

**BOARD'S REPORT**

To  
The Members,  
Your Directors have pleasure in presenting the 8<sup>th</sup> Board Report on the business and operations of the Company together with Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

**1) FINANCIAL RESULTS**

The Standalone and Consolidated Financial Results for the year under review viz-a-viz the Financial Result of the previous financial year are given below:-

**(Rs. In Lakhs)**

Particulars	Standalone		Consolidated	
	Year ended 31-03-2020	Year ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2019
Income	2.15	2.63	102.74	105.01
<b>Profit/(Loss) before exceptional items and tax</b>	<b>(7,704.55)</b>	<b>(225.65)</b>	<b>(10,962.63)</b>	<b>(22,472.35)</b>
Exceptional Items Gain/(Loss)	-	(39,160.15)	-	(1,940.00)
<b>Profit/(Loss) Before Tax</b>	<b>(7,704.55)</b>	<b>(39,385.80)</b>	<b>(10,962.63)</b>	<b>(24,412.35)</b>
Less: Provision for current Taxation	-	-	29.81	0.01
Deferred Tax Liability/(Asset) for the year	-	-	0.18	1.55
<b>Profit/(Loss) After Tax</b>	<b>(7,704.55)</b>	<b>(39,385.80)</b>	<b>(10,992.76)</b>	<b>(24,413.91)</b>

**2) OPERATIONS**

Your Company is mainly engaged in the activity of holding investments in group Companies. During the year under review, the consolidated turnover of the Company was Rs. 102.74 Lakhs against Rs. 105.01 Lakhs during the last financial year. There was no change in the nature of business during the year under review. No amount was transferred to any reserve.

**3) DIVIDEND**

Your directors did not recommend any Dividend for the Financial Year 2019-20.

**4) CORPORATE GOVERNANCE REPORT AND CODE OF CONDUCT**

Your Directors strive to maintain highest standards of Corporate Governance. The Corporate Governance Report is attached to this Report. The declaration of the Managing Director confirming compliance with the 'Code of Conduct' of the Company and Auditor's Certificate confirming compliance with the conditions of Corporate Governance are enclosed with Corporate Governance Report forming part of this Report.

**5) SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS**

- In pursuance of the provisions of the Companies Act, 2013, (the Act) and the Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the applicable Accounting Standards, the Company has prepared Consolidated Financial Statements. Audited Financial Statements together with related information and other reports of the subsidiary company have also been placed on the website of the Company at [www.jpifcl.com](http://www.jpifcl.com).
- In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is provided in the Annual Report.
- The Company has one Subsidiary i.e. Jindal India Powertech Limited (JIPL) and one Step down Subsidiary i.e., Xeta Properties Private Limited. as on 31<sup>st</sup> March, 2020. During the year under review consolidated turnover of JIPL along with its subsidiary was Rs. 100.59 Lakhs.
- No Company became or ceased to be subsidiary, joint venture or associate of the Company during the year under review.

**6) DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- There was no change in the Composition of the Board of Directors during the year under review. However, The Board has, at its meeting held on 05<sup>th</sup> May, 2020, approved the appointment of:

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CIN: L65923UP2012PLC051433

- i. Mr. Prakash Matai as additional Non-Executive Director of the Company w.e.f 05<sup>th</sup> May, 2020 to hold office upto forthcoming Annual General Meeting of the Company.
  - ii. Mr. Suresh Chander Sharma as additional Non Executive Independent Director of the Company w.e.f. 05<sup>th</sup> May, 2020 for a period of five years, subject to the approval of the shareholders.
  - iii. Ms. Nidhi Bhaskar as Company Secretary and Compliance Officer of the Company w.e.f. 05<sup>th</sup> May, 2020.
- b) The Board has, at its meeting held on 10<sup>th</sup> August, 2020, approved the re- appointment of Mr. Ghanshyam Dass Singal, as Managing Director of the Company w.e.f. 11<sup>th</sup> August, 2020 for a period of 3 years upto 10<sup>th</sup> August, 2023 subject to the approval of the shareholders.
- c) Mr. Rupesh Kumar resigned as Company Secretary and Compliance Officer of the Company on 12<sup>th</sup> March, 2020. The Board places its sincere gratitude for contribution made by him to the Company.
- d) Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Iiti Goyal will retire by rotation at the 8<sup>th</sup> AGM and being eligible, has offered herself for re-appointment.

e) **Composition of the Board as on 31<sup>st</sup> March, 2020**

**1. Directors**

- Mr. Ghanshyam Dass Singal, Managing Director
- Mr. Radhey Shyam, Independent Director
- Mr. Vinumon Kizhakkeveetil Govindan, Independent Director
- Ms. Iiti Goyal, Non-Executive Director

**2. Key Managerial Personnel**

- Mr. Ghanshyam Dass Singal, Managing Director
- Mr. Anuj Kumar, CFO

All the Independent Directors have submitted declarations that they meet the criteria of independence as provided under section 149 of the Act and the Listing Regulations.

The Board met Four times during the Financial Year 2019-20. Other information on the Directors and the Board Meetings is provided in the Corporate Governance Report attached to this Report.

**7) INTERNAL FINANCIAL CONTROL**

The Company has policies and procedures in place for ensuring 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 information.

**8) AUDITORS AND THEIR REPORTS**

a) **Internal Audit and Auditors**

Pursuant to the provisions of Section 138 of the Act, the Board has appointed M/s. ADB & Co., Chartered Accountants (FRN 005593C) as Internal Auditors for conducting the Internal Audit of the Company for the financial year 2020-21.

b) **Statutory Audit and Auditors**

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore, do not call for further comments or explanations. There has been no qualification, reservation, adverse remark or disclaimer in the Auditor's Reports.

The shareholders of the Company at their 7<sup>th</sup> AGM held on 27 September, 2019, has appointed M/s. APT & Co., LLP Chartered Accountants (Firm Registration No. 014621C as Auditors of the Company to hold the office for a term of 5 (five) consecutive years from the conclusion of 7<sup>th</sup> AGM of the Company till the conclusion of 12<sup>th</sup> AGM of the Company.

c) **Secretarial Audit and Auditors**

The Secretarial Audit Report issued by M/s Pragnya Pradhan & Associates, Practicing Company Secretaries, Secretarial Auditors for the financial year 2019-20 is attached as **Annexure "A"** to this Report.

There has been no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

In pursuance of the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Pragnya Pradhan & Associates, Practicing Company Secretaries for conducting secretarial audit of the Company for the financial year 2020-21.

9) DISCLOSURES UNDER THE ACT, READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014 AND SECRETARIAL STANDARDS

- a) The Paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2020 was Rs. 10,51,19, 290. There is no Change in the paid up Share Capital of the Company since last year.
- b) All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. Accordingly, disclosure of contracts or arrangements with Related Parties as required under section 134(3)(h) of the Act, in Form AOC-2 is not applicable.
- c) The extract of the annual return as provided under sub-section (3) of section 92 of the Act is attached as **Annexure- "B"**
- d) The following information is given in the Corporate Governance Report attached to this Report:
- i) The performance evaluation of the Board, the Committees of the Board, and the individual Directors;
  - ii) The Composition of audit committee;
- e) The particulars of loans and guarantees given and investments made under section 186 of the Act, are given in the notes to the Financial Statements.
- f) During the year, the Statutory Auditors and the secretarial auditors have not reported any fraud under Section 143(12) of the Act and the Companies (Audit and Auditors) Rules, 2014.
- g) No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company's operations in future. However IFCI has filed an O.A. No. 84/2017 before Hon'ble Debts Recovery Tribunal-I, Delhi titled as IFCI Vs. Jindal India Powertech Limited (Subsidiary of the Company), wherein the Company is defendant no. 2 as it had pledged shares (a)15.41 Lakh Equity Shares of Rs. 10/- each and (b) 34.59 Lakh, zero percent, Redeemable Preference Shares of Rs. 10/- each of Jindal India Powertech Limited with IFCI as security for the Optionally Convertible Debentures (OCD) issued by Jindal India Powertech Limited. The Company has not given any corporate guarantee in this regard.
- h) No material changes and commitment occurred, between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, which could affect the financial position of the Company.
- i) Cost records as specified by the Central Government under sub section (1) of section 148 of the Act are not applicable on the Company.
- j) Remuneration Policy  
In pursuance of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations the Company has formulated a Remuneration Policy which is available at Company's website [http://www.jpifcl.com/financial/Remuneration\\_Policy.pdf](http://www.jpifcl.com/financial/Remuneration_Policy.pdf)  
The Remuneration Policy, *inter-alia*, includes the appointment criteria & qualification requirements, process for appointment & removal, retirement policy and remuneration structure & components etc. of the Directors, KMP and other senior managerial personnel of the Company.
- k) Energy conservation, technology absorption and foreign exchange earnings and outgo  
The Company is not engaged in manufacturing activities and hence the particulars pertaining to conservation of energy and technology absorption are not applicable on the Company.  
Further, as the Company is a core investment Company, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule, 8 of The Companies (Accounts) Rules, 2014 are Nil.
- l) Risk Management  
The Board reviewed adequate and effectiveness of the Company's internal control environment to monitor and mitigate the risk through internal audit recommendation including those relating to strengthening of the company's risk management system.
- m) Vigil Mechanism and Whistle Blower Policy  
The Company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177(10) of the Act and details whereof is available on the Company's website at <http://jpifcl.com/investors.html>. During the year under review, there was no complaint received under this mechanism.
- n) Deposits  
During the year, the Company has not accepted any deposits from the public under Chapter V of the Act. There was no public deposit outstanding as at the beginning and end of the financial year 2019-20.
- o) Particulars of Employees  
The human resource is an important asset which has played pivotal role in the performance and growth of the

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Company over the years. Your Company maintains very healthy work environment and the employees are motivated to contribute their best in the working of the Company. The information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure "C"** to this Report.

- p) The Company has constituted a Corporate Social Responsibility (CSR) Committee and has developed its CSR Policy, which is available on the website of the Company at <http://www.jpifcl.com/investors.html>

Further, the Company during the year under review did not meet the criteria in terms of section 135 of the Act and the Companies (Corporate Social Responsibility) Rules, 2014 and hence your Company was not required to spend any amounts towards CSR based activities for the financial year 2019-20

- q) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place a Policy on prevention of Sexual Harassment at workplace at Group Level. This Policy is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

As per the said Policy, an Internal Complaints Committee is also in place at Group Level to redress complaints received regarding sexual harassment. There was no complaint received from an employee during the financial year 2018-19 and hence no complaint is outstanding as on 31<sup>st</sup> March, 2020 for redressal.

- r) The Company has complied with the applicable Secretarial Standards prescribed under section 118(10) of the Act.

**10) DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors hereby state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and of the profit and loss of the Company for the year ended 31<sup>st</sup> March, 2020;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**ACKNOWLEDGEMENT**

Your Directors would like to express their gratitude to all the stakeholders including financial institutions, Banks and various State and Central Government authorities for their co-operation extended to the Company. Directors also take this opportunity to thank the shareholders, customers, suppliers and distributors for the confidence reposed by them in the Company. The employees of the Company contributed significantly in achieving the results. Your Directors take this opportunity to thank them and hope that they will maintain their commitment to excellence in the years to come

**For and on behalf of Board of Directors**

**Place : New Delhi**  
**Date : 2<sup>nd</sup> September, 2020**

**Ghanshyam Dass Singal**  
**(Managing Director)**  
**DIN: 00708019**

**Vinumon K. Govindan**  
**(Director)**  
**DIN: 007558990**