

## MANAGEMENT DISCUSSION & ANALYSIS

### MACRO ECONOMIC ENVIRONMENT

Indian economy exhibited mixed record in the just concluded fiscal. GDP growth slowed from 7.2% in FY18 to 6.8% in FY19. Sub-par rainfall in 2018, tight financial conditions faced by the non-banking financial sector and moderation of external demand were the key challenges faced by the economy. Consumption growth declined during the second half of the year, but there were some signs of revival in the investment cycle, as the rate of gross fixed capital formation improved from 31.4% of the GDP in FY18 to 32.3% in FY19.

Macroeconomic stability indicators broadly maintained their health. Low inflation has created the space for monetary policy easing, which will also help support growth revival. The fiscal deficit target for FY19 was adhered to, despite a shortfall in tax revenues. While the current account deficit was high at 2.6% of the GDP during the first three quarters of FY19, the softness in international oil prices portends its narrowing in the coming quarters. Following the resounding political mandate for the ruling Government, expectations of further economic reforms and impetus to large infrastructure investments have been reinforced. These are reflected in the strong inflows in the capital market, taking equity indices to record levels in the weeks following the general elections.

India's medium-term growth prospects continue to be robust. Significant reforms undertaken in the recent years such as the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) would raise India's growth potential in the coming years, amplifying the effect of its long-term structural cornerstones of the Indian growth story such as demography and urbanization. In the near-term, however, uncertainty over the forthcoming monsoon season and the heightened global risks present headwinds for FY20. Accordingly, the outlook for the Indian economy in FY20 is one of cautious optimism at this juncture.

### OPPORTUNITIES & THREATS

NBFC or Loan syndication business has steadily expanded its share of total credit in the country. NBFCs have developed innovative and customised financial products and solutions that are delivered efficiently to fulfil customer needs. With its inherent strength in terms of innovative products to meet consumer requirements, faster turnaround, nimble operations, reach and strong relationships, the sector is expected to grow, though more selectively than before. Going forward, NBFCs may face tighter liquidity norms and higher funding costs but the well positioned entities in this sector will continue to grow.

In regard to Company's Stock Market activities, the outlook for the industry is dependent on key factors, such as domestic and global economic growth, buoyancy in primary markets, lack of alternative investment opportunities and technological upgradation.

A broad-based macro-economic recovery will lead to improved corporate profits, thus supporting higher stock prices and positive equity market sentiments. While Foreign Institutional Investors (FIIs) have been selling stocks lately, India's structural long-term attractiveness will attract foreign investors.

### HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2018-2019, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of the Companies Act, 2013 relating to CSR Initiatives are not applicable to the Company.

**COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Kolkata, May 23, 2019

By order of the Board  
For Jackson Investments Limited

Sd/-

**Registered Office :**  
7A, Bentinck Street, 3<sup>rd</sup> Floor, Room No. 310A  
Kolkata-700 001

**Ramesh Kr. Saraswat**  
(DIN : 00243428)  
Managing Director