



**JYOTI RESINS &  
ADHESIVES LTD.**

(AN ISO 9001 : 2015 COMPANY)

Regd. Office : Survey No. 873, Village : Santej, Tal.: Kalol, Dist.: Gandhinagar. Pin : 382721 Phone : (02764) 286327, (M) : 94273 58400  
Administrative Office : 1104-1112, ELITE, Nr. Shapath Hexa Opp. Kargil Petrol Pump, Nr. Sola Bridge S.G. Highway, Ahmedabad-380060  
Phone : 079-29700574, 40026268, M: 9427320474, Email : info@euro7000.com, CIN: L24229GJ1993PLC020879

DATE : 30/09/2020

TO,

The manager Listing,

The Bombay Stock Exchange

Corporate Relationship Department ,

Phiroze jijibhoy towers,dalal street,

Mumbai -400 001

**SECURITY CODE NO: 514448**

**SUB: Compliance of Regulation 34 of SEBI (LODR) Regulation,2015**

Dear Sir,

Pursuant to regulation 34 of the SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 we are forwarding herewith soft copy of Annual report for the financial Year 2019-20 which has been duly adopted and approved at the Annual General Meeting held on 30<sup>th</sup> September 2020.

The Annual Report for the financial year 2019-20 is uploaded on the website of the company ([www.euro7000.com](http://www.euro7000.com))

We request you to take the same on record and acknowledge.

Thanking you

Yours faithfully

FOR , JYOTI RESINS & ADHESIVE LIMITED

*Manish S. Jain*

Manish S. Jain  
(Compliance Officer)



Encl: As Above



# ANNUAL REPORT 2019-2020

## JYOTI RESINS & ADHESIVES LTD

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CIN: L24229GJ1993PLC020879

SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL.  
KALOL, DIST. GANDHINAGAR-382721



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**JYOTI RESINS AND ADHESIVES LIMITED**

**TWENTY-SEVENTH ANNUAL REPORT**

**2019 - 2020**

**BOARD OF DIRECTORS**

|                             |                              |
|-----------------------------|------------------------------|
| JAGDISH N. PATEL            | CHAIRMAN & MANAGING DIRECTOR |
| UTKARSH J. PATEL            | DIRECTOR                     |
| VIJAYKUMAR PATEL            | DIRECTOR                     |
| SHANKAR PATEL MANGALDAS     | DIRECTOR                     |
| JAYANTILAL PATEL SHAMJIBHAI | DIRECTOR                     |
| JYOTIKABEN J. PATEL         | DIRECTOR                     |

**BANKERS**

AXIS BANK LIMITED  
NAVRANGPURA BRANCH, AHMEDABAD

UNION BANK OF INDIA  
ASHRAM ROAD BRANCH, AHMEDABAD

THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD.  
RAKANPUR BRANCH, SANTEJ.

**AUDITORS**

M/S Suresh R. Shah & Associates  
Chartered Accountants  
1st Floor, Ghanshyam Chambers, Opp. Mithakhali Rly. Crossing,  
Mithakhali, Ellisbridge, AHMEDABAD-380 006.

**SECRETARIAL AUDITOR**

M/S MEENU MAHESHWARI & ASSOCIATES  
COMPANY SECRETARY AHMEDABAD-04

**REGISTERED OFFICE**

SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL. KALOL,  
DIST. GANDHINAGAR-382721.

**ADMINISTRATIVE OFFICE**

1104 -1112, ELITE, NR. SHAPATH HEXA, NR. SOLA OVER BRIDGE,  
S.G. HIGHWAY, AHMEDABAD 380 060  
GUJARAT.

## CHAIRMAN'S STATEMENT

**Dear shareholders,**

It is my pleasant duty to inform you that recently your company has proposed dividend of 25% per share subject to the approval of the shareholders at Annual General Meeting.



Your company has performed well this year not only in terms of financials but also for the betterment of stakeholders of the company. In the FY: 2019-20 your company has crossed an annual revenue of Rs. 73.54 Crores.

Your company has also been contributing positively for the wellbeing of shareholders, employees and

customers during these times of COVID-19 pandemic. This year we saw challenging business environment with lower GDP growth and slow-down in consumption. Despite these challenges, the support and guidance by our team, shareholders and board of directors has navigated us in achieving our growth during these times.

Value of human life is of utmost importance, and this principle continues to guide our business and remain committed to our business. We implemented various other methods in our Company which allowed us to better understand the issues of our customers which enabled us to take necessary steps to improve the ease of doing business.

Our deep understanding of consumers, a strong portfolio and distinctive capabilities across the value chain have enabled us to deliver broad-based superior performance. We also have close collaboration between marketing and Research and Development (R&D), we use our insights to support innovations and product development.

Over the preceding years, your company has shown itself to be very purpose-driven, versatile, strong and staying relevant to its customers through multiple economic cycles, and doing good for all its stakeholders. This is the secret behind its longevity and sustainability.

Your company has achieved a Milestone of the second largest selling Wood Adhesive brand in India, in retail segment. We continue to improve and evolve consistently by cultivating the entrepreneurial mindset across the organisation.

There are huge opportunities ahead by staying committed towards its mission and vision and by continually investing in building new capabilities and expertise's over the organisation.

We will continue our journey to be more accessible and affordable for our customers, by expanding our reach and improving our processes constantly.

I would like to take this opportunity to thank each and every employee as well as those working with our partners across our value chain for their commitment and service to Jyoti Resins and Adhesives Ltd.

I would also like to thank our shareholders, for your immense trust, support and confidence in Jyoti Resins and Adhesives Ltd.

Best Regards  
Jagdish N. Patel  
*Chairman*



## DIRECTOR'S SPEECH

**Dear Shareholders,**

This year 2019-20 brought us astonishing learnings to build something valuable and fruitful, we also faced certain challenges due to the outbreak of coronavirus pandemic which forced us to rethink strategies and try to overcome the impact of the pandemic.



In FY 2019-20, our Company had delivered a revenue of Rs. 73.54 Crores, growing 7.06 % over the prior year. You would be pleased to note that our Company has achieved strong net profit (before tax) growth for FY 2019-20 reaching Rs. 11.14 Crores (263 % growth Y-o-Y) on a comparable basis.

The Board has recommended a final dividend of Rs. 2.50/share for the year.

We constantly had been looking for various ways to improve the productivity over the organisation. Our employees are the heart of our business. Their continued commitment focus and hard work have been the roadmap for our success. To satisfy our customers as per their needs, we constantly looked for the ways to transform various initiatives to improve or to bring necessary changes in its product or services.

With all the strengths and opportunities, we believe to start an exciting journey ahead. As we are undergoing these uncertain times, we look forward for your continued support.

Warm Regards

Utkarsh J. Patel

*Director*

## THE INCREDIBLE JOURNEY SO FAR ....



## OUR SUSTAINABILITY FRAMEWORK





## OUR NETWORK ...



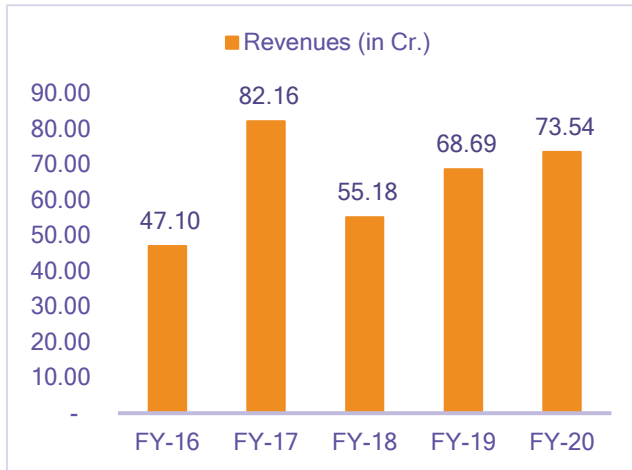
## OUR NETWORK ... (KEY HIGHLIGHTS)



## FINANCIAL SNAPSHOT FY 2020

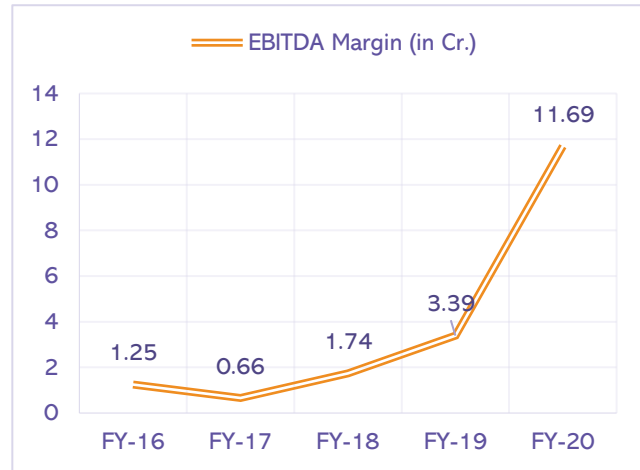


## HOW WE HAVE FINANCIALLY GROWN OVER THE YEARS



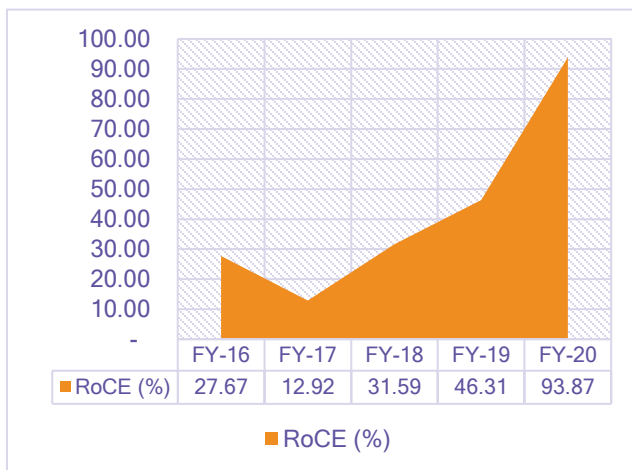
### Revenues

Aggregate sales increased by 56.13% to 73.54 Cr in FY 2019-20 over FY 2015-16.



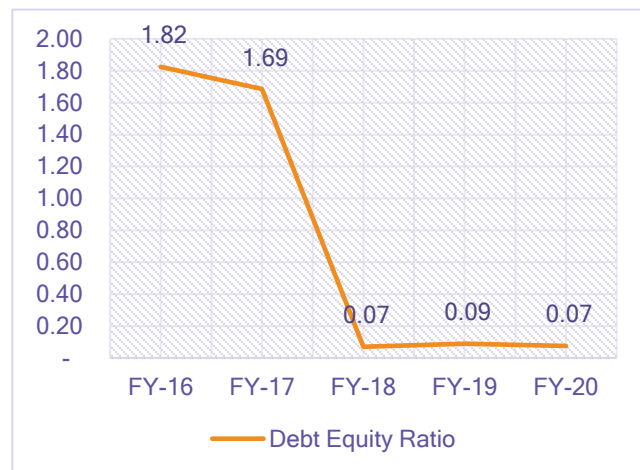
### EBITDA Margins

The Company reported multifold increase in EBITDA margin in FY 2019-20



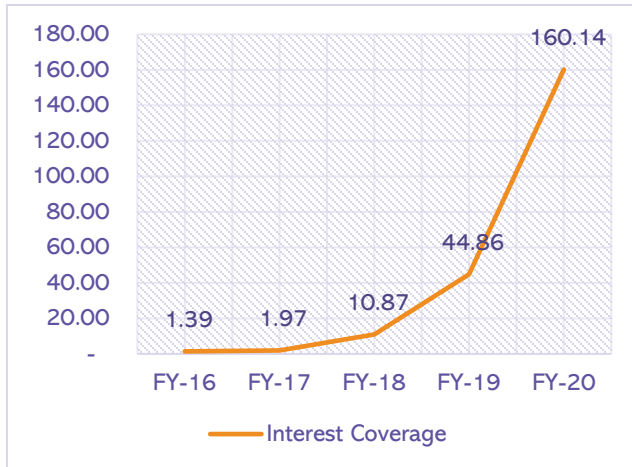
### RoCE

The Company has given sky-high Returns on Capital Employed to its shareholders in FY 2019-20



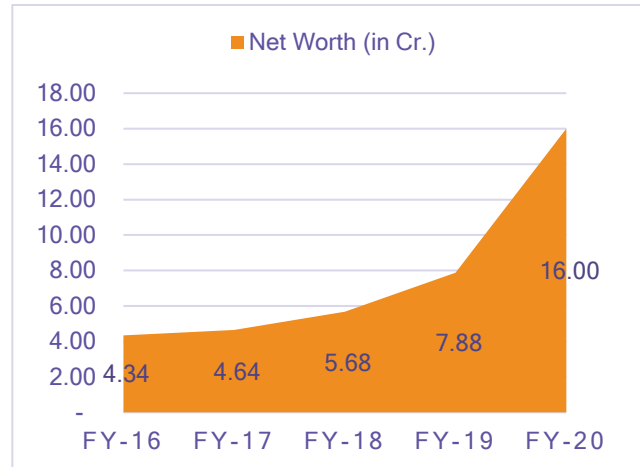
### Debt Equity ratio

The Debt Equity ratio of the Company in FY 2019-20 is 0.07 which indicates Net Debt Free position



### Interest Coverage

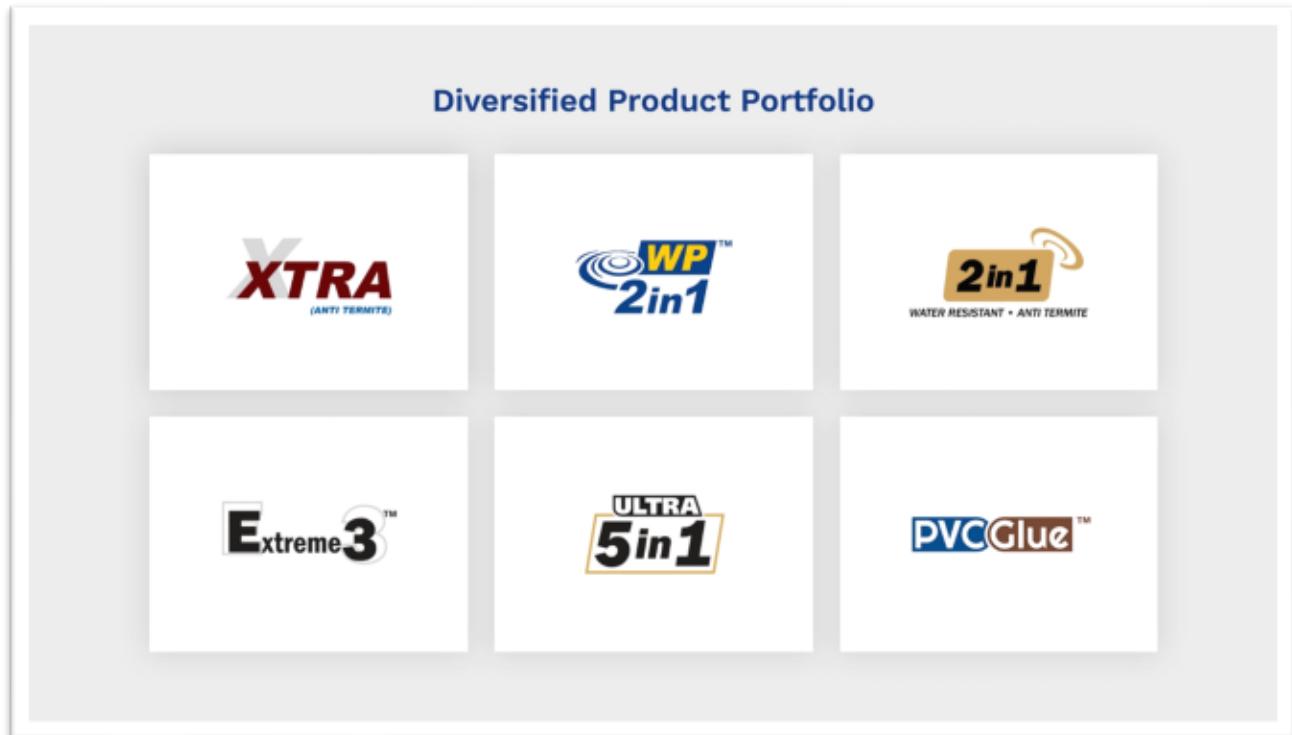
The Company is having 160 times interest coverage in FY 2019-20 due to its Debt Free Status



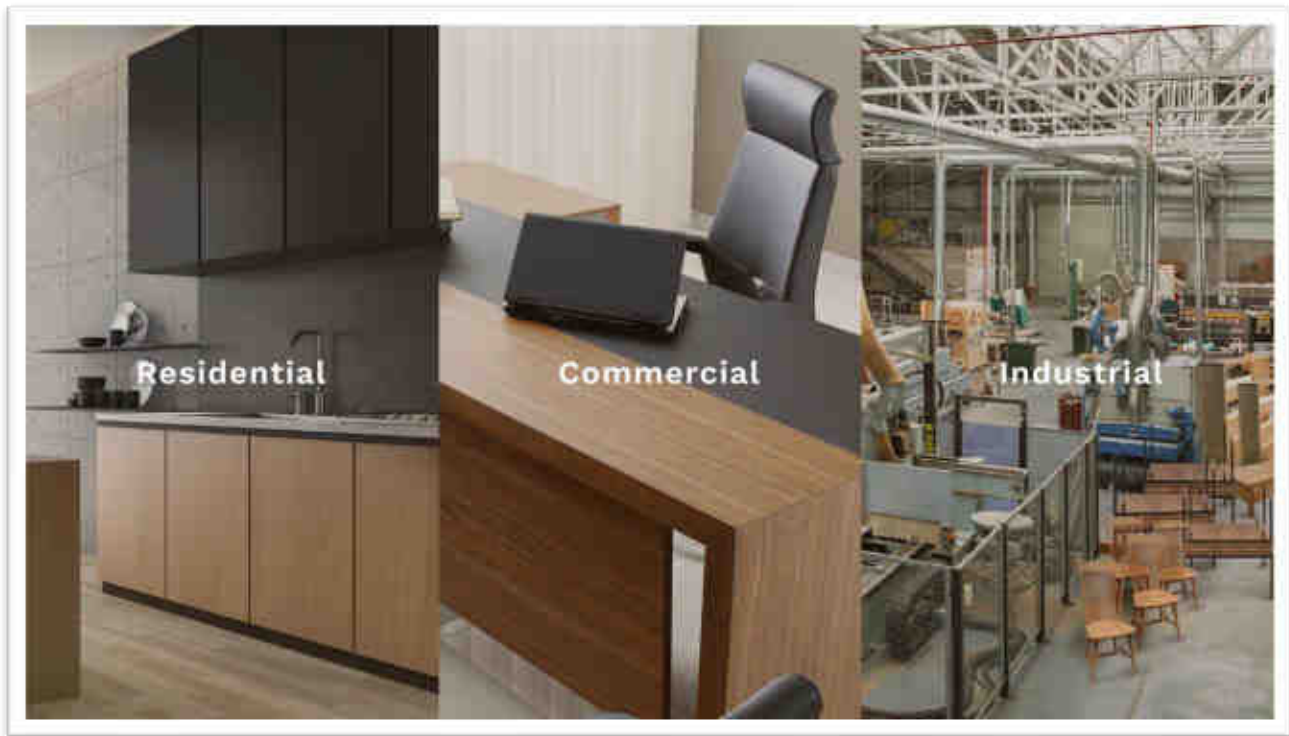
### Net Worth

The Company has recorded Net Worth of Rs 16 Cr in FY 2019-20 which is 3.69 times of the FY 2015-16 Net Worth.

## OUR PRODUCTS



## USAGE OF OUR PRODUCT



## PAKKA JOD, HAMESHA

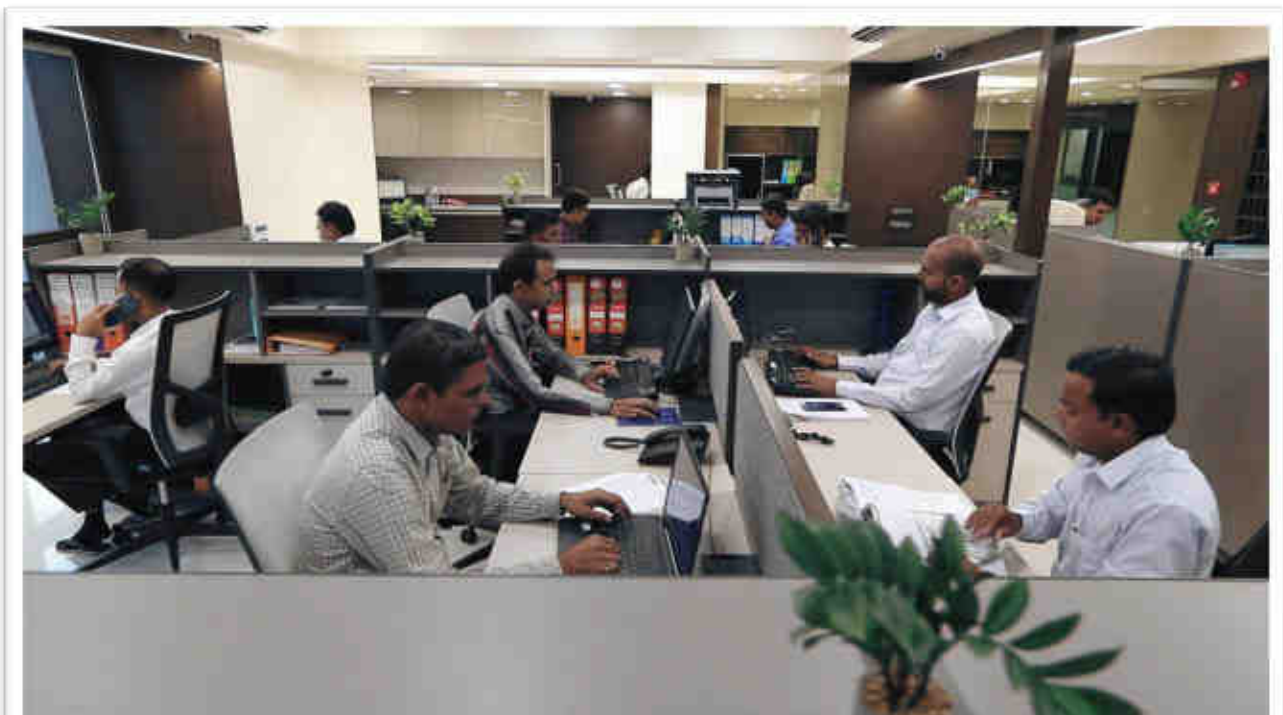




## WORK ENVIRONMENT AT JYOTI RESINS AND ADHESIVES LIMITED



2nd Largest Wood Adhesive Brand in India





### TEAM JRAL

Talent wins games, BUT teamwork wins Championship!!



## HOW WE STRENGTHENED OUR COMMUNITY ENGAGEMENT



# Statutory Section

## NOTICE

NOTICE is hereby given that the TWENTY SEVEN ANNUAL GENERAL MEETING of the members of the company will be held on Wednesday , the 30th September, 2020 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for which purpose the registered office of the company shall be deemed as the venue for the meeting and the proceedings of the Annual General Meeting shall be deemed to be made there at, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement for the year ended 31st March, 2020 and together with the report of the Directors and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the year ended on 31st, March 2020
3. To appoint a director in place of Mr. Utkarsh Jagdishbhai Patel who retires by rotation and being eligible offers him self for reappointment
4. To Appoint M/S Suresh R. Shah & Associates, Chartered Accountants as statutory auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting of the company and to fix their remuneration of the Company and to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to provisions of Section 139 and 140 of the Companies Act, 2013 and pursuant to Companies (Audit & Auditors ) Rules, 2014 and other applicable provisions, if any, M/s. Suresh R. Shah & Associates, Chartered Accountants, (Firm Registration No. with ICAI – 110691W ) be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at a remuneration as may be fixed by the chairman of the company be re-appointed.

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, JYOTI RESINS AND ADHESIVE LIMITED**

PLACE: AHMEDBAD

DATE: 27/07/2020

MR. JAGDISH PATEL  
(00304924)  
Managing Director



## NOTES

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, here not necessary as there is no special business.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 5, 2020 read with circular no 14/2020 dated April 8, 2020 and circular no 17/2020 dated April 13, 2020

(collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

3. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued a circular on April 21, 2011 stating that the service of document by a Company can be made through electronic mode. Electronic copy of the Annual Report for the FY 2019-20 is being sent to all the members whose email ID's are registered with the Company/Depository Participants Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/ SHAREX DYNAMIC (INDIA) PVT LTD., the Registrar and Share Transfer Agent in case the shares are held by them in physical form.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate Members whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on their mail Id: - info@euro7000.com, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through Remote E-voting.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08,

2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository

Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

8. The Register of Members, Beneficial Owner and Share Transfer Books of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020, both days inclusive for the purpose of payment of dividend, if declared at the Annual General Meeting.
9. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Annual Report 2019-20 will also be available on the Company's website [www.euro7000.com](http://www.euro7000.com)) websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) <https://www.evoting.nsdl.com>
10. The dividend on Equity Shares, if declared at the AGM, will be payable on or after Monday, October 05, 2020 to those members whose names appear as Members in the Register of Members of the Company on Thursday, September 24, 2020 in respect of the shares held in electronic form, the dividend will be paid on the basis of Beneficial Ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
11. Members who hold shares in dematerialized form are requested to quote Depository Account Number (Client ID No.) for recording of attendance at the meeting.
12. Members are requested to notify to the Company immediately, quoting Registered Folio No., change in their address, if any, with the pin code number
13. Non-resident members are requested to immediately notify: - (i) change in their residential status on return to India for permanent settlement; and (ii) particulars of NRE account, if not furnished earlier.
14. Members who are holding shares in identical names in more than one folios, are requested to write to the Company/ SHAREX DYNAMIC (INDIA) PVT LTD., the Registrar and Share Transfer Agent, to consolidate their holding in one folio.
15. Shareholders who are still holding physical share certificate are advised to dematerialize their shareholding to avail benefit of dematerialization.
16. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.

17. Details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is annexed herewith to Notice as. The Directors have furnished the requisite declarations for their appointment / re-appointment.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN To their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
19. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting of the Company.
20. As per Regulation 40 of SEBI ( Listing Obligations and Disclosure Requirements ) Regulations 2015, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, SHAREX DYNAMIC (INDIA) PVT LTD for assistance in this regard.
21. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to SHAREX DYNAMIC (INDIA) PVT LTD. ( RTA ) / Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant. The Company or Registrars and Transfer Agents, SHAREX DYNAMIC (INDIA) PVT LTD cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.
22. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic form, the nomination form may be filed with the respective depository participant.
23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

24. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office and at Company's Administrative office at 1104 - 1112, ELITE, Opp. Shapath Hexa, Opp. Kargil Petrol Pump, NR. Sola Over bridge, S.G. Highway, Sola, Ahmedabad - 380060 (Guj.) on all working days (except Sundays and Public Holidays) between 11.00 a.m. to 2.00 p.m. up to the date of this Annual General Meeting ("AGM") and also at the AGM.
25. The Shareholders are hereby informed that all the correspondence in connection with the shares be addressed to the Registrar & Share Transfer Agent M/s. SHAREX DYNAMIC (INDIA) PVT LTD., C-101, 247 PARK, L.B.S. MARG, VIKHROLI (W), MUMBAI 400 083.
26. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agent enclosing their Share Certificate's to enable the Company to consolidate their holding in one folio.

## **27. INSTRUCTIONS FOR E-VOTING**

1. 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 Obligation and Disclosure Requirement) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 27<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The remote e-voting period commences on 27<sup>th</sup> September, 2020 (10.00 am) and ends on 29<sup>th</sup> September, 2020 (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 23<sup>rd</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**The process and manner for remote e-voting are as under:**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below :-**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

**4. Your User ID details are given below :**

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:                                                                                                                                       |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL      | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL      | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****                                                     |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

**5. Your password details are given below :-**

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your ‘initial password’ ?

(i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e.

a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ID are not registered



**1.Process for those shareholders whose email ID are not registered with the depositories for procuring user ID and password and registration of email ID for e-voting for the resolutions set out in this notice:**

- a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN Card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@euro7000.com](mailto:info@euro7000.com) or [evoting@sharexindia.com](mailto:evoting@sharexindia.com).
- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@euro7000.com](mailto:info@euro7000.com) or [evoting@sharexindia.com](mailto:evoting@sharexindia.com).

**2.If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:**

- a) Click on “Forgot User Details / Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

3. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

4. Now, you will have to click on “Login” button.

5. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- 2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- 3. Select “EVEN” of company for which you wish to cast your vote.
- 4. Now you are ready for e-Voting as the Voting page opens.
- 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
- 7. You can also take the print out of the votes cast by you by clicking on the print option on the confirmation page.
- 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders:**

- 1 Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mmmaheshwarics@gmail.com](mailto:mmmaheshwarics@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ARE AS UNDER :-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### **Instructions For Members For Attending The AGM Through VC/OAVM Are As Under:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders / members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder / members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi- Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number / folio number, email id, mobile number at [info@euro7000](mailto:info@euro7000), atleast 3 days prior to Annual General Meeting.
6. Shareholders, who would like to express their views have questions may send their questions in advance mentioning their name demat account number / folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
8. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s). The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2020.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or (Company/RTA email id) However, If you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot user Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-990. Ms.Meenu Maheshwari, Practicing Company Secretary (Membership No.FCS 7087) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same. The results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with Scrutinizers' report shall be placed on the Company's website: [www.euro7000.com](http://www.euro7000.com) and website of NSDL. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the

meeting. A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on cut -off date only shall be entitled to avail the facility of remote e-voting at the meeting through ballot papers. The remote e-voting period commences on 27<sup>th</sup> September, 2020 (10:00 am) and ends on 29<sup>rd</sup> September, 2020 (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 23<sup>rd</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. For any further queries relating to the shares of the Company, you may contact the share Transfer Agents at the following address : RTA, SHAREX DYNAMIC (INDIA) PVT LTD, C-101, 247 PARK, L.B.S. MARG, VIKHROLI (W), MUMBAI 400 083

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, JYOTI RESINS AND ADHESIVE LIMITED**

**PLACE: AHMEDBAD**

**DATE: 27/07/2020**

**MR. JAGDISH PATEL  
(00304924)  
Managing Director**

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twenty Seven Annual Report together with the audited statements of accounts for the year ended 31st March, 2020.

### BUSINESS PERFORMANCE & FINANCIAL PERFORMANCE

| FINANCIAL RESULTS                    | 2019 – 2020 | 2018 – 2019 |
|--------------------------------------|-------------|-------------|
| Sales & Other Incomes                | 735,761,750 | 692,264,162 |
| Operating Profit (PBDTM)             | 233,779,510 | 127,610,595 |
| Net Profit after Tax                 | 80,995,231  | 21,961,253  |
| Brought Forward Profit / (Loss)      | 38,790,217  | 16,828,964  |
| Profit / Loss Carried Forward to B/S | 244,044,766 | 38,790,217  |

During the year under report Company has earned net Cash profit of Rs. 2337.80 lacs in compare to previous year Rs. 1276.11 lacs. Company has earned Net Profit of Rs. 809.95 lacs against previous year Rs. 219.61 lacs after providing depreciation, miscellaneous expenses and prior period item. During the year Turnover and other income of the Company was increased to Rs. 7357.62 Lacs from Rs. 6922.64 Lacs. Director has continued their efforts to reduce expenses & increase turnover of the Company. Your directors are hopeful about better performance of the company in coming years.

### DIVIDEND

In view of sufficient profit Rs.2.50 dividend on fully paid per equity share has been proposed by your Directors.

### DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate and effective internal controls to provide reasonable assurance on achievement of its operational, compliance and reporting objectives. The Company has reviewed and discussed with the Management the Company's major financial risk exposures and taken steps to monitor and control such exposure.

### DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

Your Company has not any Subsidiary or Joint Venture or Associate Company.

### PUBLIC DEPOSITS

The Company has not accepted any deposits falling under Companies Act, 2013.



## AUDITORS' REPORT

The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not require any further comments under Companies Act, 2013.

## CORPORATE GOVERNANCE

Provisions of Regulations 27 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, relating to corporate Governances are not applicable to the Company . However with a view to increase investors trust and transparency in its operations , the Board has decided to voluntarily adopt and follow some of the provisions of the aforesaid regulations . A separate report on corporate Governance forms part of this Annual Report. A separate Report on Corporate Governance is given in **Annexure – B**, Auditor's statement on Compliance of Corporate Governance is given in **Annexure – C**, Certificate by Managing Director regarding compliance of clause 49 of listing agreement in **Annexure 'D'** and Management discussion and analysis in **Annexure – E**.

## AUDITORS

The Company, in its last annual general meeting, had appointed M/S Suresh R. Shah & Associates, Chartered Accountants (FRN 110691W ), as auditors for the year 2019-20. The remarks made in the Auditors' report are self-explanatory. M/S Suresh R. Shah & Associates, Chartered Accountants, Ahmedabad, the retiring auditors, offer themselves for re-appointment.

M/S Suresh R. Shah & Associates, Chartered Accountants, have been the statutory auditors of the company since FY 2017-18 and will be eligible for re-appointment as per the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendments if any thereof.

## DIRECTORS:

(a) Mr. Utkarsh Jagdishbhai Patel (DIN 02874427) retire by rotation, and being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment.

(b) Declaration by an Independent Director(s) and re- appointment, if any: A declaration by an Independent Directors that they meet the criteria of independence as provided in sub-section (7) of Section 149 of the Companies Act, 2013 has been received and taken on note.

(c) Formal Annual Evaluation : The Nomination and Remuneration Committee of the Board has formulated a Performance Evaluation Framework, under which the Committee has identified the criteria upon which the Committee has identified the criteria upon which every Director shall be evaluated. The Policy also provides the manner in which the Directors, as a collective unit in the form of Board Committees and the Board function and perform

### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company promotes ethical behavior in all its business activities and has put in implementation of a mechanism wherein the Employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Company or the Compliance Officer. The Whistle Blower Policy has been appropriately communicated within the Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel have been denied access to the Audit Committee.

### **PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2. However your company has not entered in any transaction attracting provision of Section 188 of Companies Act, 2013. Hence AOC-2 is not required to be attached.

### **MANAGERIAL REMUNERATION**

Your company has paid Rs. 159,00,000/- remuneration to the Managing Director Jagdish Nathalal Patel, Director Utkarsh J. Patel & Director Jyotika J. Patel of the Company. Your Company has not any employee, who was in receipt of remuneration in excess of limits specified in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Meenu Maheshwari & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR 3 for the financial year ended March 31, 2020 is annexed as **Annexure - F** to the Report and Certificate of Non disqualification of Directors as **Annexure G** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

### **RISK MANAGEMENT POLICY**

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

The Board of Directors has duly developed and implemented a risk management policy for the company.

### **CODE OF CONDUCT**

The Board has laid down a Code of Conduct for Board Members and for Senior Management and Employees of the Company ("Code"). All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report. Certificate by CEO and CFO under regulation 17(8) of the listing Regulation in **Annexure H**.

The Board has also laid down a Code of Conduct for Independent Directors pursuant to section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and is uploaded on the website of the Company.

### **DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013**

The Company has been employing about one woman employee. The Company has in place an Anti- harassment policy in line with the requirements of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal ) Act, 2013. Internal Complaint Committee is set up to redress complaints received regularly, is monitored and directly report to the Chairman & Managing Director. There was no complaint received from employee during the financial year 2019-20 and hence no complaint is outstanding as on 31.03.2020 for Redressal.

### **DIRECTOR RESPONSIBILITY STATEMENT**

Your Directors confirm

- i. that in the preparation of annual accounts, the applicable accounting standards have been followed;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2020 and of the profit of the Company for the year;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts on a going concern basis.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the financial statement.

## **SHARE CAPITAL**

The paid up capital of the Company is Rs. 4,00,00,000/-. Your Company has not issue any kind of Share during the financial Year ending on 31st March, 2020.

## **EXTRACT OF THE ANNUAL RETURN**

The extract of the annual return in Form No. MGT – 9 shall form part of the Board's report (comment: as on 31/03/2020 status of annual return)

## **PARTICULARS OF THE EMPLOYEES**

The Particulars required under Section 217(2A) of the Companies Act, 2013 are not required to be given as there is no employee drawing Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a., during the year under report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:**

The statement containing the necessary information required under Section 134 of the Companies Act, 2013, read With Rule 8(3) of the Companies (Accounts) Rules, 2014 [Chapter IX] is annexed herewith as **Annexure A**

## **AUDIT COMMITTEE:**

During the year under review, the Audit Committee was constituted in accordance with the provisions of the Companies Act, 2013 and listing agreement entered into by the Company with the Stock Exchanges.

## **FIXED DEPOSITS:**

During the year under review, the Company has not accepted any deposit from the public.

## **CORPORATE GOVERNANCE REPORT UNDER REGULATION 27 OF SEBI LODR:**

Your Company has complied with the Corporate Governance Provisions of Regulation 27 of SEBI (LODR guidelines) of the Listing Agreement with the Stock Exchanges.

A report on Corporate Governance practices followed by your Company, in terms of Regulation 27 of SEBI (LODR guidelines) of Listing Agreement and a Certificate from the Auditors of the company regarding compliance with Corporate Governance guidelines as stipulated and Management Discussion & Analysis reports have been attached by way of separate section as part of this Annual Report.

## **ACKNOWLEDGMENTS**

Your Directors thanks various Government Authorities, banks & other business associates for the support & assistance extended to the Company from time to time and looks forward to their unstinted co-operation in development of the Company. Your Directors sincerely thanks

the members for the confidence reposed by them in the company and look forward to their valuable support for the future plans of the Company.

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, JYOTI RESINS AND ADHESIVE LIMITED**

PLACE: AHMEDBAD  
DATE: 28/08/2020

MR. JAGDISH PATEL  
(00304924)  
Managing Director

## ANNEXURE A TO THE DIRECTORS' REPORT

### CONSERVATION OF ENERGY

- Energy Conservation measures: Various measures have been taken to improve the efficiency of equipments so as to reduce process time.
- Additional investments and proposals, if any: Nil.
- Impact of measures: The above measures and tighter control has resulted in lower energy consumption.
- Total energy consumption and energy consumption per unit of production:

#### Power & Fuel Consumption:

| Particulars        |                                          | 2019-2020 | 2018-2019 |
|--------------------|------------------------------------------|-----------|-----------|
| <b>Electricity</b> |                                          |           |           |
| a)                 | Purchased Units (KWH)                    | 1,31,477  | 1,66,146  |
|                    | Total Amount (Rs.)                       | 20,96,004 | 18,79,723 |
|                    | Rate/Unit (Rs./KWH)                      | 15.94     | 11.31     |
|                    | Cost per Kg of Production (Rs.)          | 0.27      | 0.24      |
| b)                 | Own generation                           |           |           |
| (i)                | Through LDO/Diesel Generator Unit (Ltrs) | 4,020     | 5,393     |
|                    | Cost of LDO/Diesel (Rs.)                 | 2,79,096  | 3,85,484  |
|                    | Per Ltr Cost (Rs.)                       | 69.43     | 71.48     |
|                    | Cost per Kg of Production (Rs.)          | 0.04      | 0.04      |
| (ii)               | Through Fire Woods Unit (Kgs)            | 3,15,930  | 2,95,840  |
|                    | Cost of Fire woods (Rs.)                 | 11,98,387 | 11,30,370 |
|                    | Per Kgs. Cost (Rs.)                      | 3.79      | 3.82      |
|                    | Cost per Kg of Production (Rs.)          | 0.15      | 0.14      |

BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, JYOTI RESINS AND ADHESIVE LIMITED

PLACE: AHMEDBAD

DATE: 28/08/2020

MR. JAGDISH PATEL  
(00304924)  
Managing Director



## ANNEXURE - 'B'

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your company has always adapted the highest ethical standards in business and good Corporate Governance practices so that positive aspects of a "family-run" business are combined with the assurance that investor's interests would be recognized and addressed.

The salient features of the company's philosophy on corporate governance are:

1. Compliance with all Statutory laws as also other rules / requirements regarding directors / related person remuneration, disclosures, etc.
2. Clear separation of company owned resources and personal accounts
3. Reliance on structures and processes that are recognized as good and moral corporate practices rather on "family" persons, making it a truly professionally managed Company.
4. Full transparency in functioning and accountability of management to the Board
5. Internal controls and Risk management under supervision of Independent Directors With transparent and honest administrative practices, the management of your company believes it can further increase investors trust and work responsibly to maximize all shareholders value.

#### BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders Composition The Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals. Executive Directors, including the Chairman, do not generally exceed one-third of the total strength of the Board. The present strength of the Board is Six , of which Three are Non-Executive Independent Directors and Two are Executive Directors and One is Managing Director of the Company. The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board is in conformity with Regulation 27 and suitable applicable provisions of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 (hereinafter referred to as "SEBI (LODR) Regulations, 2015"). The details of the Directors being appointed / re-appointed on retirement by rotation at the ensuing Annual General Meeting, as required pursuant to Regulation 27 and suitable applicable provisions of SEBI (LODR) guidelines, are mentioned in the Notice to the Annual General Meeting, forming part of the Report

| Name of Director                 | Category                  | No. of Board Meeting attended | Last AGM Attendance |
|----------------------------------|---------------------------|-------------------------------|---------------------|
| Shri Jagdish N. Patel            | Mg. Director              | 8                             | Yes                 |
| Shri Utkarsh J. Patel            | Executive Director        | 8                             | Yes                 |
| Smt. Jyotikaben J. Patel         | Executive director        | 8                             | Yes                 |
| Shri Shankarlal Patel mangaldas  | Non Executive Independent | 5                             | Yes                 |
| Shri Vijaykumar Patel Chhotalal  | Non Executive Independent | 5                             | Yes                 |
| Shri Jayantilal Patel Shamjibhai | Non Executive Independent | 5                             | Yes                 |
| Shri Umakant G. Patel            | Non Executive Independent | 5                             | Yes                 |
| Shri Harshad Govind Bhai Patel   | Non Executive Independent | 5                             | Yes                 |
| Shri Kalpesh Rasikbhai Patel     | Non Executive Independent | 5                             | Yes                 |
| Shri Chandulal C. Patel          | Non Executive Independent | 5                             | Yes                 |

There are no Directors having Chairmanship of more than five companies where they are director.

Dates of Board Meeting held: (1) 30/05/2019 (2) 24/06/2019 (3) 13/08/2019 (4) 22/08/2019 (5) 26/08/2019 (6) 14/11/2019 (7) 18/12/2019 and (8) 08/02/2020

In line with the requirements of the code of the corporate governance, the board of directors comprises of six members. The composition of the Board is in conformity with the revised listing agreement, having one Managing Director. The Board also has three Independent Director and One Woman Director.

## AUDIT COMMITTEE

The audit committee has the composition comprising of chairman and non-executive director as per the requirement of **SEBI(Listing Obligation and Disclosure Requirement) Regulations 2015**. Further the constitution of Audit Committee meets with the requirements of Corporate Governance guidelines as well as the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Terms of reference of appointment of Audit Committee are as under:

The Audit Committee shall have the following powers:

- It shall have authority to investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary.
- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.

- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualification in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transaction of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings if any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Review in the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debentures, shareholders (in case of non payment of declared dividend) and creditors.
- It shall have discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submissions to the Board.
- It shall ensure compliance of internal control systems.

During the year under review, Audit Committee met four times on 30/05/2019, 13/08/2019, 14/11/2019 and 08/02/2020.. All the Meetings were also attended by the Auditors of the Company Audit committee met four times where all the members were present.

## NOMINATION AND REMUNERATION COMMITTEE

Composition and terms of reference:

In Compliance of section 178 of Companies Act, 2013 the Nomination and Remuneration Committee is constituted of Four (4) Directors, and an Independent Director acts as the Chairman of the Committee. The Committee's terms of reference includes, inter-alia, reviewing and recommending to the Board – the salary, commission, other benefits, service agreements and employment conditions of the Whole-time and the Managing Director and to approve the selection, appointment and remuneration of relatives of Directors for holding an office of profit pursuant to Section 188 of the Companies Act, 2013

Date(s) on which the meeting(s) were held

During the financial year ended 31st March 2020, four (4) Committee Meetings were held on 30/05/2019, 13/08/2019, 14/11/2019 and 08/02/2020..

Details of remuneration paid to the Directors of the Company are as follows:

### Managing Director:

The present remuneration of the Managing Director includes a salary of Rs. 8,00,000/- per month and other perquisites, as approved by the Remuneration committee and shareholders at the AGM held on 30th September, 2019. For the financial year 2019-20, the remuneration payable to **MR. JAGDISH PATEL** is reviewed by the Remuneration Committee.

### Executive Directors:

The present remuneration of the Executive Director includes a salary of Rs. 5,00,000/- per month and other perquisites, as approved by the Remuneration committee and shareholders at the AGM held on 30th September, 2019. For the financial year 2019-20, the remuneration payable to **MR. Utkarsh PATEL** is reviewed by the Remuneration Committee.

The present remuneration of the Executive Director includes a salary of Rs. 3,00,000/- per month and other perquisites, as approved by the Remuneration committee and shareholders at the AGM held on 30th September, 2019. For the financial year 2019-20, the remuneration payable to **MR. Jyotikaben PATEL** is reviewed by the Remuneration Committee.

### Non-Executive Directors:

The Non-Executive Directors on the Board of your company are very senior and experienced professionals, and play a crucial role in defining the overall growth strategy of the company. They also play a pivotal role in safeguarding the interests of the investors at large by playing an appropriate control role. Their active involvement in the company's business processes and their independent views ensure a very high level of governance in the company.

**The Non-Executive Independent Directors are providing honorary services and have been paid Rs. 41,300/- as a sitting fees during the financial year 2019-20.**

## STAKEHOLDER RELATIONSHIP COMMITTEE

In compliance of sub-section 5 of section 178 of the Companies Act, 2013 it stipulates that the Investor Grievances & Share transfer Committee has been now combines and named as “**stakeholder relationship committee** ”and has the composition comprising of chairman and non-executive director as per the requirement of **SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015**.

During the year, the company and their Registrar and Share Transfer Agents M/s Sharex Dynamics (India) Pvt. Ltd. received no any complaint.

The Share received for transfer are approved on 10th, 20th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

| INVESTOR COMPLAINTS |                                             |     |
|---------------------|---------------------------------------------|-----|
| 1                   | Pending at the beginning of the year        | NIL |
| 2                   | Received during the year                    | NIL |
| 3                   | Disposed of during the year                 | NIL |
| 4                   | Remaining unresolved at the end of the year | NIL |

### Date(s) on which the meeting(s) were held

During the financial year 2018-19, the Committee met four times on 30/05/2018, 14/08/2018, 05/11/2018 and 14/02/2019. There were no pending complaints at the end of the financial year 2018-19.

### III. General Body Meetings:

The venue and the time of the last three Annual General Meetings of the Company are as follows:

| Date        | Location                                                                          | Date       | Time       | No. of Special Resolutions Passed |
|-------------|-----------------------------------------------------------------------------------|------------|------------|-----------------------------------|
| 2018 – 2019 | 1104-1112, ELITE, NR. Shapath Hexa, Nr. Sola Over Bridge, S.G. Highway, Ahmedabad | 30-09-2019 | 11.30 A.M. | 3                                 |
| 2017 – 2018 | 405-6, Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad                    | 29-09-2018 | 11.30 A.M. | 2                                 |
| 2016 – 2017 | 405-6, Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad                    | 30-09-2017 | 3.00 P.M.  | 4                                 |

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

There are no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

#### DISCLOSURES:

As per the disclosures given by the Directors of the Company there were no materially related party transactions as per Companies Act, 2013.

All the guidelines issued by the SEBI relating to (Listing Obligation And Disclosure Requirement) Regulation, 2015 and Stock Exchange or other statutory authority on the matter related to capital markets are fully complied.

#### MEANS OF COMMUNICATION:

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in Western Times (English) and Western Times (Gujarati) as required by the listing agreement. Steps are being taken to display the same on the corporate website.

#### GENERAL SHAREHOLDER INFORMATION:

|                         |                                                                                                          |
|-------------------------|----------------------------------------------------------------------------------------------------------|
| Annual general Meeting: | Date : 30/09/2020                                                                                        |
| (Date, Time and Venue)  | Time : 11.30 A.M.                                                                                        |
|                         | Venue : Survey No. 873, Opp. Anand Healthcare, Ranchhodpura Road, Santej, Tal. Kalol, Dist. Gandhinagar. |
| Financial Calendar:     | 1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020.                                               |
| Date of Book Closure:   | From: 24 <sup>th</sup> September, 2019 to 30 <sup>th</sup> September, 2020. (Both days inclusive)        |
| Dividend Payment Date:  | 05/10/2020                                                                                               |

#### TENTATIVE FINANCIAL CALENDAR

|                                                                     |                             |
|---------------------------------------------------------------------|-----------------------------|
| Publication of Quarterly Results ending 30 <sup>th</sup> Sept. 2020 | First week of Nov.2020      |
| Publication of Quarterly Results ending 31 <sup>st</sup> Dec. 2020  | First week of Feb.2021      |
| Publication of Audited Results for 2020 - 21                        | Last week of May 2021       |
| Annual General Meeting for 2020 - 21                                | Last week of September 2021 |

|                            |                                   |
|----------------------------|-----------------------------------|
| LISTING ON STOCK EXCHANGE: | The Bombay Stock Exchange, Mumbai |
| Stock code on BSE          | 514448                            |

#### Market Price Data:

Share price in The Stock Exchange, Mumbai:



| Month        | High (Rs.) | Low (Rs.) |
|--------------|------------|-----------|
| April'19     | 175.95     | 99.10     |
| May'19       | 179.75     | 124.05    |
| June'19      | 170.50     | 120.65    |
| July'19      | 179.75     | 121.25    |
| August'19    | 174.75     | 117.65    |
| September'19 | 192.90     | 154.55    |
| October'19   | 260.00     | 165.00    |
| November'19  | 258.90     | 157.40    |
| December'19  | 190.10     | 145.05    |
| January'20   | 205.00     | 151.35    |
| February'20  | 236.00     | 160.55    |
| March'20     | 184.95     | 102.00    |

Performance in Comparison to broad based Indices such as BSE sensex, CRISIL Index etc.

Not applicable since shares are traded in XD list of the stock Exchange, Mumbai.

#### REGISTRAR AND SHARE TRANSFER AGENT

M/s Sharex Dynamic (India) Pvt. Ltd.  
C-101, 247 Park,  
L. B. S. Marg,  
Vikhroli (W), Mumbai-400 083.  
TEL. NO.022-28515606  
FAX // 91 -022-28512885

#### SHARE TRANSFER SYSTEM

The share transfer work is handled by the Registrar and Share Transfer Agent of the Company i.e.M/s Sharex Dynamic (India) Pvt. Ltd are also having connectivity with the depositories viz. NSDL and CDSL.

Share Transfer are registered and dispatched within a period of thirty days from the date of the lodgments if the transfer documents are correct and valid in all respects.

### Distribution of Shareholding as on 31<sup>st</sup> March, 2020:

| No. of Equity Shares Held | No. of Share holders | % of Shareholders | No. of Share held | % of Shareholders |
|---------------------------|----------------------|-------------------|-------------------|-------------------|
| 1 to 500                  | 984                  | 77.42             | 138483            | 3.46              |
| 501 to 1000               | 102                  | 8.03              | 103493            | 2.59              |
| 1001 to 2000              | 66                   | 5.19              | 104256            | 2.61              |
| 2001 to 3000              | 25                   | 1.97              | 62259             | 1.56              |
| 3001 to 4000              | 26                   | 2.04              | 91203             | 2.28              |
| 4001 to 5000              | 17                   | 1.34              | 80868             | 2.02              |
| 5001 to 10000             | 20                   | 1.57              | 147177            | 3.68              |
| 10001 and above           | 31                   | 2.44              | 3272261           | 81.80             |
| <b>TOTAL</b>              | <b>1271</b>          | <b>100.00</b>     | <b>4000000</b>    | <b>100.00</b>     |

### Distribution pattern as on 31<sup>st</sup> March, 2020

|                         | NO. OF SHARES | PERCENTAGE (%) |
|-------------------------|---------------|----------------|
| Promoters and Relatives | 1888343       | 47.21%         |
| Bodies Corporate        | 342765        | 8.57%          |
| Public                  | 1761561       | 44.04%         |
| Other – Clearing Member | 7331          | 0.18%          |

### Dematerialization of shares and Liquidity ISIN NO. INE577D01013

3969099 shares out of 4000000 shares of the company have dematerialized as at 31<sup>st</sup> March, 2020 representing 99.23% of total capital of the company. The company has entered into agreement with both National Securities Depository Ltd.(NSDL) and Central Depository Services Ltd.(CDSL) whereby shareholders have an option to dematerialized their shares with the depositories.

Outstanding GDRs/ ADRs/ Warrants or any  
 Convertibles Instruments, Conversion date And  
 Likely impact on equity: Not applicable

Plant Location: Plot No. 873, Village Santej,  
 Tal. Kalol, Dist. Gandhinagar,  
 Gujarat.-382 721.

Address for Correspondence: 1104-1112, ELITE, Opp.Shapath Hexa, Nr.Sola Over  
 Bridge, S.G. Highway, Ahmedabad – 380 060.

## ANNEXURE - 'C'

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

(Auditors' Certificate on Compliance of Conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges)

**To the Members of  
Jyoti Resins & Adhesives Ltd.**

We have examined the compliance of conditions of corporate governance by M/s Jyoti Resins & Adhesives Ltd. for the year ended on 31st March, 2020 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges and other SEBI guidelines as are applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to the requirement of one- half of the Board comprising of independent directors being complied with as on the date of this report, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the record maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Suresh R. Shah & Associates  
Chartered Accountants**

**Mrugen K. Shah  
Partner**

**Place: Ahmedabad  
Date: 28<sup>th</sup> August 2020**

**ANNEXURE - 'D'**  
**CERTIFICATE BY CEO/CFO**

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and other regulations as are applicable it is hereby certified that for the financial year ended 31<sup>st</sup> March, 2020:

1. I/we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, these statements:
  - (i) Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) Together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the company's Code of Conduct.

I/we accept responsibility for establishing and maintaining internal controls for financial reporting and that I/we have evaluated effectiveness of internal control system of the company pertaining to financial reporting and I/we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I/we are aware and the steps I/we have taken or propose to take, to rectify these deficiencies.

3. I/we have indicated to the Auditors and to the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud, if any, of which I/we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**BY ORDER OF THE BOARD OF DIRECTORS,**

PLACE: AHMEDBAD  
DATE: 27/07/2020

MR. JAGDISH PATEL  
(00304924)  
Managing Director

## **ANNEXURE - 'E'**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **Industry structure & Developments**

Jyoti Resins and Adhesives Ltd. is in the business of Productions of Wood Adhesives which are widely used in fast moving consumer market on days.

#### **Financial Performance**

Performance of your company for financial year ended on 31<sup>st</sup> March 2020 has been satisfactory over though stiff market competition. Sales income was Rs 7354.40 Lacs compared to previous year sales of Rs. 6869.42 Lacs.

Our policy is to identify customers need, design and develop products, subsequently manufacture & supply at competitive prices to achieve total customer satisfaction.

#### **Internal control system/ Human Resources**

Considering the size of the company your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded & protected from unauthorized use or disposition. During the financial year ended on 31<sup>st</sup> March, 2020, industrial relations continued to remain cordial. Employees were subjected to various training to further sharpen their skills in that functional area.

#### **Future Outlook**

Based on the buoyancy of the Indian economy, the overall scenario and the steps taken by the Management, the future outlook of your Company looks bright.

#### **Report on Corporate Governance**

In Compliance with clause 49 of the Listing Agreement entered into with Stock Exchange, the company submits the report on the matter mentioned in the said clause

The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

**BY ORDER OF THE BOARD OF DIRECTORS,**

PLACE: AHMEDBAD

DATE: 27/07/2020

MR. JAGDISH PATEL  
(00304924)  
Managing Director

**ANNEXURE - 'F'**  
**SECRETARIAL AUDIT REPORT**  
**Form No.MR-3**

For the financial year ended 31/03/2020

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

To,  
The Members,  
JYOTI RESINS & ADHESIVES LTD  
SURVEY NO. 873, OPP. ANAND HEALTHCARE  
RANCHHODPURA ROAD, SANTEJ, TAL. KALOL,  
DIST. GANDHINAGAR-382721

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. JYOTI RESINS & ADHESIVES LTD** (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 Company's 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 31<sup>st</sup> March, 2020, generally 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 the Company for the financial year ended on 31<sup>st</sup> March, 2020, according to the provisions of:

- (i) The Companies Act, 2013("the Act") and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Report)**
- (v) 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 ((Listing Obligations And Disclosure Requirements) ) Regulations, 2015;



- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (vi) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable as there was no reportable event during the financial year under review)**
- (vii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable as there was no reportable event during the financial year under review)**
  - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Report)**
  - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Report)**
- (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the financial year under review)**
- (ix) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable as there was no reportable event during the financial year under review)**
- (x) Circulars/Guidelines issued there under;
- (xi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. Management has identified and confirmed the following laws as being specifically applicable to the Company;

The list of other Acts, Laws and Regulations as applicable to the Company is as given below:-

- Factories Act, 1948
- Payment of Wages Act, 1936 and other applicable labour laws
- Employees' State Insurance Act, 1948
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- Employers Liability Act, 1938
- Environment Protection Act, 1986 and other environmental laws
- Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- Indian Contract Act, 1872
- Income Tax Act, 1961 and Indirect Tax Laws
- Indian Stamp Act, 1999
- Industrial Dispute Act, 1947
- Maternity Benefits Act, 1961

- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- Sale of Goods Act, 1930
- Micro, Small and Medium Enterprises Development Act, 2006

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

- (i) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India (applicable for the period ending 31<sup>st</sup> March, 2020);
- (ii) Listing Agreements entered into by the Company with BSE (Stock Code: 514448) (BOMBAY STOCK EXCHANGE) Limited and/or Securities Exchange Board Of India (Listing Obligations And Disclosure Requirement) Regulations , 2015

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

**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 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; and

1. As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**I further report that** during the audit period there were no instances of;

- (i) *Public/Rights/Preferential issue of shares/Debentures/Sweat Equity, etc.*
- (ii) *Redemption/Buy-back of securities.*

- (iii) *Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013,*
- (iv) *Merger/ Amalgamation/ Reconstruction, etc.*
- (v) *Foreign Technical Collaboration.*

For Meenu Maheshwari & Associates

Date: .28.08.2020

Place: Ahmedabad

Proprietor  
(Meenu Maheshwari )  
Company Secretaries  
Firm Regn No. S2015GJ305400  
FCS No. 7087 C.P. No. 8953  
ICSI UDIN : F007087B000625903

Note:- This Report is to be read with my letter of above date which is annexed as Annexure A and it forms an integral part of this report.

## ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,  
The Members,  
JYOTI RESINS & ADHESIVES LTD  
SURVEY NO. 873, OPP. ANAND HEALTHCARE  
RANCHHODPURA ROAD, SANTEJ, TAL. KALOL,  
DIST. GANDHINAGAR-382721

My Report of even date is to be read along with this letter.

**1) Management Responsibility :**

(1) It is the responsibility of the management of the company to Maintain secretarial record, devise proper system to ensure compliance with the provisions of all applicable laws and regulation and to ensure that the system are adequate and operate effectively.

**2) Auditors Responsibility :**

(1) I responsible am to express an opinion on this secretarial record, standards and procedure followed by the company with respect to secretarial compliances.

(2) I believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.

(3) Wherever required, I have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.

(4) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company, and The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

(5) The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

**3) Disclaimer :**

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Date: .28.08.2020

Place: Ahmedabad

For Meenu Maheshwari & Associates

Proprietor

(Meenu Maheshwari )

Company Secretaries

Firm Regn No. S2015GJ305400

FCS No. 7087 C.P. No. 8953

ICSI UDIN : F007087B000625892

**ANNEXURE - 'G'**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulations 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To,**

**The Members of**

JYOTI RESINS AND ADHESIVES LTD

SURVEY NO. 873, OPP. ANAND HEALTHCARE,

RANCHHODPURA ROAD, SANTEJ, TAL. KALOL

DIST. GANDHINAGAR – 382721

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JYOTI RESINS AND ADHESIVES LTD having CIN L24229GJ1993PLC020879 and having registered office at\_ SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL. KALOL, DIST. GANDHINAGAR – 382721 and (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: .28.08.2020

Place: Ahmedabad

For Meenu Maheshwari & Associates

Proprietor

(Meenu Maheshwari )

Company Secretaries

Firm Regn No. S2015GJ305400

FCS No. 7087 C.P. No. 8953

ICSI UDIN : F007087B000625903

**ANNEXURE - 'H'**

**CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE LISTING REGULATION**

Mr. **Jagdish N. Patel** , Managing Director and Mr. Ashok Chinubhai Jardosh, CFO of the company shall certify that, to the best of their knowledge and belief:

- a) They have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Directors' Report;
- b) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
- c) These statements together present a true and fair view of the company, and are in compliance with the existing accounting standards and / or applicable laws / regulations;
- d) They are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company; and they have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and what they have done or propose to do to rectify these;
- e) They have also disclosed to the auditors as well as the Audit Committee, instances of significant fraud, if any, that involves management or employees having a significant role in the company's internal control systems; and
- f) They have indicated to the auditors, the Audit Committee and in the notes on accounts, whether or not there were significant changes in internal control and / or of accounting policies during the year.

**FOR, JYOTI RESINS & ADHESIVES LIMITED,**

PLACE: AHMEDBAD

DATE: 27/07/2020

**MR. JAGDISH PATEL**  
Managing Director

**Ashok Chinubhai Jardosh**  
CFO



FormNo.MGT-9

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020**

*[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                                                                       | L24229GJ1993PLC020879                                                                                     |
| ii.  | Registration Date                                                         | 17/12/1993                                                                                                |
| iii. | Name of the Company                                                       | JYOTI RESINS AND ADHESIVES LIMITED                                                                        |
| iv.  | Category / Sub-Category of the Company                                    | LIMITED BY SHARES / PUBLIC COMPANY                                                                        |
| v.   | Address of the Registered office and contact details                      | SURVEY NO. 873, OPP. ANAND HEALTHCARE RANCHHODPURA ROAD, SANTEJ, TAL. KALOL, DIST. GANDHINAGAR-382721     |
| vi.  | Whether listed company                                                    | Yes                                                                                                       |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | SHAREX DYNAMIC (INDIA) PVT. LTD.<br>C-101, 247 PARK,<br>L. B. S. MARG, VIKHROLI (W),<br>MUMBAI – 400 083. |

**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:-

| Sr.No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|-------------------------------------------------|----------------------------------|------------------------------------|
| 1      | WOOD ADHESIVES                                  | 35061000                         | 100%                               |

## PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|-----------------|--------------------|
| 1.      | NOT APPLICABLE                  |         |                                |                 |                    |

## III.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category-wise Shareholding

| 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. Promoter</b>               |                                                 |          |         |                   |                                           |          |         |                   |                          |
| 1) <i>Indian</i>                 |                                                 |          |         |                   |                                           |          |         |                   |                          |
| a) Individual/ HUF               | 1833047                                         | 0        | 1833047 | 45.826            | 1888343                                   | 0        | 1888343 | 47.208            | +1.382                   |
| b) CentralGovt                   |                                                 |          |         |                   |                                           |          |         |                   |                          |
| c) State Govt(s)                 |                                                 |          |         |                   |                                           |          |         |                   |                          |
| d) Bodies Corp                   |                                                 |          |         |                   |                                           |          |         |                   |                          |
| e) Banks / FI                    |                                                 |          |         |                   |                                           |          |         |                   |                          |
| f) Any Other                     |                                                 |          |         |                   |                                           |          |         |                   |                          |
| Sub-total(A)(1):-                | 1833047                                         | 0        | 1833047 | 45.826            | 1888343                                   | 0        | 1888343 | 47.208            | +1.382                   |
| 2) <i>Foreign</i>                |                                                 |          |         |                   |                                           |          |         |                   |                          |
| g) NRIs-Individuals              | 26073                                           | 0        | 26073   | 0.652             | 22191                                     | 0        | 22191   | 0.555             | -0.097                   |
| h) Other-Individuals             |                                                 |          |         |                   |                                           |          |         |                   |                          |
| i) Bodies Corp.                  |                                                 |          |         |                   |                                           |          |         |                   |                          |
| j) Banks / FI                    |                                                 |          |         |                   |                                           |          |         |                   |                          |
| k) Any Other....                 |                                                 |          |         |                   |                                           |          |         |                   |                          |
| Sub-total(A)(2):-                | 26073                                           | 0        | 26073   | 0.652             | 22191                                     | 0        | 22191   | 0.555             | -0.097                   |
| <b>B. Public Shareholding</b>    |                                                 |          |         |                   |                                           |          |         |                   |                          |
| 1. <i>Institutions</i>           |                                                 |          |         |                   |                                           |          |         |                   |                          |
| a) Mutual Funds                  |                                                 |          |         |                   |                                           |          |         |                   |                          |
| b) Banks / FI                    |                                                 |          |         |                   |                                           |          |         |                   |                          |
| c) Central Govt                  |                                                 |          |         |                   |                                           |          |         |                   |                          |
| d) State Govt(s)                 |                                                 |          |         |                   |                                           |          |         |                   |                          |
| e) Venture Capital Funds         | NIL                                             | NIL      | NIL     | NIL               | NIL                                       | NIL      | NIL     | NIL               | NIL                      |
| f) Insurance Companies           |                                                 |          |         |                   |                                           |          |         |                   |                          |
| g) FIs                           |                                                 |          |         |                   |                                           |          |         |                   |                          |
| h) Foreign Venture Capital Funds |                                                 |          |         |                   |                                           |          |         |                   |                          |
| i) Others (specify)              | NIL                                             | NIL      | NIL     | NIL               | NIL                                       | NIL      | NIL     | NIL               | NIL                      |
| Sub-total(B)(1)                  | NIL                                             | NIL      | NIL     | NIL               | NIL                                       | NIL      | NIL     | NIL               | NIL                      |

|                                                                                   |         |       |         |        |         |       |         |        |        |
|-----------------------------------------------------------------------------------|---------|-------|---------|--------|---------|-------|---------|--------|--------|
| <b>2. Non Institutions</b>                                                        |         |       |         |        |         |       |         |        |        |
| <b>a) Bodies Corp.</b>                                                            |         |       |         |        |         |       |         |        |        |
| (i) Indian                                                                        | 289024  | 1700  | 290724  | 7.268  | 342265  | 500   | 342765  | 8.569  | +1.301 |
| (ii) Overseas                                                                     |         |       |         |        |         |       |         |        |        |
| <b>b) Individuals</b>                                                             |         |       |         |        |         |       |         |        |        |
| (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh         | 917611  | 68901 | 986512  | 24.663 | 864299  | 27001 | 891300  | 22.283 | -2.380 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 858051  | 0     | 858051  | 21.451 | 844670  | 3400  | 848070  | 21.202 | -0.249 |
| <b>c) CLE. MEM</b>                                                                | 5593    | 0     | 5593    | 0.140  | 7331    | 0     | 7331    | 0.183  | +0.043 |
| <b>d) Others(Specify)</b>                                                         |         |       |         |        |         |       |         |        |        |
| <b>Sub-total(B)(2)</b>                                                            | 2070279 | 70601 | 2140880 | 53.522 | 2058565 | 30901 | 2089466 | 52.237 | -1.285 |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                               | 2070279 | 70601 | 2140880 | 53.522 | 2058565 | 30901 | 2089466 | 52.237 | -1.285 |
| <b>C.Shares held by Custodian for GDRs &amp; ADRs</b>                             | NIL     | NIL   | NIL     | NIL    | NIL     | NIL   | NIL     | NIL    | NIL    |
| <b>Grand Total (A+B+C)</b>                                                        | 3929199 | 70801 | 4000000 | 100.00 | 3969099 | 30901 | 4000000 | 100.00 | NIL    |

## ii Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year |                                  |                                                 | Shareholding at the end of 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 | % change in share holding during the year |
| 1.     | UTKARSH J PATEL    | 348037                                    | 8.701                            | 0                                               | 383126                              | 9.578                            | 0                                               | 0.877                                     |
| 2.     | JAGDISH N PATEL    | 537378                                    | 13.434                           | 0                                               | 548254                              | 13.706                           | 0                                               | 0.272                                     |
| 3.     | JYOTIKA J PATEL    | 409663                                    | 10.241                           | 0                                               | 418994                              | 10.474                           | 0                                               | 0.233                                     |
| 4.     | SUKETU R PATEL     | 120060                                    | 3.002                            | 0                                               | 120060                              | 3.002                            | 0                                               | 0.000                                     |
| 5.     | PRIYANKA U PATEL   | 417909                                    | 10.448                           | 0                                               | 417909                              | 10.448                           | 0                                               | 0.000                                     |
|        | <b>Total</b>       | <b>1833047</b>                            | <b>45.826</b>                    | <b>0</b>                                        | <b>1888343</b>                      | <b>47.208</b>                    | <b>0</b>                                        | <b>1.382</b>                              |

ii. *Change in Promoters' Shareholding (please specify, if there is no change)*

| Sr. no |                                                                                                                                                                                | 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 |
|        | At the beginning of the year                                                                                                                                                   | 1833047                                   | 45.826                           | 1888343                                 | 47.208                           |
|        | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | TRANSFER                                  |                                  |                                         |                                  |
|        | At the End of the year                                                                                                                                                         |                                           |                                  |                                         |                                  |

#### IV. INDEBTEDNESS

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

|                                                            | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount                                        | 7018864                          | 0               | 0        | 7018864            |
| ii) Interest due but not paid                              |                                  |                 |          |                    |
| iii) Interest accrued but not                              |                                  |                 |          |                    |
| <b>Total (i+ii+iii)</b>                                    | 7018864                          | 0               | 0        | 7018864            |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| - Addition                                                 | 6994670                          | 0               | 0        | 6994670            |
| - Reduction                                                | 1985271                          | 0               | 0        | 1985271            |
| <b>Net Change</b>                                          | +5009399                         | 0               | 0        | +5009399           |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount                                        | 12028263                         | 0               | 0        | 12028263           |
| ii) Interest due but not paid                              |                                  |                 |          |                    |
| iii) Interest accrued but not due                          |                                  |                 |          |                    |
| <b>Total (i+ii+iii)</b>                                    | 12028263                         | 0               | 0        | 12028263           |

#### V. 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<br>(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b)Value of perquisites u/s 17(2)Income-tax Act, 1961<br>(c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | JAGDISH<br>7800000         | UTKARSH<br>5400000 | JYOTIKA<br>2700000 | 15900000     |
| 2.      | Stock Option                                                                                                                                                                                                                          | 0                          | 0                  | 0                  | 0            |
| 3.      | Sweat Equity                                                                                                                                                                                                                          | 0                          | 0                  | 0                  | 0            |
| 4.      | Commission<br>- as% of profit<br>- others, specify...                                                                                                                                                                                 | 0                          | 0                  | 0                  | 0            |
| 5.      | Others, please specify                                                                                                                                                                                                                | 0                          | 0                  | 0                  | 0            |
| 6.      | Total(A)                                                                                                                                                                                                                              | 7800000                    | 5400000            | 2700000            | 15900000     |
|         | Ceiling as per the Act                                                                                                                                                                                                                |                            |                    |                    |              |

***B. Remuneration to other directors :***

| Sl. No. | Particulars of Remuneration                                                                                                   | Name of MD / WTD / Manager |  |  | Total Amount |
|---------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------|--|--|--------------|
|         | <u>Independent Directors</u><br>·Fee for attending board committee meetings<br>·Commission<br>·Others, please specify         |                            |  |  | 41,300       |
|         | Total(1)                                                                                                                      |                            |  |  | 41,300       |
|         | <u>Other Non-Executive Directors</u><br>·Fee for attending board committee meetings<br>·Commission<br>·Others, please specify |                            |  |  | NIL          |
|         | Total(2)                                                                                                                      |                            |  |  | NIL          |
|         | Total(B)=(1+2)                                                                                                                |                            |  |  | NIL          |
|         | Total Managerial Remuneration                                                                                                 |                            |  |  | 41,300       |
|         | Over all Ceiling as per the Act                                                                                               |                            |  |  |              |

***C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD***

| Sl. no. | Particulars of Remuneration                                                              | Key Managerial Personnel |                   |        |        |
|---------|------------------------------------------------------------------------------------------|--------------------------|-------------------|--------|--------|
|         |                                                                                          | CEO                      | Company Secretary | CFO    | Total  |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in u/s 17(1) Income-tax Act, 1961 | 0                        | 480000            | 496800 | 976800 |
|         |                                                                                          | 0                        | 0                 | 0      | 0      |

|    |                                                                                                                      |   |        |        |        |
|----|----------------------------------------------------------------------------------------------------------------------|---|--------|--------|--------|
|    | (b)Value of perquisites u/s 17(2) Income-tax Act,1961<br>(c)Profits in lieu of salary u/s 17(3) Income-tax Act, 1961 | 0 | 0      | 0      | 0      |
| 2. | Stock Option                                                                                                         | 0 | 0      | 0      | 0      |
| 3. | Sweat Equity                                                                                                         | 0 | 0      | 0      | 0      |
| 4. | Commission<br>- as % of profit<br>-others , specify...                                                               | 0 | 0      | 0      | 0      |
| 5. | Others, please specify                                                                                               | 0 | 0      | 0      | 0      |
| 6. | Total                                                                                                                | 0 | 480000 | 496800 | 976800 |

#### VI. 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                         |                              |                   |                                                         |                           |                                   |

#### MANAGING DIRECTOR CERTIFICATE

##### CODE OF CONDUCT

The Company has already informed the code of conduct & prevention of insider trading as prescribed by the Securities and Exchange Board of India to Directors & Senior Management personnel. A declaration signed by the Managing Director in this regard is given below.

I hereby confirm that the Company has obtained affirmation from all the members of the Board and senior management personnel of the Company that they have complied with the code of conduct and ethics policy of the Company framed for directors & senior management personnel in respect of the financial year 2019 - 2020.

Jagdish N. Patel  
Managing Director



## **INDEPENDENT AUDITOR'S REPORT**

To The Members of JYOTI RESINS & ADHESIVES LIMITED  
Report on the Standalone Financial Statements

### **Opinion**

We have audited the accompanying standalone financial statements of JYOTI RESINS & ADHESIVES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, the changes in equity 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 standard on auditing specified u/s. 143(10) of the act (SAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of standalone financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by ICAI together with 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 the basis for our audit opinion on the standalone financial statements.

### **Emphasis of Matter**

We draw attention to Note 4.23 of the financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company and its subsidiaries. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. There is no key audit matter with respect to standalone financial statements to be communicated in our report.

### **Information other than Standalone Financial Statements and Auditor's Report thereon**

The company's Board of Directors' are 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 annexure to board's report, Business responsibility report, Corporate governance and Shareholder's information but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the 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 material misstatement of this other information, we are required to report the 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report 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 including Other Comprehensive Income, statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amend:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses ,if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's 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.

Suresh R Shah & Associates  
Chartered Accountants  
FRN:110691W

Place: Ahmedabad  
Date: 27-07-2020

Mrugen K Shah  
(Partner)  
M. No.: 117412  
UDIN : 20117412AAAADY8198

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of JYOTI RESINS & ADHESIVES LIMITED of even date)

### **Report on the Internal Financial Controls Over Financial Reporting 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 JYOTI RESINS & ADHESIVES LIMITED (“the Company”) as of March 31, 2020 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**

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that we are operating effectively for ensuring the orderly and efficient conduct of its business, 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 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 was 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 control 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 auditor’s judgement, including the assessment of the risk so 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 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.

### 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

Suresh R Shah & Associates  
Chartered Accountants  
FRN:110691W

Place: Ahmedabad  
Date: 27-07-2020

Mrugen K Shah  
(Partner)  
M. No.: 117412  
UDIN : 20117412AAAADY8198

### ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JYOTI RESINS & ADHESIVES LIMITED of even date)

**i. In respect of the Company's fixed assets:**

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. (a) The management of the company has conducted the physical verification of inventory at reasonable intervals. Due to lockdown on account of COVID-19 pandemic, at the end of the year we were not able to verify inventories physically at year end hence we have relied on the management representation.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of accounts were not material.

iii. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to any Company, Firm, Limited Liability Partnership or other party covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.



vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

viii. The Company has taken loans or borrowings from banks but there is no default in repayment of the same. Moreover, the company has not any taken loan or borrowing from financial institution or has not issued any debentures, hence reporting for the same under clause 3(viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer ( including debt instruments ) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Suresh R Shah & Associates  
Chartered Accountants  
FRN:110691W

Place: Ahmedabad  
Date: 27-07-2020

Mrugen K Shah  
(Partner)  
M. No.: 117412  
UDIN : 20117412AAAADY8198

**JYOTI RESINS & ADHESIVES LIMITED**
**Balance sheet as at 31 March 2020**
*(All amounts are in Indian Rupees, except share data and as stated)*

| ASSETS                               | Notes | As at<br>31 March 2020 | As at<br>31 March 2019 |
|--------------------------------------|-------|------------------------|------------------------|
| <b>Non-current assets</b>            |       |                        |                        |
| Property, plant and equipment        | 5     | 18,78,99,913           | 5,18,77,070            |
| Financial Assets                     |       |                        |                        |
| Non current Investments              | 6     | 7,20,450               | 7,24,450               |
| Other non-current assets             | 7     | -                      | -                      |
| <b>Total non-current assets</b>      |       | <b>18,86,20,363</b>    | <b>5,26,01,520</b>     |
| <b>Current assets</b>                |       |                        |                        |
| Inventories                          | 8     | 8,68,47,687            | 5,42,09,987            |
| Financial Assets                     |       |                        |                        |
| Current Investment                   | 6     | 5,61,49,272            | 29,89,177              |
| Trade receivables                    | 9     | 53,16,18,625           | 54,19,81,787           |
| Cash and cash equivalents            | 10    | 7,81,05,581            | 7,51,31,408            |
| Other current assets                 | 11    | 26,19,05,430           | 9,79,95,401            |
| <b>Total current assets</b>          |       | <b>1,01,46,26,595</b>  | <b>77,23,07,760</b>    |
| <b>Total Assets</b>                  |       | <b>1,20,32,46,958</b>  | <b>82,49,09,280</b>    |
| <b>EQUITY AND LIABILITIES</b>        |       |                        |                        |
| <b>Equity</b>                        |       |                        |                        |
| Equity Share Capital                 | 12    | 4,00,00,000            | 4,00,00,000            |
| Other Equity                         | 13    | 24,40,44,766           | 3,87,90,217            |
| <b>Total Equity</b>                  |       | <b>28,40,44,766</b>    | <b>7,87,90,217</b>     |
| <b>Liabilities</b>                   |       |                        |                        |
| <b>Non-current liabilities</b>       |       |                        |                        |
| Financial Liabilities                |       |                        |                        |
| Borrowings                           | 14    | 98,62,915              | 50,33,593              |
| Other financial liabilities          | 16    | 18,63,650              | 24,31,900              |
| Deferred Tax liabilities             | 18    | 22,14,008              | 18,38,284              |
| <b>Total non-current liabilities</b> |       | <b>1,39,40,573</b>     | <b>93,03,777</b>       |
| <b>Current liabilities</b>           |       |                        |                        |
| Financial Liabilities                |       |                        |                        |
| Borrowings                           | 14    | 21,65,348              | 19,85,271              |
| Trade Payables                       | 15    | 3,95,67,905            | 2,89,31,544            |

|                                     |    |                       |                     |
|-------------------------------------|----|-----------------------|---------------------|
| Other financial liabilities         | 16 | 2,08,570              | 1,36,835            |
| Provisions                          | 17 | 83,74,51,784          | 69,20,13,828        |
| Other current liabilities           | 19 | 2,58,68,012           | 1,37,47,808         |
| <b>Total current liabilities</b>    |    | <b>90,52,61,619</b>   | <b>73,68,15,286</b> |
| <b>Total Liabilities</b>            |    | <b>91,92,02,192</b>   | <b>74,61,19,063</b> |
| <b>Total Equity And Liabilities</b> |    | <b>1,20,32,46,958</b> | <b>82,49,09,280</b> |

Significant accounting policies

4

The notes referred to above form are an integral part of these financial statements

As per our report of even date attached

**For Suresh R Shah & Associates**

Chartered Accountants

ICAI Firm Registration Number : 110691W

for and on behalf of the Board of Directors of

**JYOTI RESINS & ADHESIVES LIMITED**

CIN : L24229GJ1993PLC020879

**Mrugen Shah**

Partner

Membership no: 117412

UDIN : 20117412AAAADY8198

Place: Ahmedabad

Date: 27-07-2020

**JAGDISH N PATEL**

Managing Director  
Director

DIN: 00304924

Place: Ahmedabad

Date: 27-07-2020

**UTKARSH J PATEL**

DIRECTOR

DIN: 02874427

**JYOTI RESINS & ADHESIVES LIMITED**
**Statement of profit and loss for the year ended 31 March 2020**
*(All amounts are in Indian Rupees, except share data and as stated)*

|                                                                                                  | Notes | Financial Year<br>2019-20 | Financial Year<br>2018-19 |
|--------------------------------------------------------------------------------------------------|-------|---------------------------|---------------------------|
| Revenue from operations                                                                          | 20    | 73,54,40,290              | 68,69,41,664              |
| Other income                                                                                     | 21    | 1,35,34,096               | 53,22,498                 |
| Other gains / (losses) net                                                                       | 21    | (1,32,12,636)             | -                         |
| <b>Total income</b>                                                                              |       | <b>73,57,61,750</b>       | <b>69,22,64,162</b>       |
| <b>Expenses</b>                                                                                  |       |                           |                           |
| Cost of materials consumed                                                                       | 22    | 41,04,76,628              | 46,56,01,956              |
| Changes in inventories of finished goods, work-in progress, stock in trade and packing materials | 23    | (2,95,17,844)             | (6,17,060)                |
| Employee benefits expense                                                                        | 24    | 12,10,23,456              | 9,96,68,671               |
| Finance costs                                                                                    | 25    | 7,24,148                  | 6,96,164                  |
| Depreciation and amortisation expense                                                            | 26    | 47,59,941                 | 25,16,659                 |
| Other expenses                                                                                   | 27    | 11,69,24,466              | 9,36,92,852               |
| <b>Total expenses</b>                                                                            |       | <b>62,43,90,795</b>       | <b>66,15,59,242</b>       |
| <b>Profit before exceptional items and income tax</b>                                            |       | <b>11,13,70,955</b>       | <b>3,07,04,920</b>        |
| <b>Exceptional items</b>                                                                         |       | -                         | -                         |
| <b>Profit before tax</b>                                                                         |       |                           |                           |
| Current tax                                                                                      |       | 3,00,00,000               | 80,00,000                 |
| Deferred tax (credit) / charge                                                                   | 18    | 3,75,724                  | 7,43,667                  |
| <b>Income tax expense</b>                                                                        |       | <b>3,03,75,724</b>        | <b>87,43,667</b>          |
| <b>Profit for the year</b>                                                                       |       | <b>8,09,95,231</b>        | <b>2,19,61,253</b>        |
| <b>Other comprehensive income net of taxes</b>                                                   |       |                           |                           |
| <b>Items that will not be reclassified subsequently to profit or loss</b>                        |       |                           |                           |
| Remeasurement gains / (loss) of defined benefit plans                                            |       | -                         | -                         |
| Changes in fair value of FVOCI equity instruments                                                |       |                           |                           |
| Income tax relating to items that will not be reclassified subsequently to profit or loss        |       | -                         | -                         |
| <b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>      |       | -                         | -                         |
| <b>Items that will be reclassified subsequently to profit or loss</b>                            |       |                           |                           |
| Debt instruments through other comprehensive income - net change in fair value                   |       |                           |                           |
| Income tax relating to items that will be reclassified subsequently to profit or loss            |       |                           |                           |
| <b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>          |       |                           |                           |
| <b>Other comprehensive income for the year, net of tax</b>                                       |       | -                         | -                         |
| <b>Total comprehensive income for the year</b>                                                   |       | <b>8,09,95,231</b>        | <b>2,19,61,253</b>        |

**Earnings per share:**

Basic and diluted earnings per share (Rs.)  
[Nominal value of per equity share is Rs. 10]

20.25

5.49

Significant accounting policies

4

The notes referred to above form are an integral part  
of these financial statements

As per our report of even date attached

**For Suresh R Shah & Associates**

Chartered Accountants

ICAI Firm Registration Number : 110691W

for and on behalf of the Board of Directors of

**JYOTI RESINS & ADHESIVES LIMITED**

CIN : L24229GJ1993PLC020879

**Mrugen Shah**

Partner

Membership no: 117412

UDIN : 20117412AAAADY8198

Place: Ahmedabad

Date: 27-07-2020

**JAGDISH N PATEL**

Managing Director

DIN: 00304924

Place: Ahmedabad

Date: 27-07-2020

**UTKARSH J  
PATEL**

DIRECTOR

DIN: 02874427

**JYOTI RESINS & ADHESIVES LIMITED**
**Cash flow statement for the year ended 31 March 2020**
*(All amounts are in Indian Rupees, except share data and as stated)*

|                                                                         | Year ended<br>31 March<br>2020 | Year ended<br>31 March 2019 |
|-------------------------------------------------------------------------|--------------------------------|-----------------------------|
| <b>Cash flow from operating activities</b>                              |                                |                             |
| Net profit before tax                                                   | 11,13,70,955                   | 3,07,04,920                 |
| Adjustments:                                                            |                                |                             |
| Depreciation and amortisation                                           | 47,59,941                      | 25,16,659                   |
| Revaluation Reserves                                                    | 12,42,59,318                   | -                           |
| Finance expense                                                         | 7,24,148                       | 6,96,164                    |
| Interest Income                                                         | (98,71,956)                    | (48,43,838)                 |
| Dividend Income                                                         | (7,31,897)                     | (1,13,618)                  |
| <b>Operating cash flow before working capital changes</b>               | <b>23,05,10,509</b>            | <b>2,89,60,287</b>          |
| <b>Working capital adjustments:</b>                                     |                                |                             |
| Decrease / (Increase) in trade receivables                              | 1,03,63,162                    | (10,81,72,235)              |
| Decrease / (Increase) in other current assets                           | (16,39,10,029)                 | (9,29,65,109)               |
| Decrease/ (increase) in inventories                                     | (3,26,37,700)                  | (20,03,528)                 |
| Increase/ (decrease) in trade payables                                  | 1,06,36,361                    | 50,28,144                   |
| Increase/ (decrease) in borrowings                                      | 1,80,077                       | 11,00,655                   |
| Increase/ (decrease) in other financial liabilities                     | 71,735                         | 1,21,425                    |
| Increase/ (decrease) in provisions                                      | 14,54,37,956                   | 21,87,51,610                |
| Increase/ (decrease) in other current liabilities                       | 1,21,20,204                    | 1,14,547                    |
| <b>Cash generated from operations</b>                                   | <b>21,27,72,275</b>            | <b>5,09,35,796</b>          |
| Less: Income tax paid                                                   | (3,00,00,000)                  | (80,00,000)                 |
| <b>Net cash generated from operating activities (a)</b>                 | <b>18,27,72,275</b>            | <b>4,29,35,796</b>          |
| <b>Cash flow from investing activities</b>                              |                                |                             |
| Purchase of Fixed Assets                                                | (14,07,82,784)                 | (1,49,32,260)               |
| Change in Capital Advance                                               | -                              | -                           |
| Investment made                                                         | (5,31,56,095)                  | (28,23,113)                 |
| Dividend Received                                                       | 7,31,897                       | 1,13,618                    |
| Interest received                                                       | 98,71,956                      | 48,43,838                   |
| <b>Net cash used in investing activities (b)</b>                        | <b>(18,33,35,026)</b>          | <b>(1,27,97,917)</b>        |
| <b>Cash flow from financing activities</b>                              |                                |                             |
| Borrowings made                                                         | 48,29,322                      | 19,37,709                   |
| Increase in Security Deposits from Distributors                         | -56,82,50                      | (1,99,565)                  |
| Finance costs paid                                                      | (7,24,148)                     | (6,96,164)                  |
| <b>Net cash generated from /(used in) financing activities (c)</b>      | <b>35,36,924</b>               | <b>10,41,980</b>            |
| <b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b> | <b>29,74,173</b>               | <b>3,11,79,859</b>          |
| Cash and cash equivalents at the beginning of the year                  | 7,51,31,408                    | 4,39,51,549                 |
| <b>Cash and cash equivalents at the end of the year</b>                 | <b>7,81,05,581</b>             | <b>7,51,31,408</b>          |



**JYOTI RESINS & ADHESIVES LIMITED**

**Cash flow statement for the year ended 31 March 2018 (continued)**  
(All amounts are in Indian Rupees, except share data and as stated)

**Notes to cash flow statement**
**Components of cash and cash equivalents**

Cash on hand

Bank Balances

**As at  
31 March  
2020**

7,65,169  
7,73,40,412

**7,81,05,581**

**As at  
31 March 2019**

12,00,823  
7,39,30,585

**7,51,31,408**

Significant accounting policies

4

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

**For Suresh R Shah & Associates**

Chartered Accountants

ICAI Firm Registration Number : 110691W

for and on behalf of the Board of  
Directors of

**JYOTI RESINS & ADHESIVES LIMITED**

CIN : L24229GJ1993PLC020879

**Mrugen Shah**

Partner

Membership no: 117412

UDIN : 20117412AAAADY8198

Place: Ahmedabad

Date: 27-07-2020

**JAGDISH N PATEL**

Managing Director

DIN: 00304924

Place: Ahmedabad

Date: 27-07-2020

**UTKARSH J  
PATEL**

Director

DIN: 02874427

**JYOTI RESINS & ADHESIVES LIMITED**

**Statement of changes in Equity for the year ended 31 March 2020**

*(All amounts are in Indian Rupees, except share data and as stated)*

**a. Equity share capital**

|                                 |             |
|---------------------------------|-------------|
| As at 31 March 2019             | 4,00,00,000 |
| Changes in equity share capital | -           |
| As at 31 March 2020             | 4,00,00,000 |

**b. Other equity**

|                                                | Retained earnings  | Total              |
|------------------------------------------------|--------------------|--------------------|
| Balance at 1 April 2018                        | 1,68,28,964        | 1,68,28,964        |
| Profit for the year                            | 2,19,61,253        | 2,19,61,253        |
| Other comprehensive income                     | -                  | -                  |
| <b>Total comprehensive income for the year</b> | <b>2,19,61,253</b> | <b>2,19,61,253</b> |
| <br>Balance as at 31 March 2019                | <br>3,87,90,217    | <br>3,87,90,217    |

**b. Other equity**

|                                                | Retained earnings   | Total              |
|------------------------------------------------|---------------------|--------------------|
| Balance at 1 April 2019                        | 3,87,90,217         | 3,87,90,217        |
| Profit for the year                            | 8,09,95,231         | 8,09,95,231        |
| Revaluation reserve                            | 12,42,59,318        | -                  |
| Other comprehensive income                     | -                   | -                  |
| <b>Total comprehensive income for the year</b> | <b>20,52,54,549</b> | <b>8,09,95,231</b> |
| <br>Balance as at 31 March 2020                | <br>24,40,44,766    | <br>11,97,85,448   |

## **JYOTI RESINS & ADHESIVES LTD**

### **Notes on Financial Statements for the year ended 31st March 2020**

#### **1 Corporate information**

Jyoti Resins and Adhesives Limited ('The Company') is a public limited company incorporated and domiciled in India. The address of its registered office is Survey No.873, Opp. Anand Healthcare, Ranchhodpura Road, Santej, Tal. Kalol, Dist. Gandhinagar 382721, Gujarat. The Company is in the business of manufacturing of high grade synthetic wood adhesives with its EURO7000 brand. The Company has a huge plant with the capacity of 1500 tons/month, which is located at Santej, Kalol.

#### **2 Basis of preparation of financial statements**

These financial statements are in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities & Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant rules issued thereafter.

Accounting policies have been consistently applied except where newly issued accounting standards are initially adopted or a revision to an existing standard requires a change in the Accounting policy hitherto in use.

As the quarter and year figures are taken from the source and rounded to the nearest digit, the figures reported for the previous quarters might not always adopt to the year-end figures reported in these statements.

The Company's presentation and functional currency is Indian Rupees (₹) and all values are rounded to the nearest digits.

#### **3 Use of estimates**

The preparation of the Company's IndAS financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected. In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.

#### **4 Significant accounting policies**

##### **4.1 Property, plant and equipment**

## **Recognition and measurement**

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes) after deducting trade discounts and rebates, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- e) Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.
- f) Major spare parts which meet the definition of property plant and equipment are capitalized as property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit & Loss on issue/consumption.
- g) Direct expenses incurred during construction period on capital projects are capitalised.
- h) Addition in the value of land during the year is on account of Revaluation of the land.

### **4.2 Capital work-in-progress:**

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### **4.3 Depreciation**

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale or disposal, as the case may be.

### **4.4 Cash flow Statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals or accruals of past or future cash receipts or payments. The cash flows are from operating, investing and financing activities of the Company are segregated based on the available information.

### **4.5 Transaction in Foreign Currency**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transaction. Foreign currency monetary assets and liabilities are reported using the closing rate. Gains and losses arising on account of difference in foreign exchange rates on settlement/translation of monetary assets and liabilities on the closing date are recognized in the Statement of Profit and Loss.

### **4.6 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**4.7 Cash and cash equivalents**

Cash comprises cash on hand and demand / short term deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**4.8 Investments**

Equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

**4.9 Trade receivables**

Trade receivables are amounts due from customers for sale of goods in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

**4.10 Borrowings**

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

**4.11 Trade payables**

Trade payables are amounts due to vendors for purchase of goods in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

**4.12 Other financial assets and liabilities**

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

**4.13 De-recognition of financial assets and liabilities**

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

**4.14 Leases - Company as a lessee**

**Finance lease**

Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**Operating lease**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating lease. Operating lease payments are recognized as an expense on a straight line basis over the lease term unless the payments are structured to increase in line with the expected general inflation so as to compensate for the lessor's expected inflationary cost increases.

**4.15 Inventories**

Inventories at year-end are valued at the Lower of the Cost Price or Net Realizable Value after providing for Obsolescence and other losses, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and costs incurred in bringing them to their respective present location and condition.

#### 4.16 Impairment of assets

##### Financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

##### Non-financial assets

##### Tangible assets

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

##### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods includes excise duty and are net of discounts, applicable taxes, rebates and estimated returns. The revenue is recognized when the significant risks and rewards of ownership of goods are transferred to the buyer, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing managerial involvement over the goods sold.

Income from services is recognized when the services are rendered or when contracted milestones have been achieved.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned/ incurred, except those with significant uncertainties. Dividend Income from investment is recognized as and when received. Other Incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis. Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provisions made. Claims are

#### 4.17

stated net of recoveries from insurance companies and others. Administrative and other expenses are stated net of recoveries, wherever applicable.

#### **4.18 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

#### **4.19 Provisions and Contingencies**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### **4.20 Employees Benefit**

**(a)** Short term employee benefits are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss of the year for which the related service is rendered.

**b)** Defined Contribution Plan: Monthly contribution to the provident fund which is under defined contribution schemes are charged to Statement of Profit & Loss and deposited with the provident fund authorities on monthly basis.

**c)** Defined Benefit Plans: Gratuities to employees are covered under the employees' group gratuity schemes and the premium is paid on the basis of their actuarial valuation using the projected unit credit method. Actuarial gain and losses net of deferred taxes arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise. Any short falls in case of premature resignation or termination to the extent not reimbursed by LIC is being absorbed in the year of payment.

**d)** Termination benefits are charged to the Statement of Profit and Loss in the year of accrual when the Company is committed without any possibility of withdrawal of an offer made to either terminate employment before the normal retirement date or as a result of an offer made to encourage voluntary retirement.

#### **4.21 Taxes on income**

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively. Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. The deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to do the same.

#### **4.22 Earning Per Share**

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Dilutive earning per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

#### **4.23 Global Health Pandemic on COVID-19**

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

**JYOTI RESINS & ADHESIVES LIMITED**
**Notes to financial statements for the year ended 31 March 2020**
*(All amounts are in Indian Rupees, except share data and as stated)*
**5 Property, plant and equipment**

(See accounting policy in note 4.1)

**Reconciliation of carrying amount**

| Particulars                                                                                   | Land                | Buildings          | Plant and Equipment | Furniture and Fixtures | Vehicles           | Computers        | Laboratory building | Office premises    | Total               |
|-----------------------------------------------------------------------------------------------|---------------------|--------------------|---------------------|------------------------|--------------------|------------------|---------------------|--------------------|---------------------|
| <b>Cost or deemed cost (gross carrying amount)</b>                                            |                     |                    |                     |                        |                    |                  |                     |                    |                     |
| <b>Balance at 1 April 2018</b>                                                                | 16,07,782           | 52,94,174          | 2,06,03,437         | 56,16,688              | 95,07,341          | 2,07,631         | 1,06,562            | 2,07,65,653        | 6,37,09,268         |
| Additions                                                                                     |                     |                    | 31,42,950           | 60,39,741              | 55,62,674          | 1,86,895         |                     |                    | 1,49,32,260         |
| Disposals                                                                                     |                     |                    | -                   | -                      | -                  | -                | -                   | -                  | -                   |
| <b>Balance at 31 March 2019</b>                                                               | <b>16,07,782</b>    | <b>52,94,174</b>   | <b>2,37,46,387</b>  | <b>1,16,56,429</b>     | <b>1,50,70,015</b> | <b>3,94,526</b>  | <b>1,06,562</b>     | <b>2,07,65,653</b> | <b>7,86,41,528</b>  |
| Balance at 1 April 2019                                                                       | 16,07,782           | 52,94,174          | 2,37,46,387         | 1,16,56,429            | 1,50,70,015        | 3,94,526         | 1,06,562            | 2,07,65,653        | 7,86,41,528         |
| Additions                                                                                     | 12,42,59,318        | 48,92,416          | 22,78,403           | 16,29,669              | 28,75,000          | 9,33,796         |                     | 39,14,182          | 14,07,82,784        |
| Disposals                                                                                     |                     |                    |                     |                        |                    |                  |                     |                    | -                   |
| <b>Balance at 31 March 2020</b>                                                               | <b>12,58,67,100</b> | <b>1,01,86,590</b> | <b>2,60,24,790</b>  | <b>1,32,86,098</b>     | <b>1,79,45,015</b> | <b>13,28,322</b> | <b>1,06,562</b>     | <b>2,46,79,835</b> | <b>21,94,24,312</b> |
| <b>Accumulated depreciation</b>                                                               |                     |                    |                     |                        |                    |                  |                     |                    |                     |
| Balance at 1 April 2018                                                                       | -                   | 34,30,365          | 1,58,68,362         | 11,25,468              | 24,51,934          | 1,97,676         | 67,677              | 11,06,317          | 2,42,47,799         |
| Depreciation for the year                                                                     | -                   | 1,60,262           | 3,82,615            | 4,589                  | 15,48,044          | 10,338           | 3,356               | 4,07,455           | 25,16,659           |
| Disposals                                                                                     | -                   | -                  | -                   | -                      | -                  | -                | -                   | -                  | -                   |
| <b>Balance at 31 March 2019</b>                                                               | <b>-</b>            | <b>35,90,627</b>   | <b>1,62,50,977</b>  | <b>11,30,057</b>       | <b>39,99,978</b>   | <b>2,08,014</b>  | <b>71,033</b>       | <b>15,13,772</b>   | <b>2,67,64,458</b>  |
| Balance at 1 April 2019                                                                       | -                   | 35,90,627          | 1,62,50,977         | 11,30,057              | 39,99,978          | 2,08,014         | 71,033              | 15,13,772          | 2,67,64,458         |
| Depreciation for the year                                                                     | -                   | 2,29,135           | 12,59,507           | 6,81,464               | 19,51,501          | 1,77,232         | 3,378               | 4,57,724           | 47,59,941           |
| Disposals                                                                                     | -                   |                    |                     |                        |                    |                  |                     |                    | -                   |
| <b>Balance at 31 March 2020</b>                                                               | <b>-</b>            | <b>38,19,762</b>   | <b>1,75,10,484</b>  | <b>18,11,521</b>       | <b>59,51,479</b>   | <b>3,85,246</b>  | <b>74,411</b>       | <b>19,71,496</b>   | <b>3,15,24,399</b>  |
| <b>Carrying amount (net)</b>                                                                  |                     |                    |                     |                        |                    |                  |                     |                    |                     |
| As at 31 March 2019                                                                           | 16,07,782           | 17,03,547          | 74,95,410           | 1,05,26,372            | 1,10,70,037        | 1,86,512         | 35,529              | 1,92,51,881        | 5,18,77,070         |
| <b>As at 31 March 2020</b>                                                                    | <b>12,58,67,100</b> | <b>63,66,828</b>   | <b>85,14,306</b>    | <b>1,14,74,577</b>     | <b>1,19,93,536</b> | <b>9,43,076</b>  | <b>32,151</b>       | <b>2,27,08,339</b> | <b>18,78,99,913</b> |
| Note : Addition in the value of land during the year is on account of Revaluation of the land |                     |                    |                     |                        |                    |                  |                     |                    |                     |

# JYOTI RESINS & ADHESIVES LIMITED

Notes to financial statements for the year ended 31 March 2020

(All amounts are in Indian Rupees, except share data and as stated)

## 6 Investments

(See accounting policies in Notes 4.8)

| Particulars                                                                         | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current investments</b>                                                      |                         |                         |
| Unquoted investments                                                                |                         |                         |
| Investments in equity instruments                                                   |                         |                         |
| At amortised cost                                                                   |                         |                         |
| Ahmedabad Mercantile Co-operative bank (No. of shares : 1000, previous year : 1000) | -                       | -                       |
| Kalupur Commercial Co-operative bank (No. of shares : 21900, previous year : 21900) | 7,17,450                | 7,17,450                |
| Atithya Non Trade Association (No. of shares : 14, previous year : 14)              | 3,000                   | 7,000                   |
| <b>(A)</b>                                                                          | <b>7,20,450</b>         | <b>7,24,450</b>         |
| <b>Quoted</b>                                                                       |                         |                         |
| At FVTPL                                                                            |                         |                         |
| Investments in equity instruments                                                   | 5,61,49,272             | 29,89,177               |
| <b>(B)</b>                                                                          | <b>5,61,49,272</b>      | <b>29,89,177</b>        |
| <b>Total Investments (A)+(B)</b>                                                    | <b>5,68,69,722</b>      | <b>37,13,627</b>        |
| <b>Current</b>                                                                      | <b>5,61,49,272</b>      | <b>29,89,177</b>        |
| <b>Non-current</b>                                                                  | <b>7,20,450</b>         | <b>7,24,450</b>         |

## 7 Other non-current assets

|                 |   |   |
|-----------------|---|---|
| Capital advance | - | - |
|                 | - | - |

## 8 Inventories

Valued at lower of cost and net realizable value

|                  | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|------------------|-------------------------|-------------------------|
| Raw Materials    | 1,39,67,600             | 1,19,60,303             |
| Packing Material | 1,12,52,761             | 1,01,40,202             |
| Work in Process  | 6,49,791                | 41,16,350               |
| Finished Goods   | 6,09,77,535             | 2,79,93,132             |
| <b>Total</b>     | <b>8,68,47,687</b>      | <b>5,42,09,987</b>      |

## 9 Trade receivables

| Particulars                    | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|--------------------------------|-------------------------|-------------------------|
| Secured, considered good       | 53,16,18,625            | 54,19,81,787            |
| <b>Total Trade receivables</b> | <b>53,16,18,625</b>     | <b>54,19,81,787</b>     |

## 10 Cash and bank balances

| Particulars                      | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|----------------------------------|-------------------------|-------------------------|
| <b>Cash and cash equivalents</b> |                         |                         |
| Cash on hand                     | 7,65,169                | 12,00,823               |
| Bank balances                    | 7,73,40,412             | 7,39,30,585             |
|                                  | <b>7,81,05,581</b>      | <b>7,51,31,408</b>      |

## 11 Other current assets

|                                    |                     |                    |
|------------------------------------|---------------------|--------------------|
| Balance with statutory authorities | 3,24,07,714         | 87,23,579          |
| Sundry deposits and advances       | 22,94,30,259        | 8,90,70,914        |
| Prepaid Expenses                   | 67,457              | 2,00,908           |
| <b>Total</b>                       | <b>26,19,05,430</b> | <b>9,79,95,401</b> |

# JYOTI RESINS & ADHESIVES LIMITED

Notes to financial statements for the year ended 31 March

2020

(All amounts are in Indian Rupees, except share data and as stated)

## 12 Share capital

| Particulars                                      | As at 31 March 2020 |                     | As at 31 March 2019 |                     |
|--------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                                  | Number of shares    | (₹)                 | Number of shares    | (₹)                 |
| <b>Authorized</b>                                |                     |                     |                     |                     |
| Equity shares of Rs 10/- each with voting rights | 5,40,00,000         | 54,00,00,000        | 5,40,00,000         | 54,00,00,000        |
|                                                  | <b>5,40,00,000</b>  | <b>54,00,00,000</b> | <b>5,40,00,000</b>  | <b>54,00,00,000</b> |
| <b>Issued, subscribed and fully paid-up</b>      |                     |                     |                     |                     |
| Equity shares of Rs 10/- each with voting rights | 40,00,000           | 4,00,00,000         | 40,00,000           | 4,00,00,000         |
| <b>Total</b>                                     | <b>40,00,000</b>    | <b>4,00,00,000</b>  | <b>40,00,000</b>    | <b>4,00,00,000</b>  |

(Refer notes (i) to (iv) below)

### Notes:

#### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

| Particulars                                           | As at 31 March 2020 |             | As at 31 March 2019 |             |
|-------------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                       | Number of shares    | Amount      | Number of shares    | Amount      |
| <b>At the commencement and at the end of the year</b> |                     |             |                     |             |
| -Equity shares with voting rights                     | 4000000             | 4,00,00,000 | 4000000             | 4,00,00,000 |

#### (ii) Details of rights, preferences and restrictions attached to the shares

The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.

(iii) Details of shareholders holding more than 5% shares in the company

| Name of the shareholder                          | As at 31 March 2020   |                                   | As at 31 March 2019   |                                   |
|--------------------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|                                                  | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| <b>Equity shares of Rs. 10/- each fully paid</b> |                       |                                   |                       |                                   |
| Utkarsh Jagdishbhai Patel                        | 3,83,126              | 9.58%                             | 3,48,037              | 8.70%                             |
| Jagdish Nathalal Patel                           | 5,48,254              | 13.71%                            | 5,37,378              | 13.43%                            |
| Jyotika Jagdishbhai Patel                        | 4,18,994              | 10.47%                            | 4,09,663              | 10.24%                            |
| Udita Jagdishbhai Patel                          | 2,25,537              | 5.64%                             | 2,24,537              | 5.61%                             |
| Naisha IT Solutions pvt ltd                      | 3,05,999              | 7.65%                             | 2,46,774              | 6.17%                             |
| Priyanka Utkarshbhai Patel                       | 4,17,909              | 10.45%                            | 4,17,909              | 10.45%                            |

(iv) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

| Particulars                                                                | Aggregate number of shares |                      |
|----------------------------------------------------------------------------|----------------------------|----------------------|
|                                                                            | As at 31 March, 2020       | As at 31 March, 2019 |
| <b>Equity shares with voting rights</b>                                    |                            |                      |
| Fully paid up pursuant to contracts without payment being received in cash | -                          | -                    |
| Fully paid up by way of bonus shares                                       | -                          | -                    |
| Shares bought back                                                         | -                          | -                    |

13 Other equity

|                                         | Amount       |
|-----------------------------------------|--------------|
| <b>Retained earnings</b>                |              |
| As at 31 March 2019                     | 3,87,90,217  |
| Profit for the year                     | 8,09,95,231  |
| As at 31 March 2020                     | 11,97,85,448 |
| <b>Other comprehensive income (OCI)</b> |              |
| As at 31 March 2019                     | -            |
| Movement in OCI during the year         | -            |
| As at 31 March 2020                     | -            |
| <b>Total</b>                            |              |

### Capital management

"For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, less cash and cash equivalents, excluding discontinued operations"

| Particulars                            | As at                | As at                |
|----------------------------------------|----------------------|----------------------|
|                                        | 31 March 2020        | 31 March 2019        |
| Borrowings                             | 1,20,28,263          | 70,18,864            |
| Less : Cash and cash equivalent (Note) | 7,81,05,581          | 7,51,31,408          |
| Net debt                               | <b>(6,60,77,318)</b> | <b>(6,81,12,544)</b> |
| Equity                                 | 4,00,00,000          | 4,00,00,000          |
| Other equity                           | 24,40,44,766         | 3,87,90,217          |
| Total capital                          | <b>28,40,44,766</b>  | <b>7,87,90,217</b>   |
| Capital and net debt                   | <b>21,79,67,448</b>  | <b>1,06,77,673</b>   |

"In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020."

Due to non Utilization of CC Limits of Banks gearing ratio has changed drastically in comparision to previsos years



## Earnings per share (EPS)

Basic and diluted earnings per share

The calculation of basic earnings per share is based on loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding as follows:

|                                                               | As at<br>31 March 2020 | As at<br>31 March 2019 |
|---------------------------------------------------------------|------------------------|------------------------|
| Profit attributable to the equity shareholders of the Company | 8,09,95,231            | 2,19,61,253            |
| Weighted average number of equity shares                      | 40,00,000              | 40,00,000              |
| Basic and diluted earnings per share (EPS)                    | 20.25                  | 5.49                   |

|                      | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|----------------------|-------------------------|-------------------------|
| <b>14 Borrowings</b> |                         |                         |
| Secured Term loans   | 1,20,28,263             | 70,18,864               |
|                      | <b>1,20,28,263</b>      | <b>70,18,864</b>        |
| Non-current          | 98,62,915               | 50,33,593               |
| Current              | 21,65,348               | 19,85,271               |

Note:

Details of security for the secured loans repayable on demand:

1. Secured Loan consists of Car Loan taken from Axis Bank.

## 15 Trade payables

| Particulars                                                                            | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Trade payables to related parties                                                      |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises                      |                         | -                       |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,95,67,905             | 2,89,31,544             |
| <b>Total</b>                                                                           | <b>3,95,67,905</b>      | <b>2,89,31,544</b>      |

# 16 Other financial liabilities

|                                     | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|-------------------------------------|-------------------------|-------------------------|
| Security deposits from Staff        | 2,08,570                | 1,36,835                |
| Security deposits from Distributors | 18,63,650               | 24,31,900               |
|                                     | <b>20,72,220</b>        | <b>25,68,735</b>        |
| Non-current                         | 18,63,650               | 24,31,900               |
| Current                             | 2,08,570                | 1,36,835                |
|                                     | <b>20,72,220</b>        | <b>25,68,735</b>        |

# 17 Provisions

(See accounting policies in 4.21)

|                                                     |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|
| Provision for Income tax (Net of Advance tax & TDS) | 3,00,00,000         | 80,00,000           |
| Provision for expenses                              | 80,74,51,784        | 67,61,85,023        |
| Payable for employee benefits                       | -                   | 78,28,805           |
|                                                     | <b>83,74,51,784</b> | <b>69,20,13,828</b> |
| Non-current                                         | -                   | -                   |
| Current                                             | 83,74,51,784        | 69,20,13,828        |
|                                                     | <b>83,74,51,784</b> | <b>69,20,13,828</b> |

# 18 Deferred tax liabilities (net)

|                                                    |                  |                  |
|----------------------------------------------------|------------------|------------------|
| As at the start of the year                        | 18,38,284        | 10,94,617        |
| Charge / (credit ) to Statement of profit and loss | 3,75,724         | 7,43,667         |
| At the end of the year                             | <b>22,14,008</b> | <b>18,38,284</b> |

# 19 Other current liabilities

|                                            |                    |                    |
|--------------------------------------------|--------------------|--------------------|
| Interest accrued but not due on borrowings | 91,688             | 91,688             |
| Statutory liabilities                      | 2,56,56,324        | 1,35,36,120        |
| Unpaid Auditor's Remuneration              | 1,20,000           | 1,20,000           |
|                                            | <b>2,58,68,012</b> | <b>1,37,47,808</b> |

## 20 Revenue from operations

| Particulars                              | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|------------------------------------------|--------------------------------------|--------------------------------------|
| Sale of products (Including excise duty) | 73,54,40,290                         | 68,69,41,664                         |
| <b>Total revenue from operations</b>     | <b>73,54,40,290</b>                  | <b>68,69,41,664</b>                  |

## 21 Other income

| Particulars                     | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Interest Income                 | 98,71,956                            | 48,43,838                            |
| Dividend Income                 | 7,31,897                             | 1,13,618                             |
| Other income                    | 72,576                               | 3,65,042                             |
| Profit/(Loss) on sale of shares | 28,57,667                            |                                      |
| <b>Total</b>                    | <b>1,35,34,096</b>                   | <b>53,22,498</b>                     |

## Other gains / (losses) net

| Particulars                                                     | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Changes in fair value of equity instruments recognised at FVTPL | (1,32,12,636)                        | -                                    |
|                                                                 | <b>(1,32,12,636)</b>                 | <b>-</b>                             |

## 22 Cost of materials consumed

| Particulars       | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|-------------------|--------------------------------------|--------------------------------------|
| Raw material      | 38,35,69,811                         | 46,55,87,281                         |
| Packing materials | 2,69,06,817                          | 14,675                               |
| <b>Total</b>      | <b>41,04,76,628</b>                  | <b>46,56,01,956</b>                  |

## 23 Changes in inventories of finished goods, work-in progress, stock in trade and packing materials

| Particulars                               | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| Inventories at the beginning of the year  |                                      |                                      |
| Finished goods                            | 2,79,93,132                          | 3,12,83,422                          |
| Work in progress                          | 41,16,350                            | 2,09,000                             |
|                                           | <b>3,21,09,482</b>                   | <b>3,14,92,422</b>                   |
| Inventories at the end of the year        |                                      |                                      |
| Finished goods                            | 6,09,77,535                          | 2,79,93,132                          |
| Work in progress                          | 6,49,791                             | 41,16,350                            |
|                                           | <b>6,16,27,326</b>                   | <b>3,21,09,482</b>                   |
| (Increase)/Decrease in Inventories        |                                      |                                      |
| Finished goods                            | (3,29,84,403)                        | 32,90,290                            |
| Work in progress                          | 34,66,559                            | (39,07,350)                          |
| <b>(Increase)/Decrease in Inventories</b> | <b>(2,95,17,844)</b>                 | <b>(6,17,060)</b>                    |

## 24 Employee benefits

| Particulars | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|-------------|--------------------------------------|--------------------------------------|
|-------------|--------------------------------------|--------------------------------------|

|                                                |              |             |
|------------------------------------------------|--------------|-------------|
| Salary, Wages and Allowances                   | 11,51,23,289 | 9,68,11,496 |
| Contribution to Provident Fund and other funds | 10,52,205    | 9,91,978    |
| Gratuity                                       | 33,61,038    | 12,00,000   |
| Staff Welfare Expenses                         | 3,99,033     | 1,65,133    |
| Ex Gratia Payment                              | 10,87,891    | 5,00,064    |

|              |                     |                    |
|--------------|---------------------|--------------------|
| <b>Total</b> | <b>12,10,23,456</b> | <b>9,96,68,671</b> |
|--------------|---------------------|--------------------|

## 25 Finance costs

| Particulars          | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|----------------------|--------------------------------------|--------------------------------------|
| Interest expenses    | 1,90,799                             | 1,95,605                             |
| Other borrowing cost | 5,33,349                             | 5,00,559                             |
| <b>Total</b>         | <b>7,24,148</b>                      | <b>6,96,164</b>                      |

## 26 Depreciation expense

See accounting policy 4.3

|                                               |                  |                  |
|-----------------------------------------------|------------------|------------------|
| Depreciation of property, plant and equipment | 47,59,941        | 25,16,659        |
| <b>Total</b>                                  | <b>47,59,941</b> | <b>25,16,659</b> |

## 27 Other expenses

| Particulars                                  | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|----------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Manufacturing expenses</b>                |                                      |                                      |
| Excise duties                                | -                                    | -                                    |
| Consumption of stores and spares             | 1,54,260                             | 1,55,280                             |
| Power and Fuel                               | 38,83,727                            | 34,76,972                            |
| Freight Inward, Octroi, Coolies and Cartages | 36,91,161                            | 41,58,630                            |
| Repairs and Maintenance                      |                                      |                                      |
| - To Buildings                               | 6,92,876                             | 4,25,026                             |
| - To Plant and Machineries                   | 9,59,650                             | 10,89,662                            |
| - To Other Assets                            | 2,30,367                             | 1,56,983                             |
| Misc. Factory Expenses                       | 2,10,649                             | 1,99,904                             |
| Water Expense                                | 10,16,250                            | 10,70,811                            |
| Rate Difference & Shortages                  | -                                    | -                                    |
| Entry Tax Exps.                              | -                                    | 70,120                               |
| <b>Total</b>                                 | <b>1,08,38,940</b>                   | <b>1,08,03,388</b>                   |

**Selling and distribution expenses**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Freight Outward, Coolies and Cartages | 2,38,08,199        | 2,57,49,540        |
| Traveling Expenses                    |                    |                    |
| - For Staff and Guests                | 1,89,91,180        | 1,63,08,039        |
| Sales Promotion / Gift Expenses       | 2,10,82,939        | 1,75,02,244        |
| Meeting & Seminar Expense             | 88,84,949          | 82,94,342          |
| Advertisement Expenses                | 1,27,31,271        | 40,58,139          |
|                                       | <b>8,54,98,538</b> | <b>7,19,12,304</b> |

**Administrative Expenses**

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Insurance Premium Expenses          | 7,12,080           | 10,60,536          |
| Payments to Auditors                |                    |                    |
| As Auditor                          |                    |                    |
| Statutory Audit fees                | 1,20,000           | 1,20,000           |
| Less Discount                       | 69,126             | -                  |
| Bank Commission Charges             | 1,41,643           | 1,65,482           |
| Annual General Meeting Expenses     | 6,995              | -                  |
| Organisation Fund Expenses          | 86,53,559          | -                  |
| Donation Expense                    | 35,000             | 10,76,000          |
| Garden Exp                          | 27,510             | 5,025              |
| Brokering Expenses                  | 1,50,000           | -                  |
| Laboratory Testing Expense          | 4,400              | 15,770             |
| Legal & Professional Fees Exps.     | 9,93,650           | 7,41,830           |
| Pollution Expenses                  | 95,000             | -                  |
| Misc.Office & Maintenance Expenses  | 14,69,998          | 9,89,626           |
| Municipal Tax                       | 3,88,910           | 2,14,024           |
| Petrol, Diesel & Conveyance         | 3,75,999           | 1,98,889           |
| Professional Tax                    | -                  | 5,000              |
| Postage Expense                     | 3,43,433           | 3,50,009           |
| Printing & Stationery Exp.          | 34,81,644          | 29,21,819          |
| Rates and taxes                     | -                  | 25,000             |
| R. O. C. Fee Expenses               | 9,900              | 9,000              |
| Rent Expense                        | 3,51,000           | 3,21,000           |
| Share Transfer Expense              | 97,090             | 86,607             |
| Subscription Expenses               | 96,940             | 77,508             |
| Excise Expenses                     | 1,03,114           | -                  |
| Telephone Exp.                      | 18,43,358          | 16,71,928          |
| Tempo Diesel & Repair & Maintenance | 10,16,639          | 9,22,107           |
|                                     | <b>2,05,86,988</b> | <b>1,09,77,160</b> |

**11,69,24,466**

**9,36,92,852**

## 28 Income tax

See accounting policy in note 4.21

### A. Expense / (benefit) recognised in statement of profit and loss:

#### Current tax (a)

|                          | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|--------------------------|-----------------------------|-----------------------------|
| Expense for current year | 3,00,00,000                 | 80,00,000                   |

#### Deferred tax (b)

Attributable to–

|                                                   |                 |                 |
|---------------------------------------------------|-----------------|-----------------|
| Origination and reversal of temporary differences | 3,75,724        | 7,43,667        |
|                                                   | <b>3,75,724</b> | <b>7,43,667</b> |

#### Total Tax expense

|  |                    |                  |
|--|--------------------|------------------|
|  | <b>3,03,75,724</b> | <b>87,43,667</b> |
|--|--------------------|------------------|

### B. Reconciliation of effective tax rate

|                                                                                             | Year ended<br>31 March 2020 | Year ended<br>31 March 2019 |
|---------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Profit before income taxes                                                                  | 11,13,70,955                | 3,07,04,920                 |
| Enacted rate in India                                                                       | 26.00%                      | 26.00%                      |
| Expected income tax expenses                                                                | 2,89,56,448                 | 79,83,279                   |
| <b>Adjustments to reconcile expected income tax expense to reported income tax expense:</b> |                             |                             |
| Interest under section 234B and 234C                                                        | -                           | -                           |
| Disallowable items                                                                          | -                           | 6,500                       |
| Effect of expenses not deductible in determining taxable profit                             | -                           | -                           |
| Others (net)                                                                                | 14,19,276                   | 7,53,888                    |
| <b>Adjusted income tax expense</b>                                                          | <b>3,03,75,724</b>          | <b>87,43,667</b>            |
| <b>Effective tax rate</b>                                                                   | <b>27.27%</b>               | <b>28.48%</b>               |

### C. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

|                                          | Deferred tax (assets)          |                                | Deferred tax liabilities       |                                | Net deferred tax (assets) liabilities |                                      |                                   |
|------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------------|--------------------------------------|-----------------------------------|
|                                          | Year ended<br>31 March<br>2020 | Year ended<br>31 March<br>2019 | Year ended<br>31 March<br>2020 | Year ended<br>31 March<br>2019 | Year ended<br>31 March<br>2020        | Year<br>ended<br>31<br>March<br>2019 | Year<br>ended<br>31 March<br>2019 |
| Property, plant and equipment            | -                              | -                              | 23,98,249                      | 20,22,525                      | 23,98,249                             |                                      | 20,22,525                         |
| Investments                              | 10,321                         | 10,321                         | -                              | -                              | (10,321)                              |                                      | (10,321)                          |
| Unabsorbed losses                        | 1,73,920                       | 1,73,920                       | -                              | -                              | (1,73,920)                            |                                      | (1,73,920)                        |
| <b>Deferred tax (assets) liabilities</b> | <b>1,84,241</b>                | <b>1,84,241</b>                | <b>23,98,249</b>               | <b>20,22,525</b>               | <b>22,14,008</b>                      |                                      | <b>18,38,284</b>                  |

### Movement in temporary differences

|                               | Balance as at<br>31 March 2019 | Recognised in<br>profit or loss<br>during 2019-<br>20 | Recognised in<br>OCI during<br>2019-20 | Balance as at<br>31 March 2020 |
|-------------------------------|--------------------------------|-------------------------------------------------------|----------------------------------------|--------------------------------|
| Property, plant and equipment | 20,22,525                      | 3,75,724                                              | -                                      | 23,98,249                      |
| Investments                   | (10,321)                       | -                                                     | -                                      | (10,321)                       |
| Unabsorbed losses             | (1,73,920)                     | -                                                     | -                                      | (1,73,920)                     |
|                               | <b>18,38,284</b>               | <b>3,75,724</b>                                       | <b>-</b>                               | <b>22,14,008</b>               |



## 29 Financial instruments - Fair value and risk management

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| 31 March 2020                                           | Amortized costs | Financial assets / liabilities at fair value through profit or loss | Financial assets / liabilities at fair value through OCI | Total carrying value | Total fair value |
|---------------------------------------------------------|-----------------|---------------------------------------------------------------------|----------------------------------------------------------|----------------------|------------------|
| <b>Financial assets not measured at fair value</b>      |                 |                                                                     |                                                          |                      |                  |
| Trade receivables * (Refer to Note 9)                   | 53,16,18,625    |                                                                     |                                                          | 53,16,18,625         | 53,16,18,625.00  |
| Cash and cash equivalents * (Refer to Note 10)          | 7,81,05,581     |                                                                     |                                                          | 7,81,05,581          | 7,81,05,581.00   |
| <b>Financial liabilities not measured at fair value</b> |                 |                                                                     |                                                          |                      |                  |
| Borrowings * (Refer to Note 14)                         | 1,20,28,263     |                                                                     |                                                          | 1,20,28,263          | 1,20,28,263.00   |
| Trade payables * (Refer to Note 15)                     | 3,95,67,905     |                                                                     |                                                          | 3,95,67,905          | 3,95,67,905.00   |
| Other financial liabilities * (Refer to Note 16)        | 20,72,220       |                                                                     |                                                          | 20,72,220            | 20,72,220.00     |

| 31 March 2019                                           | Amortized costs | Financial assets / liabilities at fair value through profit or loss | Financial assets / liabilities at fair value through OCI | Total carrying value | Total fair value |
|---------------------------------------------------------|-----------------|---------------------------------------------------------------------|----------------------------------------------------------|----------------------|------------------|
| <b>Financial assets not measured at fair value</b>      |                 |                                                                     |                                                          |                      |                  |
| Trade receivables * (Refer to Note 9)                   | 54,19,81,787    |                                                                     |                                                          | 54,19,81,787         | 54,19,81,787     |
| Cash and cash equivalents * (Refer to Note 10)          | 7,51,31,408     |                                                                     |                                                          | 7,51,31,408          | 7,51,31,408      |
| <b>Financial liabilities not measured at fair value</b> |                 |                                                                     |                                                          |                      |                  |
| Borrowings * (Refer to Note 14)                         | 70,18,864       |                                                                     |                                                          | 70,18,864            | 70,18,864        |
| Trade payables * (Refer to Note 15)                     | 2,89,31,544     |                                                                     |                                                          | 2,89,31,544          | 2,89,31,544      |
| Other financial liabilities * (Refer to Note 16)        | 25,68,735       |                                                                     |                                                          | 25,68,735            | 25,68,735        |

## B. Financial risk management

"The Company has exposure to the following risks arising from financial instruments:

- a) credit risk (see (B)(ii));
- b) liquidity risk (see (B)(iii)); and
- c) market risk (see (B)(iv))."

### i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company,

### ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, certain loans and advances and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk for trade and other receivables are as follows:

|                                   | Carrying amount        |                        |
|-----------------------------------|------------------------|------------------------|
|                                   | As at<br>31 March 2020 | As at<br>31 March 2019 |
| Trade receivables                 | 53,161,862             | 54,198,178             |
| Cash and cash equivalents         | 781,055                | 7,513,140              |
| Investments in equity instruments | 568,697                | 37,13,627              |
|                                   | <b>66,65,93,928</b>    | <b>62,08,26,822</b>    |

## Trade receivables

"The Company has developed guidelines for the management of credit risk from trade receivables. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer."

Financial instruments - Fair value and risk management

## 30 Financial instruments - Fair value and risk management

### Trade receivables

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

The Company's exposure to credit risk for trade receivables by relationship is as follows:

|                       | As at<br>31 March 2020 | As at<br>31 March 2019 |
|-----------------------|------------------------|------------------------|
| Third party customers | 53,16,18,625           | 54,19,81,787           |
| Related parties       | -                      | -                      |

### Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

### Investments in equity instruments

Investments in equity instruments majorly includes investment in equity shares of Co-operative banks in furtherance of the credit facilities taken by Company from these banks. The credit worthiness of such banks are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

### iii. Liquidity risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has current financial assets of Rs. (March 31, 2019: Rs. 61,70,99,636/-), which the management believes is sufficient to meet all its liabilities maturing during the next 12 months amounting to Rs. (March 31, 2019: Rs. 3,10,53,650/-).

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest.

| As at 31 March 2020         | Carrying amount     | Total | 6 months or less | 6-12 months | 1-2 years | More than 2 years |
|-----------------------------|---------------------|-------|------------------|-------------|-----------|-------------------|
| Borrowings                  | 21,65,348           |       |                  |             |           |                   |
| Trade payables              | 3,95,67,905         |       |                  |             |           |                   |
| Other financial liabilities | 7,87,90,217         |       |                  |             |           |                   |
|                             | <b>12,05,23,470</b> |       | -                | -           | -         | -                 |

| As at 31 March 2019         | Carrying amount    | Total | 6 months or less | 6-12 months | 1-2 years | More than 2 years |
|-----------------------------|--------------------|-------|------------------|-------------|-----------|-------------------|
| Borrowings                  | 19,85,271          |       |                  |             |           |                   |
| Trade payables              | 2,89,31,544        |       |                  |             |           |                   |
| Other financial liabilities | 5,68,28,964        |       |                  |             |           |                   |
|                             | <b>8,77,45,779</b> |       | -                | -           | -         | -                 |

### 30 Financial instruments - Fair value and risk management (continued)

iv. Market risks: Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is not exposed to market risk primarily related to foreign exchange rate risk (currency risk). It however is exposed to interest rate risk. Thus the Company's exposure to market risk is just a function of borrowing activities as it does not have any transactions in foreign currency which leads to currency risk.

### 31. Contingent liabilities and commitments (to the extent not provided for)

| Particulars                                                                                              | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|----------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Commitments</b>                                                                                       |                         |                         |
| Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for | -                       | -                       |
| <b>Contingent liabilities</b>                                                                            |                         |                         |
| <b>Claims against the Company not acknowledged as debts:</b>                                             |                         |                         |
| Disputed demand of income tax for which appeals have been preferred                                      | -                       | -                       |
| Disputed demand of excise                                                                                | -                       | -                       |
| Disputed bonus liability under Payment of Bonus (Amendment) Act, 2015                                    | -                       | -                       |

### 32. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

| Particulars                                                                                                                                                                                                                                              | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year                                                                                                                                                               | -                       | -                       |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year                                                                                                                                                          | -                       | -                       |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day                                                                                                                                    | -                       | -                       |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act                                      | -                       | -                       |
| (v) The amount of interest accrued and remaining unpaid at the end of accounting year                                                                                                                                                                    | -                       | -                       |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 | -                       | -                       |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

There are no Micro and Small Enterprises, to whom the Company owes dues as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 33. Value of imports calculated on CIF basis

| Particulars                              | As at<br>31 March, 2020 | As at<br>31 March, 2019 |
|------------------------------------------|-------------------------|-------------------------|
| Value of imports calculated on CIF basis | Nil                     | Nil                     |

### 34 Quantitative Details :

|    | DESCRIPTION OF STOCK | LAST BALANCE | RECEIVED     | TOTAL        | DELIVERED    | BALANCE     | RATE   | VALUE                 |
|----|----------------------|--------------|--------------|--------------|--------------|-------------|--------|-----------------------|
|    | / STORES & PLACE OF  | (AS ON)      | DURING THE   |              | DURING THE   | (AS ON)     |        | RUPEES                |
|    | STORAGES             | 31.03.2019   | YEAR         |              | YEAR         | 31.03.2020  |        |                       |
| 1  | GH-17/PVA173         | 22,219.24    | 3,98,580.00  | 4,20,799.24  | 4,03,042.10  | 17,757.14   | 227.74 | 40,44,011.06          |
| 2  | VAM                  | 79,189.50    | 30,82,760.00 | 31,61,949.50 | 30,55,453.35 | 1,06,496.15 | 73.45  | 78,22,142.00          |
| 3  | OCTONAL              | 900.26       | 22,950.00    | 23,850.26    | 21,913.20    | 1,937.06    | 106.20 | 2,05,715.98           |
| 4  | S.B.C.               | 788.82       | 7,000.00     | 7,788.82     | 6,892.98     | 895.84      | 30.10  | 26,964.66             |
| 5  | S.L.S.               | 84.09        | 300.00       | 384.09       | 260.97       | 123.12      | 250.16 | 30,800.45             |
| 6  | P.P.S.               | 259.57       | 6,000.00     | 6,259.57     | 5,337.22     | 922.35      | 164.61 | 1,51,828.69           |
| 7  | FORMALDIHIDE         | 2,338.51     | 13,670.00    | 16,008.51    | 12,091.16    | 3,917.35    | 17.82  | 69,807.32             |
| 8  | ETHYLE ACETATE       |              | -            |              |              |             | 77.70  |                       |
| 9  | TARTARIC ACID        |              | -            |              |              |             | 274.20 |                       |
| 10 | D.B.P.               | 1,397.00     | 91,300.00    | 92,697.00    | 87,167.50    | 5,529.50    | 87.62  | 4,84,494.79           |
| 11 | BUTANOL              | 1,994.53     | 18,315.00    | 20,309.53    | 18,332.25    | 1,977.28    | 82.60  | 1,63,323.33           |
| 12 | ETHYLE CELLOSOLVE    | 5,599.10     | 36,075.00    | 41,674.10    | 37,877.30    | 3,796.80    | 119.77 | 4,54,742.74           |
| 13 | BIOTREAT V.10        |              | -            |              |              |             | 80.20  |                       |
| 14 | VINNAPAS EP-606      | 4,180.00     | 1,05,820.00  | 1,10,000.00  | 1,04,280.00  | 5,720.00    | 81.42  | 4,65,722.40           |
| 15 | TOLUENE              | 338.70       | 4,500.00     | 4,838.70     | 4,171.20     | 667.50      | 71.98  | 48,046.65             |
| 16 | HYDROZEN PEROXIDE    |              | -            |              |              |             | 159.48 |                       |
|    |                      |              |              |              |              |             |        |                       |
|    | <b>TOTAL RS.....</b> |              |              |              |              |             |        | <b>1,39,67,600.07</b> |

|   | FINISHED GOODS       |              |             |             |             |              |        |                       |
|---|----------------------|--------------|-------------|-------------|-------------|--------------|--------|-----------------------|
|   | DESCRIPTION OF STOCK | LAST BALANCE | RECEIVED    | TOTAL       | DELIVERED   | BALANCE      | RATE   | VALUE                 |
|   | / STORES & PLACE OF  | (AS ON)      | DURING THE  |             | DURING THE  | (AS ON)      |        | RUPEES                |
|   | STORAGES             | 31.03.2018   | YEAR        |             | YEAR        | 31.03.2019   |        |                       |
| 1 | EURO EXTRA - HC - LC | 2,14,367.58  | 5,80,687.00 | 7,95,054.58 | 5,93,574.00 | 2,01,480.58  | 125.00 | 2,51,85,072.38        |
|   | BRANCH STOCK         |              |             |             |             | 2,86,339.700 | 125.00 | 3,57,92,462.50        |
|   |                      |              |             |             |             |              |        |                       |
|   | <b>TOTAL RS.....</b> |              |             |             |             |              |        | <b>6,09,77,534.88</b> |

| PACKING MATERIALS STOCKS         |              |            |              |              |             |        |                       |
|----------------------------------|--------------|------------|--------------|--------------|-------------|--------|-----------------------|
| DESCRIPTION OF STOCK             | LAST BALANCE | RECEIVED   | TOTAL        | DELIVERED    | BALANCE     | RATE   | VALUE                 |
| / STORES & PLACE OF              | (AS ON)      | DURING THE |              | DURING THE   | (AS ON)     |        | RUPEES                |
| STORAGES                         | 31.03.2018   | YEAR       |              | YEAR         | 31.03.2019  |        |                       |
| PLASTIC DRUMS                    |              |            | -            |              |             |        |                       |
| 220 LTRS                         | -            | 0          | -            | -            | -           | 865.00 | -                     |
|                                  |              |            |              |              |             |        |                       |
| LC / WOOD BLOCK POUCH            |              |            |              |              |             |        |                       |
| 1KG & 500GRM                     | 12,08,354.00 | 3505503    | 47,13,857.00 | 37,51,162.00 | 9,62,695.00 | 2.84   | 27,34,053.80          |
| EURO PLASTIC JARS(PLAIN & PRINT) |              | 0          | -            | -            |             |        |                       |
| 125 GMS                          | 3,544.00     | 15184      | 18,728.00    | 13,466.00    | 5,262.00    | 7.70   | 40,517.40             |
| 250 GMS                          | 5,987.00     | 16151      | 22,138.00    | 13,169.00    | 8,969.00    | 11.50  | 1,03,143.50           |
| 500 GMS                          | 17,300.00    | 82247      | 99,547.00    | 72,957.00    | 26,590.00   | 14.45  | 3,84,225.50           |
| 1 KG                             | 23,763.00    | 216729     | 2,40,492.00  | 2,14,332.00  | 26,160.00   | 14.69  | 3,84,290.40           |
| 2 KG                             | 6,176.00     | 176898     | 1,83,074.00  | 1,58,743.00  | 24,331.00   | 22.30  | 5,42,581.30           |
| 5 KG                             | 19,816.00    | 168206     | 1,88,022.00  | 1,68,955.00  | 19,067.00   | 38.94  | 7,42,468.98           |
| 10 KG                            | 10,310.00    | 104682     | 1,14,992.00  | 96,673.00    | 18,319.00   | 78.59  | 14,39,690.21          |
| 20 KG                            | 8,939.00     | 63929      | 72,868.00    | 61,610.00    | 11,258.00   | 141.00 | 15,87,378.00          |
| 25 KG                            | -            | 0          | -            | -            | -           | 191.36 | -                     |
|                                  |              |            |              |              |             |        |                       |
| CARBOY WHITE                     |              |            |              |              |             |        |                       |
| 50KG.                            | 606.00       | 80119      | 80,725.00    | 79,412.00    | 1,313.00    | 325.20 | 4,26,987.60           |
|                                  |              | 0          | -            | -            |             |        |                       |
| <b>CORRUGATED BOXES</b>          |              | 0          | -            | -            |             |        |                       |
| EURO/LC/LB                       |              | 0          | -            | -            |             |        |                       |
| 125gram                          | 1,517.00     | 1609       | 3,126.00     | 377.00       | 2,749.00    | 15.05  | 41,372.45             |
| 250gram                          | 1,203.00     | 1893       | 3,096.00     | 368.00       | 2,728.00    | 26.75  | 72,974.00             |
| 500gram                          | 7,243.00     | 5442       | 12,685.00    | 3,089.00     | 9,596.00    | 32.62  | 3,13,021.52           |
| 1 KG.                            | 23,367.00    | 10763      | 34,130.00    | 8,835.00     | 25,295.00   | 36.12  | 9,13,655.40           |
| 2 KG.                            | 12,570.00    | 16234      | 28,804.00    | 13,586.00    | 15,218.00   | 33.60  | 5,11,324.80           |
| 5 KG.                            | 10,746.00    | 48027      | 58,773.00    | 43,178.00    | 15,595.00   | 34.72  | 5,41,458.40           |
| 10 KG.                           | 16,532.00    | 48168      | 64,700.00    | 49,367.00    | 15,333.00   | 26.88  | 4,12,151.04           |
|                                  |              | 0          |              | -            |             |        |                       |
| BOX STRAPING ROLL                | 34.00        | 360        | 394.00       | 352.00       | 42.00       | 974.68 | 40,936.56             |
| SELF ADHESIVE BOPP TAPE          | 746.00       | 4633       | 5,379.00     | 5,076.00     | 303.00      | 26.22  | 7,944.66              |
| HOLOGRAM STICKER                 | 79,040.00    | 1928850    | 20,07,890.00 | 18,93,480.00 | 1,14,410.00 | 0.11   | 12,585.10             |
| BARCODE STICKER                  | -            | 0          | -            | -            | -           | 0.02   | -                     |
| <b>TOTAL RS...</b>               |              |            |              |              |             |        | <b>1,12,52,760.62</b> |
|                                  |              |            |              |              |             |        |                       |



| WORK IN PROGRESS (SEMI FINISHED GOODS IN DRUMS) PRODUCTION DEPARTMENT |          |       |                    |
|-----------------------------------------------------------------------|----------|-------|--------------------|
| DESCRIPTION OF GOODS                                                  |          | RATE  | TOTAL              |
|                                                                       |          |       | VALUE              |
| H.C./EURO                                                             | 6,839.90 | 95.00 | 6,49,790.50        |
| <b>TOTAL RS.....</b>                                                  |          |       | <b>6,49,790.50</b> |

| TOTAL VALUE OF CLOSING STOCK AS ON 31.03.2020 |                    |
|-----------------------------------------------|--------------------|
| RAW MATERIALS                                 | 1,39,67,600        |
| FINISHED GOODS                                | 6,09,77,535        |
| PACKING MATERIALS                             | 1,12,52,761        |
| WORK IN PROGRESS                              | 6,49,791           |
| <b>TOTAL RS....</b>                           | <b>8,68,47,687</b> |

NOTE :

ALL THE ABOVE GOODS ARE STORED AT THE FACTORY PREMISES SITUATED AT PLOT NO.873,VILLAGE SANTEJ,TA.KALOL,DIST.MEHSANA

### 35. Operating segment

"An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. The Company's chief operating decision-maker (CODM) is considered to be the Company's Managing Director ('MD'). The Company is engaged in the business of Productions of wood adhesives which are widely used in fast moving consumer market on days. Information reported to and evaluated regularly by the CODM for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of Operating Segment as defined under the Indian Accounting Standard 108 'Segment Information', there is no separate reportable segment.

Further Company sells its products only in India and hence there is no separate reportable segment in this context."

### 36. Related party disclosures

#### Details of related parties

#### Description of relationship

(i) Key Management Personnel (KMP)

(i) Relative of Key Management Personnel (KMP)

Note: Related parties have been identified by the Management.

#### Names of related parties

Jagdish N. Patel - Managing Director

Utkarsh J. Patel - Director

Jyotika Jagdish Patel - Director

Priyanka U Patel - Employee

**Details of related party transactions during the year ended 31 March, 2020 and balances outstanding as at 31 March, 2020:**

| Particulars                    | KMP                               |                                   | Relative of KMP                   |                                   | Total                             |                                   |
|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                                | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
| Director Remuneration          | 1,59,00,000                       | 1,26,00,000                       | -                                 | -                                 | 1,59,00,000                       | 1,26,00,000                       |
| Salary and Allowances          | -                                 | -                                 | 18,00,000                         | 18,00,000                         | 18,00,000                         | 18,00,000                         |
| Loan taken                     | 1,00,00,000                       | -                                 | -                                 | -                                 | 10000000.00                       | 0.00                              |
| Repayment of loans             | -                                 | -                                 | -                                 | -                                 | 0.00                              | 0.00                              |
| Closing balance as at year end | 1,00,00,000                       | -                                 | -                                 | -                                 | 10000000.00                       | 0.00                              |

**Notes:**

- (i) There are no amounts due to or due from related parties which have been written off / written back during the year.
- (ii) Figures in brackets relate to the previous year
- (iii) Remuneration does not include Gratuity and Leave encashment which is computed for the Company as a whole.

As per our report of even date attached

For Suresh R Shah & Associates  
Chartered Accountants  
ICAI Firm Registration Number : 110691W

for and on behalf of the Board of Directors of  
**JYOTI RESINS & ADHESIVES LIMITED**  
CIN : L24229GJ1993PLC020879

**Mrugen Shah**  
Partner  
Membership no: 117412  
UDIN : 20117412AAAADY8198  
Place: Ahmedabad  
Date: 27-07-2020

**JAGDISH N PATEL**  
Managing Director  
DIN: 00304924  
Place: Ahmedabad  
Date: 27-07-2020

**UTKARSH J PATEL**  
DIRECTOR  
DIN: 02874427

## JYOTI RESINS AND ADHESIVES LIMITED

CIN No. L24229GJ1993PLC020879

REGISTERED OFFICE : Survey No. 873, Opp. Anand Healthcare, Ranchhodpura Road, Santej, Tal. Kalol, Dist. Gandhinagar - 382721.

### PROXY FORM

DP.ID\* \_\_\_\_\_ CLIENT

ID\* \_\_\_\_\_ FOLIONO. \_\_\_\_\_

I/WE \_\_\_\_\_

OF \_\_\_\_\_

BEING A MEMBER/MEMBERS OF THE ABOVE-NAMED COMPANY HEREBY APPOINT MR/MRS  
\_\_\_\_\_ OF \_\_\_\_\_

OR FAILING HIM/HER  
MR/MRS \_\_\_\_\_ OF \_\_\_\_\_

\_\_\_\_\_ AS MY/OUR PROXY TO ATTEND AND VOTE FOR ME/US

AND ON MY/OUR BEHALF AT THE 27<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE  
HELD ON 30TH SEPTEMBER, 2020 AND AT ANY ADJOURNMENT THEREOF.

SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.

NO.OF SHARES HELD \_\_\_\_\_

SIGNATURE(S) \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

-----  
AFFIX RS.1  
REVENUE STAMP  
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NOTE: THIS PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL. KALOL, DIST. GANDHINAGAR - 382721. NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

\* APPLICABLE FOR INVESTORS HOLDING SHARES IN ELECTRONIC FORM.

**JYOTI RESINS AND ADHESIVES LIMITED**

CIN No. L24229GJ1993PLC020879

REGISTERED OFFICE : SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL. KALOL,  
DIST. GANDHINAGAR - 382721

**ATTENDANCE SLIP**

TWENTY SEVENTH ANNUAL GENERAL MEETING - 30TH SEPTEMBER, 2020

DP. ID\* \_\_\_\_\_ CLIENT ID\* \_\_\_\_\_ FOLIO NO. \_\_\_\_\_

NO.OF SHARES HELD \_\_\_\_\_

I CERTIFY THAT I AM A REGISTERED SHAREHOLDER / PROXY FOR THE REGISTERED HOLDERS OF THE COMPANY.

I HEREBY RECORD MY PRESENCE AT THE 27TH ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON  
WEDNESDAY, 30TH SEPTEMBER, 2020 AT 11.30 A.M. AT SURVEY NO. 873, OPP. ANAND HEALTHCARE,  
RANCHHODPURA ROAD, SANTEJ, TAL. KALOL, DIST. GANDHINAGAR – 382721

\_\_\_\_\_  
MEMBER'S/PROXY'S NAME IN BLOCK LETTERS

\_\_\_\_\_  
MEMBER'S/PROXY'S SIGNATURE

- NOTE: 1 .PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE VENUE OF  
THE MEETING.  
2. PLEASE BRING YOUR COPY OF BALANCE SHEET AT THE TIME OF ANNUAL GENERAL MEETING.

\* APPLICABLE FOR INVESTORS HOLDING SHARES IN ELECTRONIC FORM.



**BOOK - POST**

If Undelivered please return to :

**JYOTI RESINS AND ADHESIVES LIMITED**

SURVEY NO. 873, OPP. ANAND HEALTHCARE,  
RANCHHODPURA ROAD, SANTEJ, TAL. KALOL,  
DIST. GANDHINAGAR - 382721