMITTEE

As on the date of the report, of the Audit Committee comprises the following Members:

Mr. N. M. Sahai (Chairman)
Mr. Faisal Alam
Mr. Ajay Kumar Srivastava

The above composition of the Audit Committee consists of Independent Directors viz. Mr. N. M. Sahai and Mr. Ajay Kumar Srivastava who form the majority.

There were no recommendations made by Audit Committee which were not accepted by the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to section 177 (10) of the Companies Act,2013 the Board of Directors have formulated a Whistle Blower Policy. The policy provides for a framework and process whereby concerns can be raised by its directors and employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. The said policy is uploaded on the Company's website and can be accessed at: www.jnpaints.com/investor-relation.php.

INTERNAL FINANCIAL CONTROL

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The internal controls and governance process are duly reviewed for their adequacy and effectiveness through regular testing of key controls by independent internal auditors.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination a harassment including sexual harassment.

The Company has in place a Robust Policy on prevention of sexual harassment of employees lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual

harassment and follows the guidelines provided in the policy. During the year under review, no Complaints were received.

RISK MANAGEMENT POLICY

As per requirement of Section 134(3) (n) of the Companies Act, 2013, your Directors have adopted/framed a Risk Management Policy for the Company. This policy forms part of the internal financial control and corporate governance process of the Company. The aim of this policy is not to eliminate risks, rather to manage the risks involved in the Company activities.

STATUTORY AUDITORS

At the 93rd AGM of Company held on 29/09/2016, the shareholders had approved the appointment of M/s. M. Mukerjee & Co., Chartered Accountants as Statutory Auditors to hold the office till the conclusion of the 94th AGM.

M/s. M. Mukerjee & Co., Chartered Accountants, have been the Statutory Auditors of the Company since the Financial Year 2004. They were reappointed for the cooling period/relaxation of 3 (Three) years given under Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Considering which the Board of directors on the recommendation of Audit Committee have proposed the appointment of M/s. Agasti & Associates, Chartered Accountants as statutory auditors at the ensuing Annual General Meeting for a period of five years from the conclusion of this Annual General Meeting to the Conclusion of the Annual General Meeting to be held for the year 2022, subject to the ratification of appointment by the members of the Company at each Annual General Meeting.

The Company has received written consent(s) and certificate(s) of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from M/s Agasti & Associates, Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

The Auditors' Report for the financial year ended 31st March, 2017 on the financial statements of the Company is a part of this Annual Report.

COMMENT ON AUDITORS' REPORT

The remarks contain in the Auditor's Report have been appropriately explained in Statement on Impact on Audit qualification-Standalone & Consolidated which forms part of Annual Report.

COST AUDIT

The Ministry of Corporate Affairs (MCA) vide Notification dated 31st December, 2014 made amendment in the Companies (Cost Records and Audit) Rules, 2014, through Companies (Cost Records and Audit) Amendment Rules, 2015. As per the Amendment Rules, our Company is exempted from the requirement to conduct Cost Audit. Our Company is required to maintain Cost Audit Records only as turnover of the Company for FY ending 31/03/2015 exceeds 35 Crores.

JENSON AND NICHOLSON (INDIA) LIMITED

FIXED DEPOSIT

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Nitin Kumar Mishra, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure-VI**.

The remarks contain in the Secretarial Audit's Report have been appropriately explained in **Annexure-VI(i)** to the Director's Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and analysis is appended as **Annexure-VII**.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS, IF ANY

Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, it is stated that no material order has been passed by any regulator, court or tribunal impacting the Company's operation and its going concern status during the Financial Year 2016-17.

APPRECIATION

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers and government authorities for their continued support.

For and on behalf of the Board

Place: Patna Dated: 8 th June, 2017	Sd/- N.M. Sahai (Chairman) DIN: 00422704	Sd/- B.C.Srivastava Managing Director DIN:00929674
---	--	--

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

SI. No.	Particulars	Details	Details
1.	Name of the subsidiary	JENSON & NICHOLSON PAINTS PVT. LTD.	JENSON & NICHOLSON COLOURS PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period/ Date of Incorporation	1st April, 2016 to 31st March, 2017	5th May, 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	In Indian Rupees & Exchange Rate: N/A	In Indian Rupees & Exchange Rate: N/A
4.	Share capital	Rs. 30,00,000	Rs. 5,00,000
5.	Reserves & surplus	Rs. (10,44,42,650)	-
6.	Total assets	Rs. 23,92,45,470	-
7.	Total Liabilities	Rs. 23,92,45,470	-
8.	Investments	NIL	-
9.	Turnover	31,23,79,078	-
10.	Profit/ (Loss) before taxation	(8,11,09,585)	-
11.	Provision for taxation	NIL	-
12.	Profit/ (Loss) after taxation	(8,11,09,585)	-
13.	Proposed Dividend	NIL	-
14.	% of shareholding	55%	100%

Notes: The following information shall be furnished at the end of the statement:

- | | |
|--|------|
| 1. Names of subsidiaries which are yet to commence operations: | N/A |
| 2. Names of subsidiaries which have been liquidated or sold during the year: | N/A. |

Part "B": Associates and Joint Ventures:	[N/A]
--	-------