

# J. J. FINANCE CORPORATION LTD.

Regd. Off. : Unit No. 14, 8th Floor, Premises No. IID/14,  
Action Area - IID, New Town, Rajarhat, Kolkata - 700 156  
CIN : L65921WB1982PLC035092

Tel : 6646 6646 / 2229 6000  
E-mail : jjfc@jjauto.org  
Website : www.jjfc.co.in



August 28, 2019

To,  
The Secretary,  
Bombay Stock Exchange Limited,  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub: Submission of 36<sup>th</sup> Annual Report for the year 2018-19 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

Please find enclosed herewith Annual Report for the Financial Year 2018-19 pursuant to the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Notice of 36<sup>th</sup> Annual General Meeting (AGM) scheduled to be held on Wednesday, 25<sup>th</sup> September, 2019. The same is also uploaded on the website of the company <https://www.jjfc.co.in>.

Kindly take the same on record and oblige.

Thanking you.  
Yours faithfully,  
For J. J. Finance Corporation Limited

H. Mondal  
Chief Financial Officer

C.C. The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata - 700 001

Encl.: As above



**36th**  

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**ANNUAL REPORT**  

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**2018-2019**

**J. J. FINANCE CORPORATION LIMITED**



# J. J. FINANCE CORPORATION LIMITED

## 36th Annual Report 2018-19

### BOARD OF DIRECTORS :

Mr. Anil Jhunjhunwala, Director  
Mr. Shyam Bagaria, Director  
Mr. Rajesh Kumar Poddar, Director  
Mr. Oscar Pascal Sequeira, Additional Independent Director  
(Upto 22.07.2019)  
Mrs. Hilla Eruch Bhathena, Independent Woman Director  
Mr. Surjit Singh, Additional Independent Director  
(w.e.f 21.06.2019)  
Mr. Kamal Nain Saraf, Additional Independent Director  
(w.e.f 21.06.2019)  
Mr. Brajesh Kumar Dhandhania (upto 08.11.2018)

### MANAGEMENT PERSONNEL :

Mr. Rabi Kumar Almal, Chief Executive Officer  
Mr. Hriday Mondal, Chief Financial Officer

### COMPANY SECRETARY :

Ms. Ankita Nigam

### REGISTERED OFFICE :

Unit No. 14, 8th Floor, Premises No. IID/14,  
Action Area - IID, New Town, Rajarhat,  
Kolkata – 700 156

### STATUTORY AUDITOR :

M/S. A. K. Dubey & Co.  
Chartered Accountants  
Fjord Tower, Flat No. 19A2, 1925, Chakgaria  
Hiland Park, Kolkata - 700 094

### INTERNAL AUDITOR :

M/S. Guha & Matilal  
Chartered Accountants  
20, Strand Road, Kolkata-700 001

### SECRETARIAL AUDITOR :

M/S. Corporate Advisors Law Professionals LLP  
1st Floor, Room No. 6 ,19A, Jawaharlal Nehru Road  
Kolkata - 700 087

### LEGAL ADVISORS :

R. L. Gaggar & Co.

### BANKER :

Indian Overseas Bank

### SHARE TRANSFER AGENT :

M/S. Niche Technologies Pvt. Ltd. 3A, Auckland Place,  
7th Floor, Room No.7A & 7B, Kolkata – 700 017

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### Annual General Meeting

Date : 25th September, 2019 at 05:00 p.m.  
Venue : 3C, Park Plaza, 71, Park Street,  
Kolkata - 700 016



## J. J. FINANCE CORPORATION LIMITED

Regd. Off.: Unit No. 14, 8th Floor, Premises No. IID/14,  
Action Area – IID, New Town, Rajarhat, Kolkata – 700 156  
Tel. No.: 033-6646-6646/2229-6000  
E-mail: jjfc@jjauto.org, website: www.jjfc.co.in  
CIN: L65921WB1982PLC035092

### NOTICE OF THE MEETING

Notice is hereby given that the 36th Annual General Meeting (AGM) of members of J. J. Finance Corporation Limited will be held on Wednesday, the 25th day of September, 2019 at 05:00 P.M. at 3C, Park Plaza, 71, Park Street, Kolkata - 700016 to transact the following business:

#### ORDINARY BUSINESS

##### Item No. 1 - Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 including Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

##### Item No. 2 - Appointment of Director

To appoint a Director in place of Mr. Shyam Bagaria [DIN: 00121949] who retires by rotation and, being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

##### Item No. 3 - Re-appointment of Mrs. Hilla Eruch Bhathena as Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Hilla Eruch Bhathena (DIN: 06909249), Independent Director of the Company, who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for another term with effect from August 26, 2019 to August 25, 2024 and the term shall not be subject to retirement by rotation."

##### Item No. 4 - Appointment of Mr. Kamal Nain Saraf as a Director and as an Independent Director

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

"**RESOLVED THAT** Mr. Kamal Nain Saraf (DIN: 00204296), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 21st June, 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, the appointment of Mr. Kamal Nain Saraf (DIN: 00204296), who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 21st June, 2019 upto 20th June, 2024, be and is hereby approved."



**Item No. 5 - Appointment of Mr. Surjit Singh as a Director and as an Independent Director**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

"**RESOLVED THAT** Mr. Surjit Singh (DIN: 00204609) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 21st June, 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, the appointment of Mr. Surjit Singh (DIN: 00204609), who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 21st June, 2019 upto 20th June, 2024, be and is hereby approved."

**By order of the Board**

**For J. J. Finance Corporation Limited**

**Registered Office :**

**Unit No. 14, 8th Floor, Premises No. IID/14**

**Action Area - IID, New Town**

**Rajarhat, Kolkata - 700 156**

**Date : 16.08.2019**

**Anil Jhunjunwala**

**Director**

**[DIN : 00128717]**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING, INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY
2. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy for the AGM is enclosed.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percentage of the total share capital of the company carrying voting rights. A member holding more than ten percentage of the total share capital of the company carrying voting right may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
4. Members/ Proxies should bring the Attendance Slip duly filled, enclosed herewith to attend the meeting.
5. The register and share transfer books will remain closed from 19th September, 2019 to 25th September, 2019 (both days inclusive) for the year ended 31 March, 2019 and the AGM.
6. Members whose shareholding is in the electronic mode are requested to direct change of necessary details to their respective Depository Participant(s).
7. Members holding shares in the physical form are requested to address all correspondences to the Registrar and Share Transfer Agents, Niche Technologies Pvt. Ltd., 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700 017.
8. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We therefore request you to register your e - mail ID with your Depository Participant(s) to enable us to send Annual Report and other correspondences via e - mail and hard copies will only be sent to the members who are not available on the e- mail.  
**Members can also refer their folio number / Client ID and send their contact information along with the e-mail ID to the company at [jjfc@jjauto.org](mailto:jjfc@jjauto.org).**
9. Members may also note that the notice of the 36th Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website [www.jjfc.co.in](http://www.jjfc.co.in) for their download. Members are also entitled to receive the



physical copies of aforesaid documents upon making a request for the same, free of cost. For any communication, the shareholders may also send request to the e-mail ID: [jjfc@jjauto.org](mailto:jjfc@jjauto.org).

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the company or the Registrar and Share Transfer Agents of the Company.
11. Disclosure pursuant to Regulation 36(3) and 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with respect to Directors seeking re-appointment at the Meeting is attached hereto.
12. In terms of the Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz., transfer of shares, deletion of name, transmission of shares and transposition of names.
13. As per the provisions of Section 72 of the Act, facility for making nominations is available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or its RTA. Members holding shares in electronic form have to approach their DPs for completion of the nomination formalities.
14. The Annual Report of the Company for the year 2018-19, circulated to the Members of the Company, is available on the Company's website viz. <http://www.jjfc.co.in/financial.htm>
15. The route map of the venue of the Meeting is given in the Notice.
16. **Voting Through Electronic Means:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services.
  - II. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
  - III. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The process and manner for remote e-voting are as under:
    - (i) The remote e-voting period commences on 22nd September, 2019 (9:00 am) and ends on 24th September, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
    - (iii) Click on "Shareholders" tab.
    - iv) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.



## J. J. FINANCE CORPORATION LIMITED

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- (v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"><li>Please Enter the DOB or Bank Account Number in order to Login.</li><li>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **J. J. Finance Corporation Limited** on which you choose to vote on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.





(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Institutional Shareholders & Custodians :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

17. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [jjfc@jjauto.org](mailto:jjfc@jjauto.org) with a copy marked to [sureliaramakant@yahoo.com](mailto:sureliaramakant@yahoo.com) and [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 24th September, 2019 up to 5:00 pm without which the vote shall not be treated as valid.
18. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2019.
19. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 09th August, 2019.
20. The shareholders shall have one vote per equity share held by them as on the cut-off date of 18th September, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2019, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
22. Notice of the Annual General Meeting along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
23. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 18th September, 2019, are requested to send the written / email communication to the Company at [jjfc@jjauto.org](mailto:jjfc@jjauto.org) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
24. Ramakant Surelia (Sharma), Practicing Advocate (Membership No. F/567/1996), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
25. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.jjfc.co.in](http://www.jjfc.co.in) and on the website of CDSL. The same will be communicated to the stock exchanges where the Company's shares are listed viz. Bombay Stock Exchange Ltd and Calcutta Stock Exchange Ltd.





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following statements set out all material facts relating to the Special Business mentioned in the Notice:

**Item No. 3**

The Members of the Company, at the General Meeting held on August 26, 2014 had approved the appointment of Mrs. Hilla Eruch Bhatena (DIN: 06909249), as an Independent Director of the Company.

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director shall hold office for a term of five consecutive years on the Board of a Company but shall be eligible for reappointment on passing a special resolution by the Company for another term of five consecutive years on the Board of a Company. The Nomination & Remuneration Committee of the Board on the basis of the report of performance evaluation, has recommended the re-appointment of Mrs. Hilla Eruch Bhatena as Independent Director for a second term of five years till the conclusion of the Annual General Meeting to be held on 2024.

The Board based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee considers that given the background, experience and contributions made by her during her tenure, the continued association of Mrs. Hilla Eruch Bhatena would be of immense benefit to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Mrs. Hilla Eruch Bhatena as an Independent Director of the Company, not liable to rotation, for a second term of five consecutive years on the Board of the Company.

Mrs. Hilla Eruch Bhatena is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received a declaration that she meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mrs. Hilla Eruch Bhatena fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Hilla Eruch Bhatena is independent of the management.

Details of Mrs. Hilla Eruch Bhatena is provided in the "Annexure" to the Notice. Copy of the draft letter for appointment of Mrs. Hilla Eruch Bhatena as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day up to the date of the AGM.

Except Mrs. Hilla Eruch Bhatena, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise in the resolution. . This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolution set out as Item no. 3 of the Notice for approval by the members.

**Item No. 4 & 5**

The Board of Directors in accordance with the provisions of Sections 149 and 161 of the Act read with applicable rules made thereunder and the Listing Regulations, appointed Mr. Kamal Nain Saraf (DIN: 00204296) and Mr. Surjit Singh (DIN: 00204609) as Additional Independent Directors with effect from 21st June, 2019. As per the provisions of the Act, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Mr. Kamal Nain Saraf and Mr. Surjit Singh, hold the office upto the date of this Annual General Meeting. The Company has received notice in writing from

members proposing the candidature of Mr. Kamal Nain Saraf and Mr. Surjit Singh as Directors of the Company. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Kamal Nain Saraf and Mr. Surjit Singh, be appointed as Independent Directors on the Board of the Company.

Mr. Kamal Nain Saraf and Mr. Surjit Singh are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as a Director. The Company has also received a declaration that they meet the criteria of Independence as prescribed both under Section 149(6) of the Act and under the Listing Regulations.

Based on the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that, Mr. Kamal Nain Saraf and Mr. Surjit Singh fulfil the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Kamal Nain Saraf and Mr. Surjit Singh are independent of the management.

Details of Mr. Kamal Nain Saraf and Mr. Surjit Singh is provided in the "Annexure" to the Notice. Copy of the draft letter for



their appointment of as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day up to the date of the AGM.

Except the appointee Directors themselves, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise in the resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Ordinary Resolution set out as Item nos. 4 and 5 of the Notice for approval by the members.

**Particulars of Directors whose appointment/re-appointment is proposed for consideration of the members as required by Regulations 36(3) and 26(4) of Listing Regulations:**

Particulars	Mr. Shyam Bagaria	Mrs. Hilla Eruch Bhatena	Mr. Kamal Nain Saraf	Mr. Surjit Singh
<b>Age</b>	60 years	68 years	68 years	60 years
<b>Qualification</b>	B.E. (Hons) Mechanical	B.A. (Hons)	B.A. (Hons)	B. Com (Hons)
<b>Expertise</b>	Vast industry experience. Has excellent grasp and expertise of not only NBFC business but also corporate management.	Expertise in strategic thinking and an entrepreneurial approach for business excellence, specializing in general and financial management.	Rich professional experience in the finance industry and related fields.	Vast experience in the field of accounts, finance and corporate practices.
<b>Directors' inter-se relationship</b>	Not related to any of the Directors/KMP	Not related to any of the Directors/KMP	Not related to any of the Directors/KMP	Not related to any of the Directors/KMP
<b>Names of listed entities in which the person holds directorship and membership of Committees of other Boards</b>	-	-	-	-
<b>Shareholding in the Company</b>	1500 equity shares of Rs. 10/- each (0.05%)	-	-	600 equity shares of Rs. 10/- each (0.02%)
<b>Terms of appointment / re-appointment</b>	Liable to retire by rotation	As per the resolution at item no. 3 of the Notice convening this meeting read with explanatory statement thereto, Mrs. Hilla Eruch Bhatena is proposed to be re-appointed as an Independent Director	As per the resolution at item no. 4 of the Notice convening this meeting read with explanatory statement thereto, Mr. Kamal Nain Saraf is proposed to be appointed as an Independent Director	As per the resolution at item no. 5 of the Notice convening this meeting read with explanatory statement thereto, Mr. Surjit Singh is proposed to be appointed as an Independent Director
<b>Date of first appointment</b>	07th April, 2012	26th August, 2014	-	-
<b>Remuneration</b>	No remuneration is proposed to be paid	No remuneration is proposed to be paid	No remuneration is proposed to be paid	No remuneration is proposed to be paid
<b>No. of Board Meetings attended during the year</b>	As provided in MGT - 9	As provided in MGT - 9	-	-

**Registered Office :**

Unit No. 14, 8th Floor, Premises No. IID/14

Action Area - IID, New Town

Rajarhat, Kolkata - 700 156

Date : 16.08.2019

By order of the Board  
For J. J. Finance Corporation Limited

**Anil Jhunjunwala**

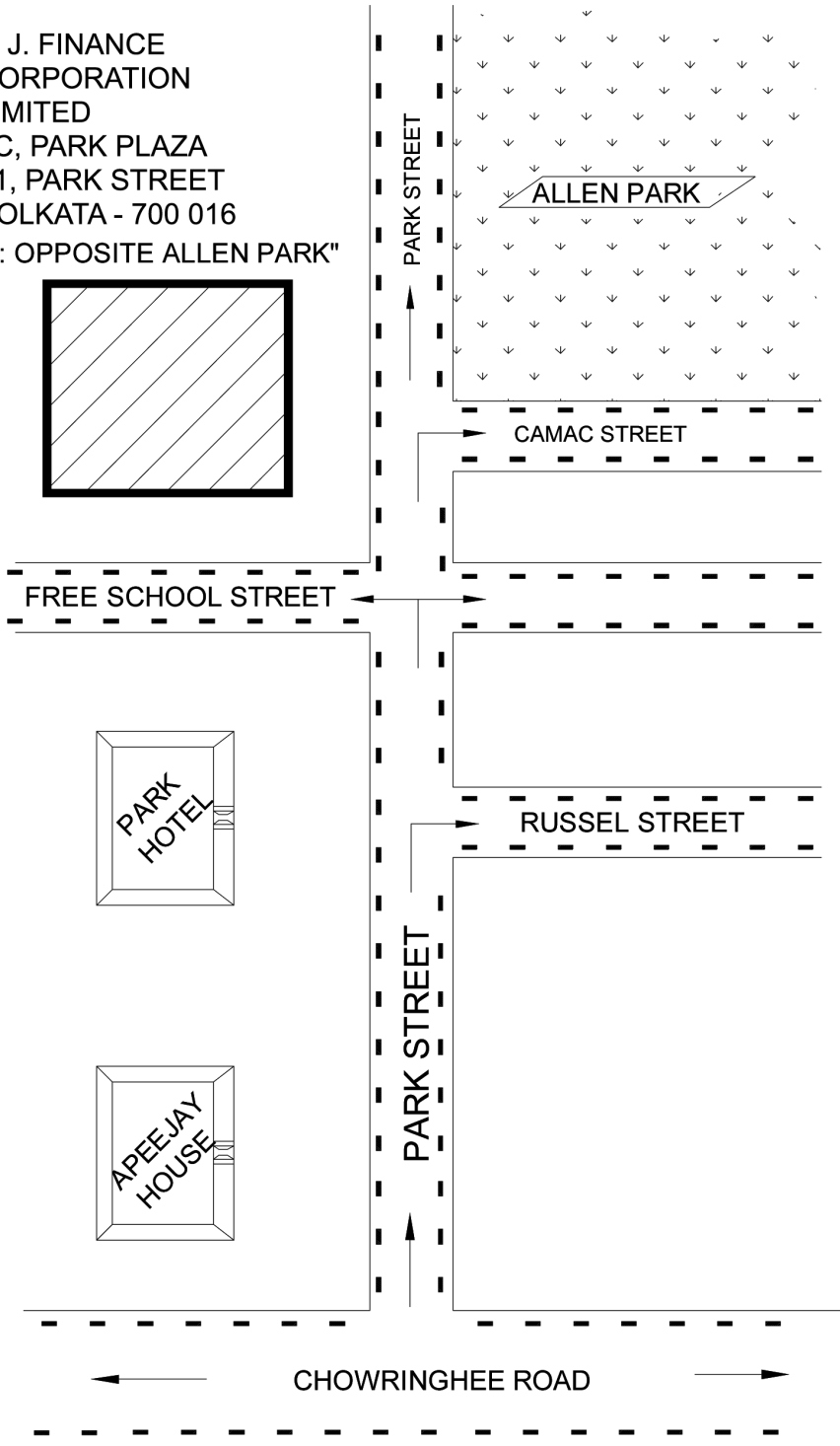
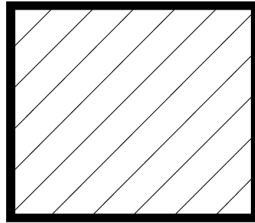
Director

[DIN : 00128717]



ROUTE MAP TO THE AGM VENUE

J. J. FINANCE CORPORATION LIMITED  
3C, PARK PLAZA  
71, PARK STREET  
KOLKATA - 700 016  
"LANDMARK: OPPOSITE ALLEN PARK"





## J. J. FINANCE CORPORATION LIMITED

Regd. Off.: Unit No. 14, 8th Floor, Premises No. IID/14,  
Action Area – IID, New Town, Rajarhat, Kolkata – 700 156  
Tel. No.: 033-6646-6646/2229-6000, E-mail: jjfc@jjauto.org, website: www.jjfc.co.in  
CIN: L65921WB1982PLC035092

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)  
(Annual General Meeting - 25th September, 2019)

I/We hereby record my/our presence at the **Annual General Meeting of J. J. Finance Corporation Limited** held on Wednesday, 25th September, 2019 at 05:00 PM at 3C, Park Plaza, 71, Park Street, Kolkata - 700016.

Full Name of the member (in BLOCK LETTERS) : \_\_\_\_\_

Folio No. \_\_\_\_\_, DP ID No. \_\_\_\_\_, Client ID No. \_\_\_\_\_

Full Name of Proxy (in BLOCK LETTERS) : \_\_\_\_\_

Member/ Proxy(s) Signature : \_\_\_\_\_

(Please cut here and bring the Attendance Slip duly Signed, to the meeting and hand it over the entrance. Duplicate slips will not be issued at the venue of the meeting.)



## J. J. FINANCE CORPORATION LIMITED

Regd. Off.: Unit No. 14, 8th Floor, Premises No. IID/14,  
Action Area – IID, New Town, Rajarhat, Kolkata – 700 156  
Tel. No.: 033-6646-6646/2229-6000, E-mail: jjfc@jjauto.org, website: www.jjfc.co.in  
CIN: L65921WB1982PLC035092

PROXY FORM

(36th Annual General Meeting - 25th September, 2019)

FORM NO. MGT - 11

[Pursuant to Section 105(6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

CIN : L65921WB1982PLC035092

Name of the Company : J. J. FINANCE CORPORATION LIMITED

Registered Office : Unit No. 14, 8th Floor, Premises No. IID/14, Action Area - IID, New Town, Rajarhat, Kolkata - 700 156

Name of the Members :

Registered Address :

E - Mail ID :

Folio No./ Client No. :

DP ID :

I/We, being the member(s), of ..... shares of the above company, hereby appoint.

- |     |                 |                 |                |
|-----|-----------------|-----------------|----------------|
| (1) | Name .....      | Address .....   | .....          |
|     | E-mail id ..... | Signature ..... | or failing him |
| (2) | Name .....      | Address .....   | .....          |
|     | E-mail id ..... | Signature ..... | or failing him |
| (3) | Name .....      | Address .....   | .....          |
|     | E-mail id ..... | Signature ..... | .....          |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Wednesday, 25th September, 2019 at 05:00 PM at 3C, Park Plaza, 71, Park Street, Kolkata 700016 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
	<b>Ordinary Business :</b>		
1.	To consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2.	To re-appoint Mr. Shyam Bagaria [DIN: 00121949] who retires by rotation.		
3.	Re-appointment of Mrs. Hilla Eruch Bhatena as Independent Director		
4.	Appointment of Mr. K. N. Saraf as a Director and as an Independent Director		
5.	Appointment of Mr. Surjit Singh as a Director and as an Independent Director		

Signed this ..... day of ..... 2019

Signature of Shareholder(s) .....

Signature of Proxyholder(s) .....

Affix  
Revenue  
Stamp

Notes : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty Sixth (36th) Annual Report and the Audited Financial Statements on the business and operations of your Company for the year ended 31st March, 2019.

### FINANCIAL RESULTS

Particulars	₹ in thousand's	
	For the year ended 31st March	
	2019	2018
Profit before Depreciation and Tax	3632	9403
Less : Depreciation	83	83
<b>Profit before Tax :</b>	<b>3549</b>	<b>9320</b>
Current Tax	690	1800
Deferred Tax	(17)	(83)
Income Tax for earlier year	16	7
<b>Profit after Tax</b>	<b>2860</b>	<b>7596</b>
Add : Balance brought forward from last year	23927	17910
Less : Transferred to Reserve U/s 45-IC of RBI Act, 1934	573	1520
Provision towards Standard Assets	3	59
Balance carried forward	26211	23927

### SUMMARY OF OPERATIONS

During the year, the net revenue from operations of your Company decreased by 46.15 %, from ₹ 116.61 Lakh to ₹ 62.79 Lakh. For FY 2018 – 19, your Company's profit after tax stood at ₹ 28.60 Lakh vis-à-vis ₹ 75.96 Lakh in the previous year..

### SHARE CAPITAL

During the year, the Company did not allot any shares nor did grant any stock options or sweat equity. As on March 31, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

As on 31st March, 2019, the issued, subscribed and paid up share capital of your Company stood at ₹ 2.82 crore, comprising 28.2 lakh equity shares of ₹ 10/- each.

### SUBSIDIARY, ASSOCIATES AND JOINT VENTURES

Your Company does not have any Subsidiary, Associate Companies or Joint Ventures. Accordingly, the disclosure of the financial statement of subsidiaries/associate companies/joint ventures as required pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is not applicable. However, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on determination of Material Subsidiaries. The policy has been uploaded on the website of the Company at <http://www.jjfc.co.in>.

### DIVIDEND AND RESERVES

In order to consolidate the position of the Company, Directors do not recommend any Dividend for the year ended 31st March, 2019. During the year, your Company transferred a sum of ₹ 5.73 lakh to Special Reserve as per Section 45-IC of RBI Act, 1934.

### PUBLIC DEPOSITS

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.



**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**

Your Company had no significant and material changes 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.

**EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form No. MGT - 9 is enclosed as **Annexure 1**.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business. The same is enclosed as **Annexure 2**.

**BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice of each Board Meeting along with the agenda is given in writing to each Director separately. This ensures timely and informed decisions by the Board.

In the financial year 2018-19, the Board met nine times. The meetings were held on 30th April, 2018, 24th May, 2018, 30th July, 2018, 07th August, 2018, 18th September, 2018, 08th November, 2018, 12th December, 2018, 31st January, 2019 and 30th March, 2019. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**COMMITTEES OF BOARD**

The details of composition of the Committees of the Board of Directors as on 31.03.2019 are as under:-

**a. Audit Committee**

Sl. No.	Name	Category of Directors / Members	Chairperson / Members
1	Mrs. Hilla Eruch Bhathena	Independent Director	Chairperson
2	Mr. Anil Jhunjunwala	Non- Executive Director	Member
3	Mr. Oscar Pascal Sequeira	Additional Independent Director	Member

\*Mr. Oscar Pascal Sequeira, Additional Independent Director of the Company was inducted in the committee and Mr. Brajesh Kumar Dhandhanian ceased to be a member of the committee w.e.f., 08th November, 2018.

During the year, the Committee had met five times on 24th May, 2018, 30th July, 2018, 07th August, 2018, 08th November, 2018 and 31st January, 2019.

**b. Nomination & Remuneration Committee**

Sl. No.	Name	Category of Directors / Members	Chairperson / Members
1	Mrs. Hilla Eruch Bhathena	Independent Director	Chairperson
2	Mr. Rajesh Kumar Poddar	Non- Executive Director	Member
3	Mr. Oscar Pascal Sequeira	Additional Independent Director	Member

\*Mr. Oscar Pascal Sequeira, Additional Independent Director of the Company was inducted in the committee and Mr. Brajesh Kumar Dhandhanian ceased to be a member of the committee w.e.f., 08th November, 2018.

During the year, the Committee had met thrice on 30th April, 2018, 08th November, 2018 and 30th March, 2019.

**c. Stakeholders Relationship Committee**

Sl. No.	Name	Category of Directors / Members	Chairman / Members
1	Mr. Anil Jhunjunwala	Non-Executive Director	Chairman
2	Mr. Shyam Bagaria	Non-Executive Director	Member
3	Mrs. Hilla Eruch Bhathena	Independent Director	Member

\*Mr. Shyam Bagaria, Non-Executive Director and Mrs. Hilla Eruch Bhathena, Independent Director of the Company were inducted in the committee and Mr. Rabi Kumar Almal, Chief Executive Officer ceased to be a member of the committee w.e.f., 30th March, 2019.

During the year, the Committee had met eight times on 22nd May, 2018, 27th July, 2018, 15th November, 2018, 04th December, 2018, 28th December, 2018, 01st January, 2019, 08th January, 2019 and 28th March, 2019.

**MEETING OF INDEPENDENT DIRECTORS**

As required under Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Act, the Independent Directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors to discuss the matters specified therein.

Sl. No.	Name of Independent Director	No. of Meetings held	No. of Meetings attended
1	Mr. Oscar Pascal Sequeira	1	1
2	Mrs. Hilla Eruch Bhathena	1	1

During the year, a meeting of Independent Directors was held on 28th November, 2018. All Independent Directors were present in the meeting.

Types of Meeting	Date of Meeting	Names of Directors' / Members Present
<b>Board Meetings</b>	30.04.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	24.05.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	30.07.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	07.08.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	18.09.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	08.11.2018	Mr. Anil Jhunjunwala, Mr. Oscar Pascal Sequeira, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	12.12.2018	Mr. Anil Jhunjunwala, Mr. Oscar Pascal Sequeira, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	31.01.2019	Mr. Anil Jhunjunwala, Mr. Oscar Pascal Sequeira, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	30.03.2019	Mr. Anil Jhunjunwala, Mr. Oscar Pascal Sequeira, Mrs. Hilla Eruch Bhathena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.





Types of Meeting	Date of Meeting	Names of Directors' / Members Present
<b>Audit Committee Meetings</b>	24.05.2018	Mr. Anil Jhunjunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanania.
	30.07.2018	Mr. Anil Jhunjunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanania.
	07.08.2018	Mr. Anil Jhunjunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanania.
	08.11.2018	Mr. Anil Jhunjunwala & Mrs. Hilla Eruch Bhatena.
	31.01.2019	Mr. Anil Jhunjunwala, Mrs. Hilla Eruch Bhatena & Mr. Oscar Pascal Sequeira.
<b>Annual General Meetings</b>	17.09.2018	Mr. Anil Jhunjunwala, Mr. Brajesh Kumar Dhandhanania, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
<b>Nomination &amp; Remuneration Committee Meeting</b>	30.04.2018	Mr. Brajesh Kumar Dhandhanania, Mrs. Hilla Eruch Bhatena & Mr. Rajesh Kumar Poddar.
	08.11.2018	Mrs. Hilla Eruch Bhatena & Mr. Rajesh Kumar Poddar.
	30.03.2019	Mrs. Hilla Eruch Bhatena, Mr. Oscar Pascal Sequeira & Mr. Rajesh Kumar Poddar.
<b>Stakeholder Relationship Committee Meetings</b>	22.05.2018	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	27.07.2018	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	15.11.2018	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	04.12.2018	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	28.12.2018	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	01.01.2019	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	08.01.2019	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
	28.03.2019	Mr. Anil Jhunjunwala & Mr. Rabi Kumar Almal.
<b>Meeting of Independent Directors</b>	28.11.2018	Mr. Oscar Pascal Sequeira & Mrs. Hilla Eruch Bhatena.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In terms of the provisions of section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Mr. Shyam Bagaria, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Mr. Kamal Nain Saraf and Mr. Surjit Singh are proposed to be appointed as Independent Directors of the Company. The Board, considering their experience and expertise in corporate advisory and finance and their good understanding of the business, recommend the appointment of Mr. Kamal Nain Saraf and Mr. Surjit Singh on the Board as Independent Directors in the ensuing Annual General Meeting of the Company.

The term of office of Mrs. Hilla Eruch Bhatena, Independent Director, will expire on August, 26, 2019. The Board of Directors on recommendation of the Nomination and Remuneration Committee has recommended re-appointment of Mrs. Hilla Eruch Bhatena for a second term of five consecutive years in the ensuing Annual General Meeting of the Company.

A brief resume of the Directors proposed to be appointed/re-appointed, the nature of their expertise in specific functional areas, names of companies in which they holds Directorships, committee membership/chairmanships, their shareholding etc. are furnished in the Annexure to the notice of the ensuing Annual General Meeting.



During the year, Mr. Brajesh Kumar Dhandhanian, Independent Director resigned from the Board of the Company and Mr. Oscar Pascal Sequeira was appointed as an Additional Independent Director of the Company with effect from 08th November, 2018 to hold office till the date of the ensuing Annual General Meeting. However, consequent to Mr. Oscar Pascal Sequeira's resignation from the Board of the Company with effect from 22nd July, 2019, his regularization is not sought at the ensuing Annual General Meeting.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were no other changes in the Board or in the Key Managerial Personnel of the Company during the year.

Directors/KMP'S as on 01.04.2018	Resignation/Retirement during the year	Appointments during the year	Directors/KMP'S as on 31.03.2019
Mr. Anil Jhunjhunwala	-	-	Mr. Anil Jhunjhunwala
Mr. Rajesh Kumar Poddar	-	-	Mr. Rajesh Kumar Poddar
Mr. Shyam Bagaria	-	-	Mr. Shyam Bagaria
Mr. Brajesh Kumar Dhandhanian	08.11.2018	-	-
Mrs. Hilla Eruch Bhathena	-	-	Mrs. Hilla Eruch Bhathena
-	-	08.11.2018	Mr. Oscar Pascal Sequeira
Mr. Rabi Kumar Almal (CEO)	-	-	Mr. Rabi Kumar Almal (CEO)
Ms. Ankita Nigam (CS)	-	-	Ms. Ankita Nigam (CS)
Mr. Hriday Mondal (CFO)	-	-	Mr. Hriday Mondal (CFO)

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had 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;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### DECLARATION BY INDEPENDENT DIRECTORS

Mr. Oscar Pascal Sequeira and Mrs. Hilla Eruch Bhathena are Independent Directors on the Board of your Company as on 31st March, 2019. These Non-Executive Independent Directors have given declaration to the company stating that they fulfill the



conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and the same have been placed and noted in the meeting of the Board of Directors held on 30th April, 2018. A format of letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at <http://www.jjfc.co.in>.

#### VIGIL MECHANISM

Pursuant to the requirement of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a vigil mechanism policy to report genuine concerns or grievances. The Vigil Mechanism Policy has been posted on the website of the Company at <http://www.jjfc.co.in>.

#### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of all Committees of the Board for the Financial Year 2018-19. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

#### COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Companies Act, 2013, the Board of Directors has in place a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration policy for Key Managerial Personnel and others. The Policy of Nomination and Remuneration Committee has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonably sufficient to attract, retain and motivate them to successfully run the Company. The Details of Remuneration paid by the Company is given in MGT-9 of the Annual Report. The policy has been uploaded on the website of the Company at <http://www.jjfc.co.in>.

Based on the recommendations of the Nomination and Remuneration Committee, the Board approved a Nomination and Remuneration Policy which is enclosed as **Annexure 4**.

#### DISCLOSURE ON REMUNERATION TO EMPLOYEES EXCEEDING SPECIFIED LIMITS

The Company had no employees who were in receipt of remuneration in excess of ₹ 102 lakh per annum during the year ended 31st March, 2019 or of more than ₹ 8.5 lakh per month during any part thereof, hence no information under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.

#### PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided



upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to Members and others entitled thereto excluding the information on employees particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. There are no employees drawing salaries in excess of the limit prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company affirms that remuneration is as per the Remuneration Policy of the Company.

#### **FINANCIAL CONTROLS**

Effective Internal Controls are necessary for building up an efficient organization. Our Company has adequate Internal Control systems in place to ensure accuracy, transparency and accountability in its operations. A dedicated concurrent audit team functioning within the Company confirms that the activities are in compliance with its policies and occurrences of deviations are reported to the Management. The concurrent audit report is reviewed by the internal auditors - M/s Guha & Matilal, a firm of practicing Chartered Accountants. Internal auditors review operations of the Company and ensure that the Company is functioning within the limits of all applicable statutes. Any Internal Control weaknesses, non compliance with statutes and suggestions on improvements in existing practices forms part of internal audit report. Audit Committee reviews the internal audit report and ensures that observations pointed out in the report are addressed in a timely and structured manner by the Management. The Internal Audit Report is reviewed by Statutory Auditors while performing audit functions to confirm that there are no transactions conflicting with interests of the Company. The Internal Financial Controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Further, it is believed that the controls are largely operating effectively since there has not been any identification of any major material weakness in the company. The directors have in the Directors Responsibility Statement under paragraph (e) confirmed the same to this effect.

#### **STATUTORY AUDITORS AND THEIR REPORT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the recommendation of the Board of Directors and the Audit Committee the members in the 34th Annual General Meeting held on 15th September, 2017 had appointed M/s A K Dubey & Co, Chartered Accountants (ICAI Firm Registration Number 307068E) as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 34th Annual General Meeting until the conclusion of 39th Annual General Meeting of the Company to be held in the calendar year 2022, on such remuneration as may be decided by the Audit Committee of the Board, subject to annual ratification by members at every Annual General Meeting. However, the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away by Companies Amendment Act, 2017 vide notification dated May 07, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of the appointment of Auditors, who were appointed at the Annual General Meeting, held on 15th September, 2017.

The Report given by the Statutory Auditors on the financial statements of the Company for the financial year 2018-19, forms a part of the Annual Report 2018-19. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Report that may call for any explanation from the Directors.

#### **SECRETARIAL AUDITOR AND THEIR REPORT**

In terms of Section 204 of the Act and Rules made there under, M/s. Corporate Advisors Law Professionals LLP, represented by Ms. Disha Dugar, Practicing Company Secretary, had been appointed Secretarial Auditor of the Company for the financial year 2018 - 19. The Secretarial Audit Report in Form MR-3, enclosed as **Annexure 3** has no observations (including any qualification, reservation, adverse remark or disclaimer) and hence does not call for any explanation from the Directors.



#### INTERNAL AUDITOR AND THEIR REPORT

The Company had appointed internal auditors, M/s Guha & Matilal, a firm of practicing Chartered Accountants to carry out the internal audit functions. The Internal auditor submits half yearly reports to the audit committee. The Internal Auditors' Reports have no observations (including any qualification, reservation, adverse remark or disclaimer) and hence does not call for any explanation from the Directors.

#### INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in connection with loans to any other bodies corporate or persons are not applicable to the Company since the Company is a Non Banking Financial Company. However, details of loans, guarantees or investments are given in notes to the Financial Statements.

#### RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has in place a Policy on Related Party Transactions which is also available on Company's website at <http://www.jjfc.co.in>. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. The Company obtains prior omnibus approvals, if required, for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length basis. The provisions of Section 188(1) do not attract as all Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 are given in the notes to the Financial Statements.

#### HUMAN RESOURCES/INDUSTRIAL RELATIONS

At J. J. Finance Corporation Limited, Human Resources follow an integrated approach that combines employee recognition, training and mentoring. The Company maintains open communication channels with workforce and keeps them engaged with its objectives towards attainment of healthy employer-employee relationship. Industrial relations were cordial throughout the year under review.

#### RISK MANAGEMENT POLICY

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy inter alia provides for review of the risk assessment and minimization procedure, laying down procedure to inform the Board in the matter and for periodical review of the procedure to ensure that management controls the risks through properly defined framework.

#### CORPORATE GOVERNANCE

Since the paid up share capital of your Company and its net-worth was below the prescribed limits under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Corporate Governance is not applicable on the Company in the financial year 2018-2019.

#### CORPORATE SOCIAL RESPONSIBILITY

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision of section 134(3)(o) of the Companies Act, 2013 is not applicable and hence no disclosure is required by the Board.



#### DISCLOSURE PURSUANT TO LISTING REGULATIONS

Necessary disclosures pursuant to Listing Regulations are made hereunder:-

The shares of the company are listed on the following Stock Exchanges in the period under review.

<b>Name and Address of the Stock Exchange</b>	<b>Security Listed</b>
1. The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700 001	Equity Shares
2. The Bombay Stock Exchange Ltd 25th Floor, P. J. Towers Dalal Street, Fort, Mumbai – 400 001	Equity Shares

The Listing fees to The Calcutta Stock Exchange Ltd. and BSE Limited for the Financial Year 2019 – 20 have been paid.

#### SECRETARIAL STANDARDS

The Directors confirm that the applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, which have been approved by the Central Government have been duly followed by your Company.

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

#### DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company, being a Non-Banking Finance Company (NBFC), does not have any manufacturing activity neither does it have any foreign exchange earnings or any foreign exchange outgo. The Directors, therefore, have nothing to report on conservation of energy and technology absorption.

#### DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace. During the Financial Year 2018-19, no complaints of sexual harassment were reported.

#### ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their perennial support during the year.

We also express our gratitude towards the Central and State Governments, and other statutory authorities for their continued support.

#### For and on behalf of the Board

**ANIL JHUNJHUNWALA**

**SHYAM BAGARIA**

*Director*

*Director*

Place : Kolkata

DIN : 00128717

DIN : 00121949

Dated : 16th August, 2019

**COMPLIANCE CERTIFICATE FROM CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER PURSUANT TO REGULATION 17(8) AND PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We have reviewed the financial statements and the cash flow statement of J. J. Finance Corporation Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief:

- A) (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal control, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies
- D) We have indicated to the auditors and audit committee that:
- (1) There are no significant changes in internal control over financial reporting during the year;
- (2) There are no significant changes in accounting policies made during the year and
- (3) There are no instances of fraud involving the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For J. J. Finance Corporation Limited**

**RABI KUMAR ALMAL**

*Chief Executive Officer*

**HRIDAY MONDAL**

*Chief Financial Officer*

Place : Kolkata

Dated : 16th August, 2019

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**DECLARATION UNDER REGULATION 26(3) AND PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Pursuant to Regulation 26(3) and Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that the members of the Board of Directors and Senior Management Personnel of J. J. Finance Corporation Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2019.

**For J. J. Finance Corporation Limited**

**RABI KUMAR ALMAL**

*Chief Executive Officer*

Place : Kolkata

Dated : 16th August, 2019





**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS :**

- (i) CIN : L65921WB1982PLC035092
- (ii) Registration Date : 17th July, 1982
- (iii) Name of the Company : J J Finance Corporation Limited
- (iv) Category/Sub-Category of the Company : Company Limited by Shares  
Indian Non Government Company
- (v) Address of the Registered Office and contact details : Unit No. 14, 8th Floor, Premises No. IID/14. Action Area - IID  
New town, Rajarhat, Kolkata - 700 156  
Phone No. +91-33-6646-6646 / 2229-6000
- (vi) Whether listed Company (Yes/No) : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Niche Technologies Pvt. Ltd.  
3A, Auckland Place, 7th Floor  
Room No. 7A & 7B , Kolkata - 700 017  
Phone No. +91-33-2280 6616 / 17 / 18

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated :

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Income	6499*	80.28
2	Electricity Generation	3510*	19.72

\* The NIC code of the Product or Service has been mentioned as per the Ministry of Statistics and Product Implementation.  
Link :- [udyogaadhaar.gov.in/UA/Document/nic\\_2008\\_17apr09.pdf](http://udyogaadhaar.gov.in/UA/Document/nic_2008_17apr09.pdf)

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

Sl. No.	Name And Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
Company does not have any Holding, Subsidiary or Associate Companies.					



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>PROMOTERS</b>									
<b>(1)</b>	<b>Indian</b>									
	a) Individual / HUF	594544	0	594544	21.083	610164	500	610664	21.655	0.572
	b) Central Government									
	c) State Government									
	d) Bodies Corporate	702329	0	702329	24.905	745911	0	745911	26.451	1.546
	e) Banks / Financial Institutions									
	f) Any Other									
	<b>Sub-total (A)(1)</b>	<b>1296873</b>	<b>0</b>	<b>1296873</b>	<b>45.988</b>	<b>1356075</b>	<b>500</b>	<b>1356575</b>	<b>48.105</b>	<b>2.117</b>
<b>(2)</b>	<b>Foreign</b>									
	a) NRIs - Individuals									
	b) Other - Individuals									
	c) Bodies Corporate									
	d) Banks / Financial Institutions									
	e) Any Other									
	<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
	<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1296873</b>	<b>0</b>	<b>1296873</b>	<b>45.988</b>	<b>1356075</b>	<b>500</b>	<b>1356575</b>	<b>48.105</b>	<b>2.117</b>
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>(1)</b>	<b>Institutions</b>									
	a) Mutual Funds									
	b) Banks / Financial Institutions									
	c) Central Governments									
	d) State Governments									
	e) Venture Capital Funds									
	f) Insurance Companies									
	g) Foreign Institutional Investors (FII)									
	h) Foreign Venture Capital Funds									
	i) Others (Specify)									
	<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>



## J. J. FINANCE CORPORATION LIMITED

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Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2)</b>	<b>Non-Institutions</b>									
	a) Bodies Corporate									
	i) Indian	193809	341475	535284	18.982	131434	341425	472859	16.768	-2.214
	ii) Overseas									
	b. Individuals									
	i) Individual shareholders holding nominal share capital upto Rs 1 lakh	92373	426046	518419	18.384	91316	421046	512362	18.169	-0.215
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	317881	150000	467881	16.592	317881	150050	467931	16.593	0.001
	c) Others Specify									
	1. NRI	26	100	126	0.004	26	100	126	0.004	0.000
	2. Overseas Corporate Bodies									
	3. Foreign Nationals									
	4. Clearing Members	1417	0	1417	0.050	10147	0	10147	0.360	0.310
	5. Trusts									
	6. Foreign Bodies - D.R.									
	<b>Sub-total (B)(2)</b>	<b>605506</b>	<b>917621</b>	<b>1523127</b>	<b>54.012</b>	<b>550804</b>	<b>912621</b>	<b>1463425</b>	<b>51.895</b>	<b>-2.117</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>605506</b>	<b>917621</b>	<b>1523127</b>	<b>54.012</b>	<b>550804</b>	<b>912621</b>	<b>1463425</b>	<b>51.895</b>	<b>-2.117</b>
	C. Shares held by Custodian for GDRs & ADRs									
	<b>GRAND TOTAL (A+B+C)</b>	<b>1902379</b>	<b>917621</b>	<b>2820000</b>	<b>100.000</b>	<b>1906879</b>	<b>913121</b>	<b>2820000</b>	<b>100.000</b>	<b>0.000</b>

### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	A. K. JHUNJHUNWALA	45800	1.624	0.000	45800	1.624	0.000	0.000
2	ANIL JHUNJHUNWALA	145877	5.173	0.000	161997	5.745	0.000	0.572
3	ANITA KANOI	20100	0.713	0.000	20100	0.713	0.000	0.000
4	J. J. AUTOMOTIVE LTD.	27100	0.961	0.000	27100	0.961	0.000	0.000
5	J.J. PROJECTS PVT. LTD	549729	19.494	0.000	549929	19.501	0.000	0.007
6	K P JHUNJHUNWALA	139425	4.944	0.000	139425	4.944	0.000	0.000
7	K. P. JHUNJHUNWALA	50100	1.777	0.000	50100	1.777	0.000	0.000
8	KANAKLATA JHUNJHUNWALA	142000	5.035	0.000	142000	5.035	0.000	0.000
9	KOHINOOR STOCK BROKING PVT LTD	125500	4.450	0.000	168882	5.989	0.000	1.539
10	VEDIKA JHUNJHUNWALA	24292	0.861	0.000	24292	0.861	0.000	0.000
11	VIDHI BERI	26950	0.956	0.000	26950	0.956	0.000	0.000
	<b>Total</b>	<b>1296873</b>	<b>45.988</b>	<b>0.000</b>	<b>1356575</b>	<b>48.105</b>	<b>0.000</b>	<b>2.117</b>



iii) Change in Promoter's Shareholding

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	A. K. JHUNJHUNWALA				
	a) At the Beginning of the Year	45800	1.624		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			45800	1.624
2	ANIL JHUNJHUNWALA				
	a) At the Beginning of the Year	145877	5.173		
	b) Changes during the year				
	Date	Reason			
	06/04/2018	Transfer	606	0.021	146483
	08/06/2018	Transfer	539	0.019	147022
	15/06/2018	Transfer	348	0.012	147370
	30/06/2018	Transfer	660	0.023	148030
	06/07/2018	Transfer	250	0.009	148280
	13/07/2018	Transfer	349	0.012	148629
	14/09/2018	Transfer	1239	0.044	149868
	09/11/2018	Transfer	100	0.004	149968
	23/11/2018	Transfer	200	0.007	150168
	21/12/2018	Transfer	-200	0.007	149968
	28/12/2018	Transfer	300	0.011	150268
	11/01/2019	Transfer	1150	0.041	151418
	18/01/2019	Transfer	1000	0.035	152418
	25/01/2019	Transfer	200	0.007	152618
	08/02/2019	Transfer	-100	0.004	152518
	15/02/2019	Transfer	399	0.014	152917
	01/03/2019	Transfer	600	0.021	153517
	15/03/2019	Transfer	7980	0.283	161497
	28/03/2019	Transfer	500	0.018	161997
	c) At the End of the Year			161997	5.745
3	ANITA KANOI				
	a) At the Beginning of the Year	20100	0.713		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			20100	0.713


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SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	J. J. AUTOMOTIVE LTD.				
	a) At the Beginning of the Year	27100	0.961		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			27100	0.961
5	J.J. PROJECTS PVT. LTD				
	a) At the Beginning of the Year	549729	19.494		
	b) Changes during the year				
	Date Reason				
	15/02/2019 Transfer	200	0.007	549929	19.501
	c) At the End of the Year			549929	19.501
6	K P JHUNJHUNWALA				
	a) At the Beginning of the Year	139425	4.944		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			139425	4.944
7	K. P. JHUNJHUNWALA				
	a) At the Beginning of the Year	50100	1.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50100	1.777
8	KANAKLATA JHUNJHUNWALA				
	a) At the Beginning of the Year	142000	5.035		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			142000	5.035
9	KOHINOOR STOCK BROKING PVT LTD				
	a) At the Beginning of the Year	125500	4.450		
	b) Changes during the year				
	Date Reason				
	15/03/2019 Transfer	3988	0.141	129488	4.592
	22/03/2019 Transfer	11922	0.423	141410	5.015
	29/03/2019 Transfer	27472	0.974	168882	5.989
	c) At the End of the Year			168882	5.989
10	VEDIKA JHUNJHUNWALA				
	a) At the Beginning of the Year	24292	0.861		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			24292	0.861



SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	VIDHI BERI				
	a) At the Beginning of the Year	26950	0.956		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			26950	0.956
	<b>TOTAL</b>	<b>1296873</b>	<b>45.988</b>	<b>1356575</b>	<b>48.105</b>

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :**

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASHISH VINIMAY PVT. LTD.				
	a) At the Beginning of the Year	60000	2.128		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	2.128
2	BAJAJ TRADE DEVELOPMENTS LTD				
	a) At the Beginning of the Year	50000	1.773		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	1.773
3	BULA MODAK				
	a) At the Beginning of the Year	70000	2.482		
	b) Changes during the year				
	Date Reason				
	28/03/2019 Transfer	-70000	2.482	0	0.000
	c) At the End of the Year			0	0.000
4	C D COMPUTERS PVT. LTD.				
	a) At the Beginning of the Year	127525	4.522		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			127525	4.522
5	MANORMA ALMAL				
	a) At the Beginning of the Year	26116	0.926		
	b) Changes during the year				
	Date Reason				
	08/01/2019 Transfer	50	0.002	26166	0.928
	c) At the End of the Year			26166	0.928
6	NITIN FINVEST PRIVATE LIMITED				
	a) At the Beginning of the Year	50000	1.773		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	1.773


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SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
7	PANNA DEVI SARDA					
	a) At the Beginning of the Year	245000	8.688			
	b) Changes during the year	[NO CHANGES DURING THE YEAR]				
	c) At the End of the Year			245000	8.688	
8	RESOURCE VINCOM PRIVATE LIMITED					
	a) At the Beginning of the Year	135350	4.800			
	b) Changes during the year					
	Date	Reason				
	11/01/2019	Transfer	-1004	0.036	134346	4.764
	25/01/2019	Transfer	-100	0.004	134246	4.760
	15/02/2019	Transfer	-200	0.007	134046	4.753
	22/02/2019	Transfer	-400	0.014	133646	4.739
	01/03/2019	Transfer	-200	0.007	133446	4.732
	08/03/2019	Transfer	-2542	0.090	130904	4.642
	15/03/2019	Transfer	-12981	0.460	117923	4.182
	22/03/2019	Transfer	-7776	0.276	110147	3.906
	29/03/2019	Transfer	-34422	1.221	75725	2.685
	c) At the End of the Year			75725	2.685	
9	SANJAY KUMAR MODAK					
	a) At the Beginning of the Year	23500	0.833			
	b) Changes during the year	[NO CHANGES DURING THE YEAR]				
	c) At the End of the Year			23500	0.833	
10	SHIV PUJAN SINGH					
	a) At the Beginning of the Year	80000	2.837			
	b) Changes during the year	[NO CHANGES DURING THE YEAR]				
	c) At the End of the Year			80000	2.837	
11	SOMA MODAK					
	a) At the Beginning of the Year	0	0.000			
	b) Changes during the year					
	Date	Reason				
	28/03/2019	Transfer	70000	2.482	70000	2.482
	c) At the End of the Year			70000	2.482	
	TOTAL	867491	30.762	807916	28.650	





v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANIL JHUNJHUNWALA					
	a) At the Beginning of the Year		145877	5.173		
	b) Changes during the year					
	Date	Reason				
	06/04/2018	Transfer	606	0.021	146483	5.194
	08/06/2018	Transfer	539	0.019	147022	5.214
	15/06/2018	Transfer	348	0.012	147370	5.226
	30/06/2018	Transfer	660	0.023	148030	5.249
	06/07/2018	Transfer	250	0.009	148280	5.258
	13/07/2018	Transfer	349	0.012	148629	5.271
	14/09/2018	Transfer	1239	0.044	149868	5.314
	09/11/2018	Transfer	100	0.004	149968	5.318
	23/11/2018	Transfer	200	0.007	150168	5.325
	21/12/2018	Transfer	-200	0.007	149968	5.318
	28/12/2018	Transfer	300	0.011	150268	5.329
	11/01/2019	Transfer	1150	0.041	151418	5.369
	18/01/2019	Transfer	1000	0.035	152418	5.405
	25/01/2019	Transfer	200	0.007	152618	5.412
	08/02/2019	Transfer	-100	0.004	152518	5.408
	15/02/2019	Transfer	399	0.014	152917	5.423
	01/03/2019	Transfer	600	0.021	153517	5.444
	15/03/2019	Transfer	7980	0.283	161497	5.727
	28/03/2019	Transfer	500	0.018	161997	5.745
	c) At the End of the Year				161997	5.745
2	RABI KUMAR ALMAL					
	a) At the Beginning of the Year		23265	0.825		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year				23265	0.825
3	SHYAM BAGARIA					
	a) At the Beginning of the Year		1500	0.053		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year				1500	0.053
	<b>TOTAL</b>		<b>310067</b>	<b>10.995</b>	<b>326187</b>	<b>11.567</b>



**V. Indebtedness**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i)	Principal Amount				
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
<b>Total (i+ii+iii)</b>					
<b>Change in Indebtedness during the financial year</b>					
i)	Addition				
ii)	Reduction				
<b>Net Change</b>					
<b>Indebtedness at the end of the financial year</b>					
i)	Principal Amount				
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
<b>Total (i+ii+iii)</b>					

The Company has no Indebtedness during the year.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

Sl. No.	Particulars of Remuneration		Name of MD/WTD/ Manager	Total Amount
1	Gross Salary			
	(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		
	(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961		
	(c)	Profit in lieu of salary under Section 17(3) Income Tax Act, 1961		
2	Stock Option			
3	Sweat Equity			
4	Commission			
	As % of profit			
	Others, specify			
5	Others, please specify			
	<b>Total (A)</b>			
	Ceiling as per the Act			

The Company has no Managing Director, Whole Time Director or Manager during the year.



**B. Remuneration to other Directors :**

Sl. No.	Particulars of Remuneration	Names of Directors			Total Amount
		Mr. Oscar Pascal Sequeira	Mrs. Hilla Eruch Bhathena		
1	<b>Independent Directors</b>	Mr. Oscar Pascal Sequeira	Mrs. Hilla Eruch Bhathena		
	– Fee for attending board committee meetings	–	–		–
	– Commission	–	–		–
	– Others, please specify	–	–		–
	<b>Total (1)</b>	–	–		–
2	<b>Other Non-Executive Directors</b>	Mr. Anil Jhunjunwala	Mr. Shyam Bagaria	Mr. Rajesh Kumar Poddar	
	– Fee for attending board committee meetings	–	–	–	–
	– Commission	–	–	–	–
	– Others, please specify	–	–	–	–
	<b>Total (2)</b>	–	–	–	–
	<b>Total (B)=(1+2)</b>	–	–	–	–
	<b>Total Managerial Remuneration</b>	–	–	–	–
	Overall Ceiling as per the Act	–	–	–	–

**Note :** No remuneration was paid to other Directors during the year as they all are in either Non-Executive Directors or Independent Directors.

**C. Remuneration to Key Managerial Personnel, other than MD / Manager / WTD :**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Rabi Kumar Almal (Chief Executive Officer)	Ms. Ankita Nigam (Company Secretary)	Mr. Hriday Mondal (Chief Financial Officer)	
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	₹ 2,16,000	₹ 4,54,000	₹ 2,04,000	₹ 8,74,000
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961	–	–	–	–
(c)	Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	–	–	–	–
2	Stock Option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission	–	–	–	–
	– As % of profit	–	–	–	–
	– Others, specify.	–	–	–	–
5	Others, please specify	–	–	–	–
	<b>TOTAL</b>	₹ 2,16,000	₹ 4,54,000	₹ 2,04,000	₹ 8,74,000



**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

There were no cases of penalties, punishments or compounding of offences during the year

**For and on behalf of the Board**

**ANIL JHUNJUNWALA**

**SHYAM BAGARIA**

*Director*

*Director*

DIN : 00128717

DIN : 00121949

Place : Kolkata

Dated : 16th August,2019

**ANNEXURE 2****MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENTS**

Non Banking Financial Companies play a vital role in the financial sector of our economy along with other financial institutions. Over the years, due to their strategic management practices and refined operational techniques coupled with lower costs of delivery, lower restrictions on customers etc., have led to it being an alternate choice and at times the first choice for several customers, who need financing. While the RBI has made regulations stringent for the NBFCs, it has also recognized the utility of the NBFCs and thereby made them eligible to set up Banks and also act as an extension of Banks, where the Banks cannot reach. Due to the increase in finance space by NBFCs, the RBI's surveillance has increased. Through its various regulatory measures NBFCs are brought under stricter supervisory regime of RBI. While several steps are being taken to increase the role that the NBFCs play, norms are being strengthened to ensure that there is a strong, transparent and robust non banking financial sector.

**OPPORTUNITIES AND THREATS****OPPORTUNITIES**

Reports from the World Bank indicate that Non Banking Financial Institutions act as critical pillars contributing to macroeconomic stability and sustained economic growth and prosperity, due to their ability to finance firms and individuals at a reasonable cost, reduce volatility by providing multiple sources to finance and park funds and enable creation of a competitive environment characterized by a diverse array of products. This has been proven time and again in developed markets. Non-Banking Finance Companies (NBFCs) continue to play a critical role in making financial Services accessible to a wider set of India's population and are emerging as strong intermediaries in the retail finance space. Going forward, one should expect NBFCs to further strengthen their presence in retail finance and grow at a reasonably healthy pace.

**THREATS**

The biggest challenge before NBFCs is that they are facing stiff competition from banks and financial institutions, due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by RBI for NBFCs which is making difficult for them to give cheaper finance. Ever-increasing competition from commercial counterparts whose capacity to absorb losses is higher, counter-party failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

**SEGMENT –WISE PERFORMANCE**

The Company is a Non Banking Finance Company (NBFC). It is engaged in the business of financing which is the major segment in the Company. Besides financing, your Company is also involved in generation of electricity through its windmill located in Tamil Nadu. Hence, the results for the year under review pertain to both financing activity and electricity generation. Detailed segment wise revenue break-up is shown in the notes to financial statements.

**OUTLOOK**

As the markets continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2019-20.



#### RISKS AND AREAS OF CONCERN

The NBFC industry in general faces the risk of re-entry and new entry of players and existence of several unorganized regional players increasing the competition which mainly affects the asset quality. This is further characterized by captive NBFCs floated by other business houses. The ever existing systemic and delinquency risks and fluctuations in interest rates make the companies more vulnerable. Deployment of funds in sensitive and volatile sectors increases the risk exposure while concentration risk increases dependency

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control measures and systems are established to ensure the correctness of the transactions and safeguarding of the assets of the Company. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

#### DISCUSSION ON FINANCIAL PERFORMANCE

During the year, the net revenue from operations of your Company decreased by 46.15 %, from ₹ 116.61 Lakh to ₹ 62.79 Lakh. For FY 2018 – 19, your Company's profit after tax stood at ₹ 28.60 Lakh vis-à-vis ₹ 75.96 Lakh in the previous year.

#### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers recognition based on merit. The employee relations have continued to be harmonious throughout the year. The Company has Four (4) permanent employees as on 31st March, 2019.

#### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Ratios are used to make a holistic assessment of financial performance of the entity, and also help evaluating the entity's performance vis-à-vis its peers within the industry. The NBFC sector is growing rapidly with borrowings comprising the largest source of funding. The key financial ratios of the company for F.Y. 2018-19 have shown a decline due to decrease in the revenue of the company while the liability has decreased during the year in concern. The Company is not a manufacturing unit and does not have any Non-Performing Assets (NPA), hence ratios related to those are not applicable. The significant changes in the other applicable key financial ratios are as follows:

Name of Ratios	FY 2018 - 19	FY 2017 - 18	Change (%)	Reasons for Change
Debtors Turnover	1.09	1.26	13.49	Sluggish collection of accounts receivable
Current Ratio	309.95	240.24	29.02	Reduction in current liabilities and increase in current assets
Debt Equity Ratio	0.003	0.004	25	Decrease in liabilities and increase in reserves
Net Profit Margin (%)	45.55	65.14	30.07	Decline in profit

#### CHANGE IN RETURN ON NET WORTH AS COMPARED TO PREVIOUS YEAR

Return on Net Worth (RONW) is a measure of profitability of a company expressed in percentage. Return on Net Worth for the financial year 2018-19 is 4.61% while the Return on Net Worth for the financial year 2017-18 is 12.84%. The decline in Return on Net Worth is mainly due to the decrease in revenue of the company. The company is making continuous effort to make optimum utilization of the shareholders' fund and perform better in the time to come.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors.

**For and on behalf of the Board****ANIL JHUNJHUNWALA****SHYAM BAGARIA***Director**Director*

DIN : 00128717

DIN : 00121949

Place : Kolkata

Dated : 16th August, 2019



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**J. J. Finance Corporation Limited**

Unit No. 14, 8th Floor, Premise No. IID/14

Action Area - IID, New Town, Rajarhat

Kolkata- 700 156

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by J J Finance Corporation Limited hereinafter called the (Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the J J Finance Corporation Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by J J Finance Corporation Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (iv) The Reserve Bank of India Act, 1934;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited (CSE) & Bombay Stock Exchange Limited (BSE);





During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

Place : Kolkata

Date : 08.07.2019

**Disha Dugar**

*Practicing Company Secretary*

FCS No. 8128

C P No. : 10895



**The Board of Directors of JJ FINANCE CORPORATION LIMITED (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on November 13, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which majority are Independent Directors.**

**1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the Key Objectives of the Committee would be:

- 1.1. To recommend the Board regarding the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for their further evaluation.
- 1.3. To recommend to the Board a policy relating Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy in respect of Board diversity
- 1.7. To develop a successive plan for the Board and to regularly review the same;

**2. DEFINITIONS**

- 2.1. **Act** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
  - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
  - 2.4.2. Company Secretary;
  - 2.4.3. Whole-time director;
  - 2.4.4. Chief Financial Officer;
  - 2.4.5. Such Other Officer, Not more than one level below the directors who is in whole- time employment, designated as key managerial personnel by the board; and
  - 2.4.6. such other officer as may be prescribed.
- 2.5. **Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including the personnel holding designation of General Manager and above.



### 3. ROLE OF COMMITTEE

#### 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall :

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### 3.2. Policy for appointment and removal of Director, KMP and Senior Management

##### 3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### 3.2.2. Term / Tenure

###### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

###### b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.



**3.2.3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**3.2.5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

**3.3.1. General :**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

**3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel :**

a) **Fixed pay :**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) **Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**3.3.3. Remuneration to Non- Executive / Independent Director :****a) Remuneration / Commission :**

The remuneration / commission shall be fixed by the Committee and approved by the Board wherever necessary.

**b) Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission :**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**d) Stock Options :**

An Independent Director shall not be entitled to any stock option of the Company.

**4. MEMBERSHIP**

4.1 The Committee shall consist of a minimum three (3) directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

**5. CHAIRPERSON**

5.1 Chairperson of the Committee may be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall

5.4 choose one amongst them to act as Chairperson.

5.5 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

**7. COMMITTEE MEMBERS' INTERESTS**

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.



## 9. VOTING

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## 10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include :

- 10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.10 Recommend any necessary changes to the Board; and
- 10.11 Considering any other matters, as may be requested by the Board.

## 11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- 11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

## 12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.



## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of J. J. Finance Corporation Limited**

#### **REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS**

##### **OPINION**

We have audited the accompanying standalone financial statements J.J. Finance Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India and the Accounting Standards (AS) prescribed under section 133 of the Act, of the state of affairs of the Company as at 31st March, 2019, its profit and its cash flows for the year ended on that date.

##### **BASIS FOR OPINION**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

##### **INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India,



including the Accounting Standards (AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. 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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 Standards on Auditing (SAs) will always detect 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 statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 system 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 management.
- Conclude on the appropriateness of management's 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 Company's ability 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 statements 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, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act & Rules made thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) No remuneration to director has been paid by the Company during the year under audit ; hence reporting under section 197(16) of the Act as to whether director's remuneration paid is in accordance with the provisions of Section 197 , is not applicable to the Company.
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company did not have any pending litigations which would impact its financial position in its financial statements.
    - ii) the Company did not have any long term contracts including derivation contracts for which there are any material foreseeable losses.
    - iii) There is no amount which were required to be transferred, to the Investors Education and Protection Fund by the Company during the year.
2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For A. K. Dubey & Co.**  
*Chartered Accountants*  
(Firm Reg. No. 329518E)

**CA Arun Kumar Dubey**  
*Partner*

Place : Kolkata

Dated : 16th May, 2019

Mem. No. 057141



## **ANNEXURE-A TO THE AUDITORS' REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date to the Members of J.J. Finance Corporation Limited )**

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of J. J. Finance Corporation Ltd. ('the Company') as of 31 March, 2019 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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 information, as required under the Companies Act, 2013.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note which are applicable to an audit of internal financial controls, require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions



and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata  
Dated : 16th May, 2019

**For A. K. Dubey & Co.**  
*Chartered Accountants*  
(Firm Reg. No. 329518E)

**CA Arun Kumar Dubey**  
*Partner*  
Mem. No. 057141



## **ANNEXURE-B TO THE AUDITORS' REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of J. J. Finance Corporation Ltd )**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
  - (c) According to information and explanations given to us, and on the basis of examination of records of the Company, we report that the title deeds of immovable properties are held in the name of the company.
- (ii) The Company did not have any inventory, and as such matters specified Para 3 (ii) is not applicable .
- (iii) The company has granted unsecured loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013 . The terms and conditions of the grant of such loans are not prejudicial to the company's interest. As per information and explanation given to us, the loan is repayable on demand, and there is no overdue amount; hence, Para 3( iii) (b) & (c ) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments made during the year.
- (v) The Company has not accepted any deposit; and hence, Para 3(v) of the Order is not applicable.
- (vi) As informed, maintenance of cost records has not been specified by the Central Government u/s 148(1) of the Companies Act; hence Para 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise , value added tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) As per information and explanation furnished to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan; hence Para 3( ix) of the Order is not applicable.



- (x) Based on the audit procedures performed for reporting on the true & fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers / employees has been noticed or reported during the year under audit .
- (xi) No managerial remuneration has been paid / provided by the Company during the year under review; hence , Para 3(xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company; hence Para 3( xii) of the Order is not applicable.
- (xiii) Transaction(s) with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013, and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review; hence Para 3( xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence, Para 3( xv) of the Order is not applicable.
- (xvi) The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and registration has been obtained.

Place : Kolkata

Dated : 16th May, 2019

**For A. K. Dubey & Co.**  
*Chartered Accountants*  
(Firm Reg. No. 329518E)

**CA Arun Kumar Dubey**  
*Partner*  
Mem. No. 057141

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars	Note No.	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' fund :</b>			
(a) Share Capital	3.1	<b>2,82,00,000</b>	2,82,00,000
(b) Reserves and Surplus	3.2	<b>3,38,29,421</b>	3,09,72,433
		<b>6,20,29,421</b>	5,91,72,433
<b>(2) Non-Current Liabilities :</b>			
(a) Deferred Tax Liabilities ( Net )	3.3	<b>3,54,432</b>	3,71,142
<b>(3) Current Liabilities :</b>			
(a) Trade Payables	3.4		
(i) Dues of micro enterprises & small enterprises		-	-
(ii) Dues of other than micro enterprises & small enterprises		<b>7,551</b>	70,553
(b) Other Current Liabilities	3.5	<b>23,933</b>	35,859
(C) Short term provisions	3.6	<b>1,53,390</b>	1,18,631
		<b>1,84,874</b>	2,25,043
<b>Total</b>		<b>6,25,68,727</b>	5,97,68,618
<b>II. ASSETS</b>			
<b>(1) Non Current Assets :</b>			
(a) Fixed Assets			
Tangible Assets	3.7	<b>13,92,777</b>	14,75,454
(b) Non current Investment	3.8	<b>20,65,054</b>	24,19,770
(C) Long-term loans and advances	3.9	<b>18,09,037</b>	18,09,037
		<b>52,66,868</b>	57,04,261
<b>(2) Current Assets :</b>			
(a) Trade Receivable	3.10	<b>13,75,175</b>	8,91,021
(b) Cash and Bank Balances	3.11	<b>1,16,78,101</b>	1,01,41,363
(c) Short term loans and advances	3.12	<b>4,00,00,000</b>	3,87,79,527
(d) Other current assets	3.13	<b>42,48,583</b>	42,52,446
		<b>5,73,01,859</b>	5,40,64,357
<b>Total</b>		<b>6,25,68,727</b>	5,97,68,618
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3		

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached

For **A K Dubey & Co.**

Chartered Accountants

(Firm Regn. No. 329518E)

For and on behalf of the Board of Directors

**CA ARUN KUMAR DUBEY**

Partner

(Mem. No. 057141)

**ANIL JHUNJHUNWALA**

Director

DIN : 00128717

**SHYAM BAGARIA**

Director

DIN : 00121949

Place : Kolkata

Date : 16th May, 2019

**HRIDAY MONDAL**

C.F.O.

**ANKITA NIGAM**

Company Secretary

Mem. No. A36293



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	For the year ended 31st March, 2019 ₹	For the year ended 31st March, 2018 ₹
<b>I. Revenue :</b>			
Revenue from Operations	3.14	62,78,956	1,16,61,297
Other Income		-	-
<b>Total</b>		<b>62,78,956</b>	<b>1,16,61,297</b>
<b>II Expenses :</b>			
Employee benefits expense	3.15	10,58,218	6,59,955
Finance cost		-	-
Depreciation and amortization expense	3.7	82,677	82,677
Other expense	3.16	15,89,148	15,97,965
<b>Total</b>		<b>27,30,043</b>	<b>23,40,597</b>
<b>III. Profit before tax (I - II)</b>		<b>35,48,912</b>	<b>93,20,700</b>
<b>IV. Tax expense:</b>			
(1) Current Tax		6,90,000	18,00,000
(2) Deferred Tax		(16,710)	(82,502)
(3) Income Tax for earlier year(s)		15,520	6,852
<b>V. Profit/(Loss) for the year (III - IV)</b>		<b>28,60,102</b>	<b>75,96,350</b>
<b>VI. Earnings per equity share - Basic and Diluted</b> (Face Value per share ₹ 10/-)		<b>1.01</b>	<b>2.69</b>
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3		

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached

For **A K Dubey & Co.**  
Chartered Accountants  
(Firm Regn. No. 329518E)

For and on behalf of the Board of Directors

**CA ARUN KUMAR DUBEY**  
Partner  
(Mem. No. 057141)

**ANIL JHUNJHUNWALA**  
Director  
DIN : 00128717

**SHYAM BAGARIA**  
Director  
DIN : 00121949

Place : Kolkata  
Date : 16th May, 2019

**HRIDAY MONDAL**  
C.F.O.

**ANKITA NIGAM**  
Company Secretary  
Mem. No. A36293



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	2018-2019		2017-2018	
	₹	₹	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITY</b>				
Net Profit before Tax and Extraordinary items	<b>35,48,912</b>		93,20,700	
<i>Adjusted for :</i>				
Depreciation	<b>82,677</b>		<b>82,677</b>	
Operating Profit before Working Capital Changes	<b>36,31,589</b>		94,03,377	
<i>Adjusted for :</i>				
Trade and Other Receivables	<b>(4,80,290)</b>		(10,62,320)	
Trade and other Payables	<b>(74,928)</b>		8,092	
Direct Taxes paid (net of refund)	<b>(6,73,876)</b>		(18,58,742)	
<b>Cash Flow before extraordinary items</b>		<b>24,02,495</b>		64,90,407
Extraordinary Items		—		—
<b>Cash Generated from Operating Activities</b>		<b>24,02,495</b>		64,90,407
Net Cash from Operation		<b>24,02,495</b>		64,90,407
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of Investment	<b>3,54,716</b>		1,39,31,848	
<b>Net Cash used in Investing Activity</b>		<b>3,54,716</b>		1,39,31,848





**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

Particulars	2018-2019		2017-2018	
	₹	₹	₹	₹
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Loans and Advances	(12,20,473)		(2,23,79,527)	
<b>Net Cash used in Financing Activities</b>		(12,20,473)		(2,23,79,527)
Net Increase in Cash and Cash Equivalents (A+B+C)		15,36,738		(19,57,272)
Opening Balance of Cash and Cash Equivalents		1,01,41,363		1,20,98,635
<b>Closing Balance of Cash and Cash Equivalents</b>		1,16,78,101		1,01,41,363
		(0.62)		(0.38)

**Notes :**

i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India .

ii) Figures in brackets represent outflow

iii) Cash & Cash Equivalent at the end of the year consists of :

a) Cash in Hand	45,203	45,203
b) Balances with Bank	1,16,32,898	1,00,96,160
<b>Closing Balance of Cash and Cash Equivalents</b>	<u>1,16,78,101</u>	<u>1,01,41,363</u>
	(0.62)	-

As per our report of even date attached

For **A K Dubey & Co.**  
Chartered Accountants  
(Firm Regn. No. 329518E)

**CA ARUN KUMAR DUBEY**  
Partner  
(Mem. No. 057141)

Place : Kolkata  
Date : 16th May, 2019

For and on behalf of the Board of Directors

**ANIL JHUNJHUNWALA**  
Director  
DIN : 00128717

**SHYAM BAGARIA**  
Director  
DIN : 00121949

**HRIDAY MONDAL**  
C.F.O.

**ANKITA NIGAM**  
Company Secretary  
Mem. No. A36293



## **NOTES TO THE FINANCIAL STATEMENT** for the year ended 31st March, 2019

### **1. CORPORATE INFORMATION**

J. J. Finance Corporation Ltd is a company incorporated in India and regulated by Reserve Bank of India (RBI) as a Non-Deposit Accepting or Holding Non Banking Financial Company (NBFC) engaged in the business of Finance and Generation of Electricity through Wind Power Mill.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis.

GAAP comprises applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. These financial statements comply in all material aspects with the Accounting Standards (Rules) notified under the companies (Accounting Standard) Rule, 2006 (as amended), to the extent applicable and the terms of “Non-Systemically Important Non-Banking Companies Prudential Financial (Non-Deposit Accepting or Holding) Norms (Reserve Bank) Directions, 2015” issued by Reserve Bank of India.

All Assets and Liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies’ Act, 2013.

Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

#### **2.2 USE OF ESTIMATES**

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in outcomes different from the estimates. Different between actual results and estimates are recognized in the period in which the results are known or materialize.

#### **2.3 TANGIBLE FIXED ASSETS**

Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

#### **2.4 DEPRECIATION ON TANGIBLE FIXED ASSETS**

Depreciation on tangible fixed assets is calculated on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.



## **NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

### **2.5 INVESTMENT**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **2.6 INVENTORIES**

Inventories are valued at lower of cost or net realizable value.

### **2.7 INCOME & EXPENDITURE RECOGNITION**

Income & Expenditure unless otherwise stated, are accounted for on accrual basis except income from Dividends which is accounted for as and when actually received.

The Company has followed the prudential norms for income recognition and provisioning against non performing assets and Provision on Standard Assets as prescribed by the Reserve Bank of India for Non Banking Financial Companies.

### **2.8 RETIREMENT AND OTHER EMPLOYEE BENEFITS**

Retirement benefit to employees such as Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the "company" as number of employee is below the statutory limit as prescribed by the above Acts.

The company does not have the policy of extending leave encashment benefits to its employees.

### **2.9 TAXES ON INCOME**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. Such assets are reviewed as at Balance Sheet date to reassess realizability thereof. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets



## **NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

### **2.10 EARNINGS PER SHARE (EPS)**

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

### **2.11 PROVISIONS**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **2.12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

### **2.13 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>3.1 SHARE CAPITAL</b>		
(i) <b>Authorised</b>		
60,00,000 (P.Y. 60,00,000) Equity Shares of ₹10 each	<u>60,000,000</u>	<u>60,000,000</u>
	<u>60,000,000</u>	<u>60,000,000</u>
(ii) <b>Issued, Subscribed and Fully Paid-up</b>		
28,20,000 (P.Y. 28,20,000) Equity Shares of ₹ 10 each	<u>28,200,000</u>	<u>28,200,000</u>
	<u>28,200,000</u>	<u>28,200,000</u>

(iii) **The reconciliation of the number and amount of equity shares outstanding**

	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	₹	No. of Shares	₹
Equity Shares				
Opening Balance	2820000	28,200,000	2820000	28,200,000
Add: Shares issued during the year	—	—	—	—
Closing Balance	<u>2820000</u>	<u>28,200,000</u>	<u>2820000</u>	<u>28,200,000</u>

(iv) **Terms / Rights and restrictions attached to Equity Shares**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM except in the case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(v) **Shareholders holding more than 5 % shares in the company**

Name of Share holders (Equity Shares of ₹ 10/- each fully paid up)	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	% held	No. of Shares	% held
Panna Devi Sarda	245000	8.69	245000	8.69
Anil Jhunjunwala	161997	5.74	145877	5.17
J J Projects P Ltd	549929	19.50	549729	19.49
Kohinoor Stockbroking Private Limited	168882	5.98	125500	4.45
Kanaklata Jhunjunwala	142000	5.03	142000	5.03

(vi) The company has not issued (i) any equity shares pursuant to contract with payment being received in cash (ii) any bonus shares, or bought back any equity shares during the last five preceding financial years.



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

	As at 31.03.2019		As at 31.03.2018	
	₹	₹	₹	₹
<b>3.2 RESERVES AND SURPLUS</b>				
<b>(i) Special Reserve u/s 45-IC of RBI Act , 1934</b>				
Opening Balance		70,45,000		55,25,000
Add: Transferred from Surplus in the Statement of Profit & Loss		5,73,000		15,20,000
<b>Closing Balance</b>		<b>76,18,000</b>		<b>70,45,000</b>
<b>(ii) Surplus/(deficit) in the Statement of Profit &amp; Loss</b>				
Opening Balance		2,39,27,433		1,79,10,376
Add : Profit/(Loss) for the year		28,60,102		75,96,350
Less : Provision towards Standard Assets		3,115		59,293
Surplus available for Appropriations		2,67,84,421		2,54,47,433
Less : <b>APPROPRIATION</b>				
Transferred to Reserve u/s 45-IC of RBI Act, 1934		5,73,000		15,20,000
<b>Closing Balance</b>		<b>2,62,11,421</b>		<b>2,39,27,433</b>
<b>Total</b>		<b>3,38,29,421</b>		<b>3,09,72,433</b>
<b>3.3 DEFERRED TAX LIABILITIES (NET)</b>				
Deferred Tax Liability on Depreciation and Amortisation		3,54,432		3,71,142
		<b>3,54,432</b>		<b>3,71,142</b>
<b>3.4 TRADE PAYABLES</b>				
(i) Dues of micro enterprises & small enterprises		-		-
(ii) Dues of other than micro enterprises & small enterprises		7,551		70,553
		<b>7,551</b>		<b>70,553</b>
<b>3.5 OTHER CURRENT LIABILITIES</b>				
Others		23,933		35,859
		<b>23,933</b>		<b>35,859</b>
<b>3.6 SHORT TERM PROVISIONS</b>				
Provision for Income Tax -				
Opening Balance	18,00,000		7,65,000	
Less: Adjustment during the year	-		7,65,000	
	18,00,000		-	
Add: Provision for the year	6,90,000		18,00,000	
		24,90,000		18,00,000
Less : Advance tax -				
Opening Balance	17,88,792		7,01,902	
Less : Adjustment during the year	-		7,01,902	
	17,88,792		-	
Add: Paid during the year	6,58,356		17,88,792	
		24,47,148		17,88,792
		42,852		11,208
Contingent provision against Standard Assets		1,10,538		1,07,423
		<b>1,53,390</b>		<b>1,18,631</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

3.7 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2018	Addition	Adjustments	As at 31.03.2019	Upto 01.04.2018	For the Year	Adjustments	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>TANGIBLE ASSETS</b>										
Land (Freehold)	1,45,000	-	-	1,45,000	-	-	-	-	-	1,45,000
Plant and Machinery – Wind Mill	2,15,60,038	-	-	2,15,60,038	2,04,90,660	-	-	2,04,90,660	10,69,378	10,69,378
– Others	9,153	-	-	9,153	8,820	-	-	8,820	333	333
Office Equipments	4,69,484	-	-	4,69,484	4,52,662	-	-	4,52,662	16,822	16,822
Electrical Installation	35,414	-	-	35,414	35,413	-	-	35,413	1	1
Data Processing Machine	3,30,969	-	-	3,30,969	3,14,556	-	-	3,14,556	16,413	16,413
Vehicles	6,63,224	-	-	6,63,224	4,35,718	82,677	-	5,18,395	1,44,829	2,27,506
Furniture & Fixtures	5,50,906	-	-	5,50,906	5,50,905	-	-	5,50,905	1	1
<b>Total</b>	<b>2,37,64,188</b>	-	-	<b>2,37,64,188</b>	<b>2,22,88,734</b>	<b>82,677</b>	-	<b>2,23,71,411</b>	<b>13,92,777</b>	<b>14,75,454</b>
Previous Year	<b>2,37,64,188</b>	-	-	<b>2,37,64,188</b>	<b>2,22,06,057</b>	82,677	-	<b>2,22,88,734</b>	<b>14,75,454</b>	-





**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

Particulars	Face Value	As at 31.03.2019		As at 31.03.2018	
		Units	₹	Units	₹
<b>3.8 NON-CURRENT INVESTMENT</b>					
(At Cost - Other than Trade - Long Term )					
<b>i) Equity Instrument-Quoted Shares (Fully paid up)</b>					
Wopolin Plastics Ltd.	10	6,000	3,00,000	6,000	3,00,000
- ( Formerly : Bajaj Plastics Ltd.)					
Ceeta Industries Ltd.	10	1,000	19,028	1,000	19,028
Thanjavur Textiles Ltd.	10	1,000	1,85,925	1,000	1,85,925
J.J. Automotive Ltd.	10	17,900	1,77,821	17,900	1,77,821
Pradeep Drugs Co. Ltd.	10	1,050	14,665	1,050	14,665
Recron Synthetics Ltd.	2	500	13,843	500	13,843
(Formely Raymond Synthetics Ltd.)					
Nageswar Investment Ltd.	10	30,000	1,74,100	30,000	1,74,100
Navcom Oil Products Ltd.	10	500	22,330	500	22,330
Bajaj Holdings	10	-	-	200	1,83,416
Tata Motors Ltd.	2	-	-	1,000	1,71,300
Unitech Ltd	2	1,500	7,395	1,500	7,395
			<u>9,15,107</u>		<u>12,69,823</u>
<b>ii) Equity Instrument-Un-Quoted Shares (Fully paid up)</b>					
J J Projects (P) Ltd.	10	1,43,153	6,20,947	1,43,153	6,20,947
Pinnacle Leasing & Finance (P) Ltd.	10	1,400	14,000	1,400	14,000
Kohinoor Stockbroking (P) Ltd.	10	10,000	1,00,000	10,000	1,00,000
Chitrakoot Properties Ltd.	10	4,500	3,15,000	4,500	3,15,000
KPJ Estates Pvt. Ltd.	10	10,000	1,00,000	10,000	1,00,000
			<u>11,49,947</u>		<u>11,49,947</u>
<b>Total</b>			<u>20,65,054</u>		<u>24,19,770</u>
a) Aggregate Value of Quoted Investment (i + ii)			9,15,107		12,69,823
b) Aggregate Value of Unquoted Investment (iii + iv)			11,49,947		11,49,947
			<u>20,65,054</u>		<u>24,19,770</u>
c) Market value of Quoted Investment			15,76,923		23,00,278
			<u>15,76,923</u>		<u>23,00,278</u>
<b>3.9 LONG TERM LOAN &amp; ADVANCES</b>					
Security Deposit			13,236		13,236
Advance for booking of Flat			17,95,801		17,95,801
			<u>18,09,037</u>		<u>18,09,037</u>
<b>3.10 TRADE RECEIVABLES</b>					
(Unsecured, considered good)					
Outstanding for a period exceeding six months from due date			11,07,052		7,57,969
Others			2,68,123		1,33,052
			<u>13,75,175</u>		<u>8,91,021</u>





NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	As at 31.03.2019		As at 31.03.2018	
	₹	₹	₹	₹
<b>3.11 CASH AND BANK BALANCE</b>				
<u>Cash and Cash Equivalents</u>				
Balance with Bank - In current account		1,16,32,898		1,00,96,160
Cash in hand		45,203		45,203
		<u>1,16,78,101</u>		<u>1,01,41,363</u>
<b>3.12 SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured, considered good)				
<u>Advances recoverable in cash or kind</u>				
Loan and advances to related parties		4,00,00,000		3,87,50,000
Others		—		29,527
		<u>4,00,00,000</u>		<u>3,87,79,527</u>
<b>3.13 OTHER CURRENT ASSETS</b>				
Interest Receivable		42,15,277		42,19,100
Prepaid Expenses		33,306		33,346
		<u>42,48,583</u>		<u>42,52,446</u>
		<b>31.03.2019</b>		<b>31.03.2018</b>
		₹		₹
<b>3.14 REVENUE FROM OPERATIONS:</b>				
(i) <b>Operating Revenue</b>				
Sales Of Share		—		—
Interest Income		46,83,633		46,87,892
Profit on Sale of Investment		3,56,356		56,46,429
		<u>50,39,989</u>		<u>1,03,34,321</u>
(ii) <b>Other Operating Revenue</b>				
Dividend Income		750		17,850
Electricity Generation		12,38,217		13,09,126
Excess Liability Written Back		—		—
		<u>12,38,967</u>		<u>13,26,976</u>
<b>Total</b>		<u>62,78,956</u>		<u>1,16,61,297</u>
<b>3.15 EMPLOYEE BENEFITS EXPENSE</b>				
Salaries and Wages		10,58,218		6,59,955
		<u>10,58,218</u>		<u>6,59,955</u>



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**

	31.03.2019	31.03.2018
	₹	₹
<b>3.16 OTHER EXPENSES</b>		
Advertisement & Publicity	12,896	14,074
Bank Charges	1,046	2,498
Postage & Telegram	1,65,811	84,491
Conveyance expenses	300	3,096
Insurance	83,612	88,665
Listing Fees	3,15,650	3,16,903
Membership Fees	29,090	31,450
Auditors' Remuneration :		
– For Statutory Audit	17,700	18,000
– For Other services	41,450	25,870
Printing and stationery	50,971	40,472
Professional Fees	81,832	46,902
Repairs and Maintenance (Others)	3,599	7,648
Repairs to plant and machinery (Wind Power)	7,62,060	8,10,181
Telephone Charges	-	13,174
Travelling Expenses	-	33,481
Miscellaneous Expenses	23,132	61,060
	<u>15,89,148</u>	<u>15,97,965</u>

**3.17 ADDITIONAL NOTES**

The Company has not received any memorandum as required to be filed by the suppliers with the notified authority under regarding registration under Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro, small or medium enterprises as at 31st March, 2019. Therefore, there are no dues outstanding to Micro, Small and Medium Enterprises (Previous year Nil).

**3.18 SEGMENT REPORTING**

The Company's Operations mainly consist of Finance & Generation of Electricity through Wind Power Mill.

(₹ in Lakh)

Sl. No.	Particulars	31.03.2019	31.03.2018
<b>1</b>	<b><u>Segment Revenue</u></b>		
	i) Finance Business	50.41	103.52
	ii) Electricity Generation	12.38	13.09
	<b>Net Sales/Income from Operations</b>	<u>62.79</u>	<u>116.61</u>
<b>2</b>	<b><u>Segment Results</u></b>		
	<b>Profit before Tax &amp; Interest from each segment</b>		
	i) Finance Business	31.46	89.00
	ii) Electricity Generation	4.03	4.21
	<b>Profit before Tax</b>	<u>35.49</u>	<u>93.21</u>
<b>3</b>	<b><u>Capital Employed (Segment Assets Less Segment Liabilities)</u></b>		
	i) Finance Business	598.02	575.09
	ii) Electricity Generation	25.82	20.35
	<b>Total</b>	<u>623.84</u>	<u>595.44</u>



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

3.19 RELATED PARTY DISCLOSURES

A. **Names of the related parties :**

**Related parties as per AS 18 with whom transaction have taken place during the year:**

I) **Key Management Personnel :**

Mr. Anil Jhunjunwala

II) **Enterprise over which key managerial personnel and relatives of such personnel are able to exercise Significant influence :**

J.J. Automotive Ltd.

B. **Related Party Transactions during the year**

i) **With Key Management Personnel**

Mr. Anil Jhunjunwala

**Directors Remuneration**

NIL

ii) Enterprise over which key managerial personnel and relatives of such personnel are able to exercise Significant influence : (₹ in Lakh)

Loan Given	Principal	Interest	Total
Opening Balance	387.50	42.19	429.69
Addition/Accrued during the year	144.50	42.15	186.65
Refund/Repaid during the year	132.00	42.19	174.19
Closing Balance	400.00	42.15	442.15

3.20 BASIC AND DILUTED EARNING PER SHARE

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	31.03.2019	31.03.2018
a) Net Profit after Tax(₹) available for Equity Shares of ₹ 10/- each	28,60,102	75,96,350
b) Number of Equity Shares of ₹ 10/- each	2820000	2820000
c) Basic and Diluted Earning Per Share (a/b) (in ₹)	1.01	2.69

3.21 Previous year's figures have been regrouped/rearranged/recasted wherever necessary.

3.22 Financial figures have been rounded off to nearest rupees.

3.23 Schedule to the Balance Sheet as on 31st March, 2019 of a Non-Banking Financial Company is Annexed (Annexure - A)

SIGNATURE TO NOTE

As per our report of even date attached

For A K Dubey & Co.

Chartered Accountants

(Firm Regn. No. 329518E)

For and on behalf of the Board of Directors

CA ARUN KUMAR DUBEY

Partner

(Mem. No. 057141)

ANIL JHUNJUNWALA

Director

DIN : 00128717

SHYAM BAGARIA

Director

DIN : 00121949

Place : Kolkata

Date : 16th May, 2019

HRIDAY MONDAL

C.F.O.

ANKITA NIGAM

Company Secretary

Mem. No. A36293



**ANNEXURE 'A' TO NOTE 3.23**

Schedule to the Balance Sheet as on 31st March, 2019 of a non-deposit taking non-banking financial company [as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Companies Prudential Financial (Non-Deposit Accepting or Holding) Norms (Reserve Bank) Directions, 2015]

**Liabilities side :**

(₹ in lakh)

	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
<b>(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		
a) Debentures : Secured	—	—
: Unsecured	—	—
(other than falling within the meaning of public deposits*)		
b) Deferred Credits	—	—
c) Term Loans	—	—
d) Inter-corporate loans and borrowing	—	—
e) Commercial Paper	—	—
f) Other Loans (specify nature)	—	—
* Please see Note 1 below		
<b>Total</b>	—	—

**Assets side :**

Amount outstanding

<b>(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
a) Secured	Nil
b) Unsecured	474.33
<b>Total</b>	<u><b>474.33</b></u>
<b>(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>	
i) Lease assets including lease rentals under sundry debtors :	
a) Financial lease	Nil
b) Operating lease	Nil
ii) Stock on hire including hire charges under sundry debtors :	
a) Assets on hire	Nil
b) Repossessed Assets	Nil
iii) Other loans counting towards AFC activities :	
a) Loans where assets have been repossessed	Nil
b) Loans other than (a) above	Nil
<b>Total</b>	<u><b>Nil</b></u>
<b>(4) Break-up of Investments :</b>	
<b>Current Investments :</b>	
<b>1. Quoted :</b>	
i) Shares : a) Equity	Nil
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of Mutual Funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil



<b>2. <u>Unquoted :</u></b>	<b><u>Amount outstanding</u></b>
i) Shares : a) Equity	Nil
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil
<b><u>Long Term Investments :</u></b>	
<b>1. <u>Quoted :</u></b>	
i) Shares : a) Equity	9.15
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil
<b>2. <u>Unquoted :</u></b>	
i) Shares : a) Equity	11.50
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil
<b>Total</b>	<b><u>20.65</u></b>

(5) **Borrower group-wise classification of assets financed as in (2) and (3) above :**

Please see Note 2 below :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **	Nil	442.15	442.15
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	32.18	32.18
<b>Total</b>	<b>Nil</b>	<b>474.33</b>	<b>474.33</b>

**(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

Please see Note 3 below :

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
a) Subsidiaries	Nil	Nil
b) Companies in the same group	11.23	9.99
c) Other related parties	Nil	Nil
2. Other than related parties	16.04	10.66
<b>Total</b>	<b>27.27</b>	<b>20.65</b>

\* Market Value in most of the cases being not available has been considered at book value.

**(7) Other information :**

Particulars	Amount
i) Gross Non-Performing Assets	
a) Related parties	Nil
b) Other than related parties	Nil
ii) Net Non-Performing Assets	
a) Related parties	Nil
b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

**Notes :**

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company – Non-Systemically Important Non-Banking Companies Prudential Financial (Non-Deposit Accepting or Holding) Norms (Reserve Bank) Directions, 2015
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For **A K Dubey & Co.**  
Chartered Accountants  
(Firm Regn. No. 329518E)

**CA ARUN KUMAR DUBEY**  
Partner  
(Mem. No. 057141)

Place : Kolkata  
Date : 16th May, 2019

For and on behalf of the Board of Directors

**ANIL JHUNJHUNWALA**  
Director  
DIN : 00128717

**SHYAM BAGARIA**  
Director  
DIN : 00121949

**HRIDAY MONDAL**  
C.F.O.

**ANKITA NIGAM**  
Company Secretary  
Mem. No. A36293







