



22nd
ANNUAL
REPORT
2018-19

JINDAL
COTEX LIMITED



JINDAL COTEX LIMITED

Annual Report
2018-2019

BOARD OF DIRECTORS

Mr. Sandeep Jindal	Managing Director
Mr. Rajesh Khanna	Independent Director
Mr. Anil Kumar	Independent Director
Ms. Alisha	Independent Director
Mr. Kartar Chand Dhiman	Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Sandeep Jindal	Managing Director
Mr. Anil Kumar	Company Secretary

MANAGER ACCOUNTS

Mr. Harish Kumar

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited,
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai - 400059 - Maharashtra
Phones: (022) 62638200
Fax: (022) 62638209
Email ID: info@bigshareonline.com

AUDITORS

M/s K R Aggarwal & Associates
Chartered Accountants
B -XV, 980 (2nd Floor),
G. T. Road, Miller Ganj,
Adj. Gurudwara Shaheedan Pheruman,
Ludhiana - 141003

REGISTERED & CORPORATE OFFICE AND WORKS

VPO Jugiana, G.T. Road,
Ludhiana 141 017
CIN No: L17115PB1998PLC021084
Phones: (0161) 2511840
Fax: (0161) 2511843
Email: cs@sjgroup.in
Website: www.jindalcotex.com

WIND MILL

J-289, Village Pithla,
Distt. Jaisalmer,
Rajsthan

UNITS

Bija, Tehsil Khana,
Unit – II, Village Mandiala Kalan,
Distt. Ludhiana– 141412

BANKERS

Oriental Bank of Commerce
State Bank of India
Allahabad Bank
Corporation Bank
Bank of Baroda
Punjab National Bank
Central Bank of India

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NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the members of JINDAL COTEX LIMITED will be held on Monday, 30th day of September, 2019 at 9.00 A.M. at the Registered Office of the Company at V.P.O. Jugiana, G.T. Road, Ludhiana, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2019 and Profit & Loss Account for the year ended on that date together with the reports of the Director's and Auditor's thereon.

SPECIAL BUSINESS

2. To consider, and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, read with Schedule IV to the said Act, Mr. Kanik Sharma (DIN :08499593), who was appointed as the Additional Director pursuant to provisions of section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years and whose office shall not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard

3. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Special Resolution:-

"RESOLVED THAT pursuant to the provisions of section 12(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force) and any other provisions applicable, if any, the consent of the members of the company be and is hereby accorded to shift the registered office of the company from VPO Jugiana, G.T. Road, Ludhiana-141017 to Mandiala Kalan, P.O. Bija, Teh Khanna, Distt. Ludhiana -141412.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Sandeep Jindal, Managing Director of the Company be and is hereby authorised, on behalf of the company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of E-form INC.22 as return of Change in address of registered office of the company."

4. To consider, and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED THAT Board of Directors of the Company on the recommendations of the Audit Committee has approved appointment of the M/s. Gurvinder Chopra and Co., Cost Auditors (Firm Registration No. 100260) of the Jindal Cotex Limited for the financial year 2019-20 at a remuneration of Rs. 25,000/- (Rupees Twenty five Thousand only) plus applicable Goods and service tax and out-of-pocket expense.

"RESOLVED FURTHER THAT the Shareholders hereby ratify the actions of the Board of Directors pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for approving recommendation of Audit Committee for remuneration at Rs. 25,000/- (Rupees Twenty five Thousand only) plus applicable Goods and service tax and out of pocket expenses of M/s Gurvinder Chopra and Co., Cost Auditor(s) to conduct the audit of the cost records of the Company for the financial year 2019-20.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution".

**BY ORDER OF THE BOARD
FOR JINDAL COTEX LIMITED**

**Place : Ludhiana
Dated: 31st August, 2019**

**(Sandeep Jindal)
Managing Director
DIN: 01639743**

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on his/her behalf at the meeting. The proxy need not be a member of the company. The instrument appointing the proxy in order to be effective must be deposited at the Registered Office of the company at least 48 hours before the time for the meeting. The blank Proxy form is enclosed. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A proxy shall not have a right to speak at the Annual General Meeting and shall not be entitled to vote except on a poll.
2. The relative explanatory statement pursuant to section 102(1) of the Companies Act, 2013 relating to special business to be transacted at the Annual General Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 27th September, 2019 to Monday, 30th September, 2019 (both days inclusive).
4. Members desiring any information as regards accounts are requested to write to the company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
5. A brief resume in respect of Directors proposed to be appointed at this AGM, the relevant details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms integral part of the notice.



6. The members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar & Transfer Agent, M/s Bigshare Services Private Limited, Mumbai.
7. The members are requested to intimate changes, if any, pertaining to their email address, postal address, Permanent Account Number (PAN), Bank details such as name of the bank, branch detail, bank account no. MICR code, IFSC code etc., to their DP, in case shares are held by them in electronic form and to the company/ Registrar & Transfer Agent, M/s Bigshare Services Private Limited, Mumbai in case shares are held by them in physical form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number by every participant in the securities market. Members holding shares in electronic form are, therefore, to submit their PAN to the depository participants with whom they maintained their demat account. Members holding shares in physical form should submit their PAN to the company/registrar and share transfer agent of the company.
9. Annual accounts and related documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the company.
10. Notice of the 22nd Annual General Meeting and Annual Report for 2018-19 will also be available on the Company's website www.jindalcotex.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. For any communication, the shareholders may also send their request to the Company's Email Id at cs@sjgroup.in
11. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares. Members can contact the company or Registrar and Share Transfer Agent for assistance in this regard.
12. To support the "Green Initiative", Members who have not yet registered their e-mail address are requested to register the same with their DPs in case the shares are held by them in electronic form and to the company Registrar & Transfer Agent, M/s Bigshare Services Private Limited, Mumbai in case shares are held by them in physical form.
13. A route map showing directions to the venue of the 22nd Annual General Meeting is given at the end of this Notice.

**BY ORDER OF THE BOARD
FOR JINDAL COTEX LIMITED**

Place: Ludhiana
Dated: 31st August, 2019

(Sandeep Jindal)
Managing Director
DIN: 01639743

ANNEXURE TO THE NOTICE

Explanatory Statement as required under section 102(1) of the Companies Act, 2013, setting out all material facts relating to special business of the accompanying notice.

Item No. 2

The Board of Directors at its meeting held on 8th July, 2019, on the recommendation of Nomination and Remuneration Committee appointed Mr. Kanik Sharma as Additional Director under section 161 of the Companies Act, 2013. According to the provisions of the Companies Act, 2013, he will hold office upto the date of this meeting. A notice has been received from a member alongwith deposit as prescribed under the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Kanik Sharma for the office of Director of the Company. It is considered advisable in the interest of the company to appoint him on the Board to avail of his valuable advice.

None of the Directors, Key Managerial Personnel and any of their relatives are interested in the resolution. The Board recommends the aforesaid resolution for approval of the shareholders.

Item No. 3

The company has been operating two Units i.e. Unit -1 and Unit -2. The Registered office of the company is at the premises of Unit no. -1 at VPO Jugiana, G.T. Road, Ludhiana-141017, where all the statutory records and registers as required under companies Act, 2013 are maintained. The plant at Unit -1 remained closed during the year under review, so all the workers and staff has been shifted to Unit 2. In order to reduce the overall expenditure, particularly fixed overhead expenses incurred in maintaining and operating registered office from unit 1, the Board of directors have decided to shift the registered office of the company at the premises of Unit no. 2 located at Mandiala Kalan, P.O. Bija, Teh Khanna, Distt. Ludhiana -141412. This requires approval of the members of the company as the proposed registered office is being shifted to outside the postal limits of the existing place where the registered office is situated. Hence the Board recommends the adoption of the resolution. None of the Director is interested in the resolution.

Item No. 4:

The Board of Directors at its meeting held on 14th August, 2019, on the recommendations of the Audit Committee, has approved the appointment of M/s. Gurvinder Chopra and Co., Cost Accountant (Membership No. 42655), as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 on a remuneration of Rs. 25,000/- (Rupees Twenty five Thousand only) plus reimbursement of out of pocket expenses.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company.



The Board recommends the aforesaid resolution for approval of the shareholders.

None of the Directors and key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the above resolution.

Information as required under Regulation 36 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Directors proposed to be appointed at this AGM

Name of the Director	Mr. Kanik Sharma
Date of Birth	28.01.1990
Date of Appointment	08.07.2019
Expertise in specific functional	Mr. Kanik Sharma is having Commerce degree from Delhi University. He is having 9 years experience in computer and accounts
Qualification	Graduate
Directorship of other companies	Nil
Chairmanships/ Memberships of Committees of other companies	NIL
Number of shares held	NIL
Relationship with other Directors	Mr. Kanik Sharma is not having relationship with any director of the company

**BY ORDER OF THE BOARD
FOR JINDAL COTEX LIMITED**

Place : Ludhiana
Dated: 31st August, 2019

(Sandeep Jindal)
Managing Director
DIN: 01639743

Voting through electronic means;

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015 as well as Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is providing facility to members to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The voting period begins on Thursday, 26th September, 2019, 9:00 A.M. and ends on Sunday, 29th September, 2019, 05:00 P.M. During this period shareholders' as on the cut-off date Tuesday, 24th September, 2019 holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3. The instructions for e-voting are as under:

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below

	For members holding shares in demat and physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • 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 Client Id/Folio Number in the PAN field. In case the Folio 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. E.g. If your name is Ramesh Kumar with Folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.



Dividend Bank Details	Enter the Dividend Bank details or date of birth as recorded in your demat account detail or in the company records for the said demat account or folio.
-	*If both the details are not recorded with the depository or company please enter the member id / folio number in the dividend bank details instruction (5)

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Jindal Cotex Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.

(xvii) Note for Institutional Shareholders

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
- After receiving the login details they have to create a compliance user 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 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.

- (xviii) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

4. 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 (record date) of 24th September, 2019.
5. M/s Reecha Goel & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

**BY ORDER OF THE BOARD
FOR JINDAL COTEX LIMITED**

Place : Ludhiana
Dated: 31st August, 2019

(Sandeep Jindal)
Managing Director
DIN: 01639743



DIRECTOR'S REPORT

Dear Members,

The Directors of your Company have pleasure in presenting their 22nd Annual Report on the affairs of the company together with Audited Annual Accounts for the financial year ended 31st March, 2019.

Financial Results (Rs. in lacs)

Particulars	2018-19	2017-18
Turnover	8390.15	3591.77
Other Income	915.06	696.57
Profit Before Depreciation, Interest, Tax & Exceptional items (PBDIT)	495.86	(74.42)
Interest and Financial Expenses	82.66	57.35
Profit Before Depreciation, Tax & Exceptional items (PBDT)	413.20	(131.77)
Depreciation	621.26	638.87
Profit Before Tax & Exceptional items (PBT)	(208.06)	(770.64)
Exceptional items	1313.88	(46.54)
Profit Before Tax	1105.82	(817.18)
Less-Provision for Tax (Including Defferred Tax)	-	-
Profit for the year (PAT)	1105.82	(817.18)
Other Comprehensive Income	(0.20)	0.19
Add-Surplus brought forward from previous Year	--	--
Profit available for Appropriations	1105.62	(816.99)

During the year under review, your company has achieved a total turnover of Rs. 83.92 Crores as against Rs. 35.92 Crores in the previous year. However, the company has suffered a loss before tax of Rs. 2.08 crs as against Rs. 7.71 Crs for the previous year before exceptional items. The company has earned a profit after tax of Rs. 11.06 Crores as against loss of Rs. 8.17 Crores in the previous year due to income from exceptional items comprising of provisions added back during the year.

Unit 1 of the company situated at VPO Jugiana, G.T. Road, Ludhiana remained closed during the year due to financial crisis. However, Unit 2 of the company situated at Village Mandiala Kalan, Post Office Bija, Tehsil Khanna Distt. Ludhiana is operational with low capacity utilization due to financial constraints.

Dividend

Your directors do not recommend any dividend for the year under review.

Transfer to Reserves

The company has not transfer amount to the general reserve.

Nature of Business

The company is engaged in the textiles business. During the year, under review, there was no change in the business of the company.

Share Capital

The paid up equity share capital of the company as at 31st March, 2019 is Rs. 45.00 crore. There was no public issue, right issue, bonus issue or preferential issue etc., during the year.

Indian Accounting Standard (Ind AS)

The financial results for the year 2018-19 have been prepared in accordance with Indian Accounting Standards ("Ind AS"), prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other recognized accounting practices and policies to the extent applicable.

Management Discussion & Analysis Report

The Management Discussion and Analysis of financial conditions and results of operation of the company for the year under review is attached to this Report.

Subsidiaries

During the year under review, the company had transferred entire shareholding of its subsidiaries i.e. Jindal Specialty Textiles Limited and Jindal Medicot Limited, by way of disinvestment with the approval of members by way of special resolution passed through postal ballot on 6th November, 2018, as both these subsidiaries had incurred huge losses for the last many years & their entire net worth had been eroded.

Presently, the company has the following subsidiary:-

Jindal International FZE

This is 100% subsidiary of our company set up in free zone in UAE. The company is engaged in the general trading activities.

The consolidated Financial statements presented by the Company include financial information of its subsidiary prepared in compliance with applicable Accounting Standards are attached to and form part of the Annual Report. Annual accounts of the subsidiary company and the related detailed information will be made available to the shareholders of the holding and subsidiary company seeking such information at any point of time.

Directors and Key Managerial Personnel

The Board of Directors consists of five members, out of which one is executive and four are Independent directors. The Board also comprises of one woman director.

The composition of the Board is such that it is not possible for the company to retire any director at the ensuing Annual General Meeting as per the provisions of section 152(6) of the Companies Act, 2013.

Corporate Governance

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with the Corporate Governance norms stipulated, is annexed to the Report on Corporate Governance.

Board Evaluation

The Board carried out a formal annual performance evaluation of its own performance and that of its Committees and Individual Directors as required under the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration By Independent Directors

The Independent directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated under section 149(6) of the Companies Act, 2013, so as to qualify themselves to be appointed as Independent directors of the company.

Separate Meeting of Independent Directors

The company's Independent Directors met on 12th February, 2019, without the attendance of Non-Independent Directors. All the Independent Directors were present at the meeting. The Independent Directors in its meeting reviewed the performance of Non-Independent Directors and the



Board as a whole.

Directors' Responsibility Statement

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, with respect to Directors responsibility statement, the Directors hereby confirm that:-

- In the preparation of Annual Accounts the applicable Accounting Standards have been followed and that there are no material departures;
- They have selected such Accounting Policies and applied them consistently and made prudent judgments & estimates that are reasonable 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 of the company as on date;
- They have taken proper & 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 & detecting the fraud and other irregularities;
- The Annual Accounts have been prepared on 'going concern basis'.
- They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

M/s. K R Aggarwal & Associates, Chartered Accountants, (Registration No. 030088N) was appointed as statutory auditors of the company for a period of four years in the 21st Annual General Meeting held on 29th September, 2018 i.e. from the conclusion of 21st Annual General Meeting till the conclusion of 25th Annual General Meeting subject to ratification by members at every AGM.

In terms of the provisions relating to statutory auditors, notified on 7th May, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the notice convening the ensuing Annual General Meeting does not carry any resolution on ratification of the appointment of Statutory Auditors.

M/s. K R Aggarwal & Associates has audited the books of accounts of the company for the financial year ended 31st March, 2019 and have issued the Auditors report thereon. The statutory report of the auditors is self explanatory and has been explained in notes to accounts and hence does not call for any further comments. Further, there are no qualifications or reservations on adverse remarks in the said report.

Secretarial Audit

According to the provisions of Section 204 of the Companies Act, 2013, the company has engaged the services of M/s. Reecha Goel & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19 and Secretarial Audit Report for the same is attached and forms part of the annual report. The observations of the Secretarial Auditors pertain to matters which are linked with acute financial crisis being faced by the Company and thus remain

unresolved.

Energy Conservation, Technology Absorption & Foreign Exchange

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 as regard disclosure of particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed hereto and forms part of this report.

Fixed Deposits

During the year under review, your company has not accepted any fixed deposits from the public. Due to severe financial constraints, the company could fulfill its obligation in part for the repayment of fixed deposits, which has become due for repayment after the time extended by the Hon'ble Company Law Board, New Delhi.

Particulars of Employees

No employee is covered under the provisions of section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

Corporate Social Responsibility (CSR):

During the year under review, the company was not required to spend any amount on Corporate Social Responsibility activities as required under section 135 and Schedule VII of the Companies Act, 2013, as the company had incurred losses during the preceding financial years.

Green Initiative

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. Further, as per the provisions of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the company may send financial statements and other documents by electronic mode to its members. Your company has decided to join the MCA in its environmental friendly initiative. Accordingly, the company propose to send documents such as Annual Report and other communications to the shareholders via electronic mode at the registers email address of the shareholders. Further, to support this green initiative of the Government, the shareholders are requested to register their email Id with their depository participant with whom they are having demat account.

Vigil Mechanism

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Companies (Meetings of Board and its powers) Rules, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company established, a Vigil Mechanism process whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of Audit Committee about unethical behavior, actual or suspected fraud so that appropriate action can be taken to safeguard the interest of the company. However, no such complaint was received during the year under review. The Vigil Mechanism Policy has been uploaded on the website of the company at www.jindalcotex.com.



Prevention of Sexual Harassment at Workplace

The Company committed to provide a safe and conducive work environment to its employees including women, during the year under review.

Your Directors further state that there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Related Party Transactions

The Related Party Transactions made during the financial year 2018-19 were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the company's Promoters, Directors, Key Managerial Personnel or their relatives, which could have a potential conflict with the interest of the company. The Related Party Transactions has been reported and annexed hereto in this annual report.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to financial statements annexed hereto in this annual report.

Remuneration Ratio of the Directors/ Key Managerial Personnel (KMP)/ Employees:

The information required pursuant to section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Companies (Particulars of Employees) Rules, 1975 in respect of employees of the company and Directors is furnished as under:

S. No.	Name	Designation	Remuneration paid FY 2018-19	Remuneration paid FY 2017-18	Increase in remuneration from previous year
1	Sandeep Jindal	MD	7,50,000	4,50,000	3,00,000
2	Anil Kumar	CS	7,24,020	7,24,020	-

Risk Management Policy

Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The policy of the company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

Associates Companies

Pursuant to section 129(3) of the Companies Act, 2013 a statement containing silent features of financial statement of Associates companies in Form AOC-1 is annexed with financial statements.

Industrial Relations

Industrial relations remained cordial throughout the year and the Directors express their appreciation towards the workmen for their co-operation and hope for continued cordial relations in the years to come.

Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Bankers, Government Departments, Shareholders and other Business Associates for their continued and valuable co-operation & support extended to the company.

We take this opportunity to place on record our warm appreciation for the employees at all levels for their dedicated services and valuable contributions towards the growth of the Company.

For and on behalf of the Board
For Jindal Cotex Limited

Date: 30th May, 2019
Place: Ludhiana

(Sandeep Jindal)
Managing Director
DIN: 0163974

(Kartar Chand Dhiman)
Director
DIN: 05143805



ANNEXURE TO THE DIRECTORS' REPORT

Information as per Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2019:-

I. CONSERVATION OF ENERGY

FORM A

	PARTICULARS	UNIT	2018-19	2017-18
A.	POWER & FUEL CONSUMPTION			
	a) Electricity purchased			
	Units	KWH in lacs	115.20	71.79
	Amount	Rs. In lacs	809.07	495.31
	Rate per unit	Rs. Per unit	7.02	6.89
	b) Own generation		--	--
	Through Diesel Generator	KWH In lacs	--	--
	Units per litre	Units	--	--
	Cost of Diesel/LDO	Rs. In lacs	--	--
	Rate per unit	Rs. Per unit	--	--
B.	CONSUMPTION PER UNIT OF PRODUCTION			
	Polyster Yarns/Polyester Sewing Thread	KWH/Kg	4.31	0.31

II. TECHNOLOGY ABSORPTION

Efforts made in Technology Absorption are furnished as per Form B of the Annexure to the Rules are as under:-

A) RESEARCH AND DEVELOPMENT (R&D)

- Specific areas in which Research & Development is carried out by the company
Research & Development is carried out for improvement in the production process, appraisal of alternative raw materials and quality of existing products.
- Benefits derived as a result of above R&D
The company has been continuously improving the quality of its existing products and also been able to reduce the cost of production.
- Future Plan of Action
 - Increase in Productivity
 - Reduction in operational costs
- Expenditure on R&D : Nil

B) TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

a) Efforts made

The company is making efforts for adaption of latest technology in all its units, optimization of processes and efficient utilization of inputs on-going basis.

b) Particulars of technology imported in the last five years

- Technology Imported Nil
- Year of Import N.A.
- Has the technology been fully absorbed N.A

III. FOREIGN EXCHANGE EARNINGS AND OUTGO : NIL