

## **BOARD'S REPORT**

On behalf of the Board of Directors (the "Board"), it gives me great pleasure to present the 24<sup>th</sup> Board's Report of your Company, along with the Balance Sheet, Profit and Loss account and Cash Flow statements, for the financial year ended March 31, 2018.

### **Financial Performance**

Key highlights of financial performance of your Company for the financial year 2017-18 are provided below:

| <b>Particulars</b>                    | (In Rs.)         |                    |
|---------------------------------------|------------------|--------------------|
|                                       | <b>2017-18</b>   | <b>2016-17</b>     |
| Sales and Other Income                | <b>20,84,536</b> | <b>7,06,538</b>    |
| Profit before Tax                     | <b>2,33,303</b>  | <b>(50,51,982)</b> |
| Provision for Tax                     | <b>50,000</b>    | <b>526,010</b>     |
| Minority Interest                     | -                | -                  |
| Net profit for the year*              | <b>1,83,303</b>  | <b>(45,25,972)</b> |
| Appropriations                        | -                | -                  |
| Interim Dividend                      | -                | -                  |
| Proposed Dividend on equity shares    | -                | -                  |
| Corporate tax on distributed dividend | -                | -                  |
| Transfer to General Reserve           | <b>1,83,303</b>  | <b>(45,25,972)</b> |
| EPS                                   |                  |                    |
| Basic                                 | <b>0.06</b>      | <b>(1.50)</b>      |
| Diluted                               | <b>0.06</b>      | <b>(1.50)</b>      |

### **STATE OF COMPANY'S AFFAIRS**

During the year under review the Company has earned Net profit of **Rs. 1,83,303/-** as compared to previous year' loss of Rs. **(45,25,972)/-**.

## **CHANGE IN THE NATURE OF BUSINESS**

During the Period under review there is no change in the nature of business of the company.

## **DIVIDEND**

In view of future expansion plans, your Directors do not recommend any dividend for the year ended on March 31<sup>st</sup> 2018.

## **TRANSFER TO RESERVES**

During the Year under review, the company has earned a Net Profit of **Rs. 1, 83,303/-**.

## **SHARE CAPITAL**

During the year under review, the Company has neither altered its share capital nor issued any kind of shares.

## **PARTICULARS OF LOANS, ADVANCES, GUARANTEES AND INVESTMENTS**

Pursuant to Section 186 of Companies Act, 2013 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), disclosure on particulars relating to Loans, advances, guarantees and investments are provided as part of the financial statements.

## **BOARD OF DIRECTORS**

### **Board’s Composition and Independence**

Your Company’s Board consists of leaders and visionaries who provide strategic direction and guidance to the organization. As on March 31, 2018 the Board comprised of five directors out of which one is Managing Director and rest of the Directors are Non-Executive Directors and two non-executive Independent Directors.

Definition of ‘Independence’ of Directors is derived from the provisions of the Listing Regulations, and Section 149(6) of the Companies Act, 2013. The Company has received necessary declarations from the Independent Directors stating that they meet the prescribed criteria disclosed, the following Non-Executive Directors are considered as Independent Directors:

1. Kiran Singhal
2. Sachin Kharkia

for independence. Based on the confirmations/disclosures received from the Directors under the provisions of the Companies Act 2013 and on evaluation of the relationships.

## **NUMBER OF MEETINGS OF THE BOARD**

The Board met Twelve times during the financial year 2017-18.

The maximum interval between any two meetings did not exceed 120 days.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to provisions of Section 152 and Articles of Association of the Company, Ms. Shashi Garg will retire by rotation at the 24<sup>th</sup> Annual General Meeting and being eligible, has offered himself for re-appointment.

## **COMMITTEES OF THE BOARD**

The Company's Board has the following committees:

1. Audit Committee- Audit Committee met Four times during the year.
2. Nomination and Remuneration Committee - Nomination and Remuneration Committee met Four times during the year
3. Stakeholders' Relationship Committee - Stakeholders' Relationship Committee met Four times during the year

The details of meetings of Board and its committees attended by each Directors is as under:

| Date of Board Meeting | Rachit Singhal | Nishant Garg | Shashi Garg | Kiran Singhal | Sachin Kharkia |
|-----------------------|----------------|--------------|-------------|---------------|----------------|
| 22.04.2017            |                | Yes          | Yes         |               | Yes            |
| 24.04.2017            |                | Yes          | Yes         |               | Yes            |
| 12.05.2017            |                |              |             |               | Yes            |
| 22.05.2017            | Yes            | Yes          | Yes         | Yes           | Yes            |
| 30.06.2017            |                | Yes          | Yes         |               | Yes            |
| 14.08.2017            | Yes            |              |             | Yes           | Yes            |
| 30.08.2017            |                | Yes          | Yes         |               | Yes            |
| 09.09.2017            |                | Yes          | Yes         |               | Yes            |
| 09.10.2017            |                | Yes          | Yes         |               | Yes            |
| 09.11.2017            |                | Yes          | Yes         |               | Yes            |
| 10.11.2017            | Yes            |              |             | Yes           | Yes            |
| 18.01.2018            |                | Yes          | Yes         |               | Yes            |
| 31.01.2018            | Yes            |              |             | Yes           | Yes            |
| 20.02.2018            |                | Yes          | Yes         |               | Yes            |
| 26.02.2018            |                | Yes          | Yes         |               | Yes            |
| 09.03.2018            |                | Yes          | Yes         |               | Yes            |
| Total                 | 4              | 12           | 12          | 4             | 16             |

| Committee/<br>Dates                            | Rachit<br>Singhal | Nishant Garg | Shashi<br>Garg | Kiran<br>Singhal | Sachin<br>Kharkia |
|--|-------------------|--------------|----------------|------------------|-------------------|
| Audit<br>Committee                             |                   |              |                |                  |                   |
| 22.05.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 14.08.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 10.11.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 31.01.2018                                     | Yes               | -            | -              | Yes              | Yes               |
| Nomination<br>and<br>Remuneration<br>Committee |                   |              |                |                  |                   |
| 22.05.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 14.08.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 10.11.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 31.01.2018                                     | Yes               | -            | -              | Yes              | Yes               |
| Stakeholders<br>Relationship<br>Committee      |                   |              |                |                  |                   |
| 22.05.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 14.08.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 10.11.2017                                     | Yes               | -            | -              | Yes              | Yes               |
| 31.01.2018                                     | Yes               | -            | -              | Yes              | Yes               |

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate Governance Guidelines, Annual Performance Evaluation is conducted for all Board Members as well as the working of the Board and its Committees. This evaluation is led by the Chairman of the Board Governance, Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board Member, core competencies, personal characteristics, accomplishment of specific responsibilities and

expertise. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on ratings. The outcome of the Board evaluation for financial year 2017-18 was discussed by the members in the Nomination and Remuneration Committee at their meeting held in May 2018.

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The Board Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

### **VIGIL MECHANISM**

In line with the requirements under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has adopted an Ombudsman process which is a channel for receiving and redressing complaints from employees and directors. Under this policy, your Company encourages its employees to report any reporting of fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Likewise, under this policy, your Company has prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. Mechanism followed under Ombudsman process is appropriately communicated within the Company across all levels and has been displayed on the Company's intranet and website at [www.jlltd.co.in](http://www.jlltd.co.in). The Audit, Risk and Compliance Committee periodically reviews the functioning of this mechanism. No personnel of the Company was denied access to the Audit, Risk & Compliance Committee.

### **RELATED PARTY TRANSACTIONS**

As a part of its philosophy of adhering to highest ethical standards, transparency and accountability, your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. All Related Party Transactions are placed on a quarterly basis before the Audit, Risk and Compliance Committee and also before the Board for approval. Prior omnibus approval of the Audit, Risk and Compliance Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

### **COMPLIANCE MANAGEMENT FRAMEWORK**

Your Company has a robust and effective framework for monitoring compliances with applicable laws. The Audit, Risk and Compliance Committee and the Board periodically monitor status of compliances with applicable laws based on quarterly certification provided by senior management.

## **SUBSIDIARY/ASSOCIATE COMPANIES**

As on 31st March 2018, the Company had no Subsidiary or Associate Company.

## **DEPOSITS**

Company has not accepted any deposits from public.

## **MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(6) of the Companies Act, 2013, the Company has obtained declaration from Independent Directors.

## **GOVERNANCE AND ETHICS**

### **CORPORATE GOVERNANCE**

As per Regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by Company are required to be presented in Annual Report, together with a certificate, on compliance with corporate governance norms under the Listing Regulations. However this provision is not applicable on companies covered under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **MANAGEMENT DISCUSSION ANALYSIS REPORT**

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis for the year under review is presented in a separate section forming part of the Annual Report.

### **COMPLIANCE MANAGEMENT FRAMEWORK**

Your Company has a robust and effective framework for monitoring compliances with applicable laws. The Audit, Risk and Compliance Committee and the Board periodically monitor status of compliances with applicable laws based on quarterly certification provided by senior management. Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. Accordingly, following is the criteria for evaluation:-

**A. Criteria for evaluation of the Board of Directors as a whole:**

- The Frequency of Meetings
- Quantum of Agenda
- Administration of Meetings
- Flow and quantity of Information from the Management to the Board
- Number of Committees and their role.
- Overall performance of the Company

**B. Criteria for evaluation of the Individual Directors including Independent Directors;**

- Experience and ability to contribute to the decision making process
- Problem solving approach and guidance to the Management
- Attendance and Participation in the Meetings
- Personal competencies and contribution to strategy formulation
- Contribution towards statutory compliances, monitoring of controls and Corporate Governance

The Independent Directors had met once separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors express their satisfaction with the evaluation process.

**DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors hereby confirm 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 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) 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;
- d) the Directors have prepared the annual accounts on a going concern basis; and

e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) As required under Section 134(5)(f) of the Companies Act, 2013, and according to the information and explanations presented to us, based on the review done by the Audit, Risk and Compliance Committee and as recommended by it, we, the Board, hereby, state that adequate systems and processes, commensurate with the size of the Company and the nature of its business, have been put in place by the Company, to ensure compliance with the provisions of all applicable laws as per the Company's Global Statutory Compliance Policy and that such systems and processes are operating effectively.

### **PARTICULARS OF EMPLOYEES**

None of the employee was drawing in excess of the limits defined by the Companies Act, 2013 and the rules made thereunder which needs to be disclosed in the directors report.

### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company 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.

### **STATUTORY AUDITORS**

During the year, M/s Ved Jain & Associates resigned as Auditors. The Board appointed M/s. Goyal Nagpal & Co., Chartered Accountants, Delhi, as the statutory auditors of the Company. Further, the Board has also placed for approval of Shareholders, the appointment of M/s. H.K Dua & Co., Chartered Accountants, Delhi, as the statutory auditors of the Company for 5 years (i.e. from financial year 2018-2019 to 2022-2023) to hold office from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company.

### **AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks made by M/s H.K Dua & Co., Statutory Auditors, in their report for the financial year ended March 31, 2018. Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit, Risk and Compliance Committee during the year under review.

### **SECRETARIAL AUDIT**

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. Upender Jajoo, proprietor, M/s Upender Jajoo & Associates, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2018 is enclosed at **Annexure I** to the Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.



### **INTERNAL AUDITOR:**

The Company has appointed Mr. Suresh Chand Khandelwal as an Internal auditor of the Company. Mr. Suresh Chand Khandelwal placed the internal audit report to the Company which is self explanatory and need no Comments.

### **CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of the Companies Act, 2013, companies having net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 crore or more or net profit of Rs.5 Crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) committee of the board comprising three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profits of the company's three immediately preceding financial years. This provision is not applicable on the company.

### **PARTICULARS REGARDING CONSERVATION OF ENERGY AND RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION**

Details of steps taken by your Company to conserve energy through its "Sustainability" initiatives have been disclosed as part of this Annual Report in Management Discussion and Analysis Report. This provision is not applicable on the company.

### **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization. Your director's further state that during the year under review 2017-2018, there were no complaints received pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The following is reported pursuant to Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

No. of complaints received during the year: Nil

No. of complaints disposed off during the year: Nil

No. of complaints pending more than 90 days: Nil

No. of workshops or awareness programme against sexual harassment carried out: NIL

Nature of action taken by the employer or district officer: N.A

Details of Significant and Material Orders Passed by the regulators/Courts/Tribunals impacting the Going Concern Status and the Company's Operations in Future

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) and section 134(3) (a), extract of the Annual Return as on March 31, 2017 in form MGT-9 is enclosed as **Annexure II** to this report.

## **ACKNOWLEDGEMENTS AND APPRECIATION**

Your Directors take this opportunity to thank the customers, shareholders, bankers, business partners/associates, regulators, stock Exchanges, financial institutions for their consistent support and encouragement extended to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company and associates for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the industry. Your involvement as shareholders is also greatly valued at. Your Directors look forward to your continuing support.

**By Order of the Board**  
**JINDAL LEASEFIN LIMITED**

**Rachit Singhal**  
**Chairman**  
**DIN: 00054539**  
**Address:** Garg House 1A, Outram Street, Near  
Outram Club Circus Avenue, Kolkata-700017

Date: August 14, 2018  
Place: New Delhi