

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

30th August, 2023

To,
The Manager,
BSE Limited,
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Script Code: 514448

Dear Sir,

Subject: NOTICE OF 30th ANNUAL GENERAL MEETING, E-VOTING AND BOOK CLOSURE

In compliance with the provisions of the Companies Act 2013 & rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Circulars issued by Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”), we wish to inform that 30th Annual General Meeting (‘AGM’) of the Members of Jyoti Resins and Adhesives Limited (the ‘Company’) will be held on **Friday, 22nd September, 2023 at 10:30 a.m. (IST) through Video Conference (‘VC’) / Other Audio Visual Means (‘OAVM’) only**, to transact the business as set out in the Notice of AGM dated 27th July, 2023.

In reference to above, we are submitting herewith the Annual Report for the F.Y. 2022-23 along with the Notice of 30th AGM, which is being sent to the Members only through electronic mode. The same is also available on Company's website at www.euro7000.com

Further to inform that the Company has fixed Friday, 15th September, 2023 as the “Cut-off date” for the purpose of remote e-voting, for ascertaining the eligibility of the Shareholders to cast their votes electronically in respect of the businesses to be transacted at the AGM.

The remote e-Voting facility would be available during the following period:

Commencement of remote e-Voting	Monday, 18 th September, 2023 at 09:00 a.m.
Conclusion of remote e-Voting	Thursday, 21 st September, 2023 at 05:00 p.m.



**JYOTI RESINS &
ADHESIVES LTD.**

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The Company has fixed Friday, 15th September, 2023 as “Record date” to determine the entitlement of the shareholders to receive dividend for the Financial Year 2022-23, if approved by the Members at the AGM, subject to deduction of tax at source (‘TDS’), the details of which is provided in the Notice of the AGM.

For, Jyoti Resins and Adhesives Limited

Utkarsh Patel
Managing Director
DIN: 02874427



Jyoti Resins and Adhesive Limited
30th Annual Report 2022-23

EXPANDING FOOTPRINT

CUSTOMER-CENTRIC | INNOVATIVE | SUSTAINABLE



For more information,
please, visit our website

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Key highlights

Revenue
₹ **26,125 lakhs** **43.6%** **38%**
YoY growth of revenue 5-years CAGR of revenue

EBITDA
₹ **6,603 lakhs** **155.1%** **103%**
YoY growth of EBITDA 5-years CAGR of EBITDA

PAT
₹ **4,646 lakhs** **135%** **113%**
YoY growth of PAT 5-years CAGR of PAT

Return on net worth **Return on capital employed**
43.82% **57.82%**

EPS
₹ **38.70**

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

As we expand our market footprint, our commitment to being customer-centric, innovative, and sustainable remains at the core of everything we do. With a focus on delivering stellar results, we have witnessed significant growth in our market presence, backed by our robust operational efficiencies and strong liquidity.

As we navigate the dynamic business landscape, we remain steadfast in our pursuit of margin growth. Our continuous efforts to optimize processes and streamline operations have yielded remarkable results, enabling us to deliver value to our stakeholders and achieve sustainable profitability.

Embracing sustainability, we strive to create innovative adhesive solutions that not only meet the evolving needs of our customers but also contribute to a greener and more sustainable future. With our customer-centric approach, innovative mindset, and focus on sustainability, we are set to redefine industry standards and leave a positive impact for all our stakeholders.



About Us

Jyoti Resins & Adhesives is one of the leading manufacturers of synthetic resin adhesives in India, engaged in manufacturing various types of wood adhesives.



2nd

Largest wood adhesive brand in India



2000 TPM

Manufacturing capacity

2x

Capacity growth in last 2-3 years

Established in 2006, Jyoti Resins & Adhesives (hereinafter referred as 'JRA') launched the wood adhesive under the brand 'Euro 7000'. With a single manufacturing unit in Santej, Gandhinagar, we continue to serve customers across 13 states in the country today.

Our adhesive manufacturing units are equipped with state-of-the-art machinery, ensuring the production of superior quality adhesives. We adhere to stringent quality standards and conduct rigorous testing at every stage of the manufacturing process. Our advanced machinery not only guarantees quality but also contributes to operational efficiency, enabling us to meet growing demands while maintaining cost-effectiveness.

Values that drives us



Trust



Performance



Learning



Speed and agility



Team work



EURO 7000 has established itself as the second largest wood adhesive (white glue) brand in India in the retail segment.

With its unparalleled quality and performance, EURO 7000 has gained a strong reputation among consumers, contractors, and woodworking professionals (carpenters) alike. Its exceptional bonding properties, versatility, and durability make it the 'adhesive of choice' for a wide range of wood-based applications.

#2

Largest wood adhesive brand in India (retail segment)



Read more about our brand and products on page 18 of the Annual Report

Operational and Market Presence



Operational presence

1

Manufacturing unit at Santej, Gujarat

2000 TPM

Capacity



Market presence

13

States in India

28

Branches

50

Distributors

10,000

Active Retailers

3 Lakhs

Carpenters catered

300

Salesforce

10000

Retailers

12

States

28

Branches

50

Distributors

300

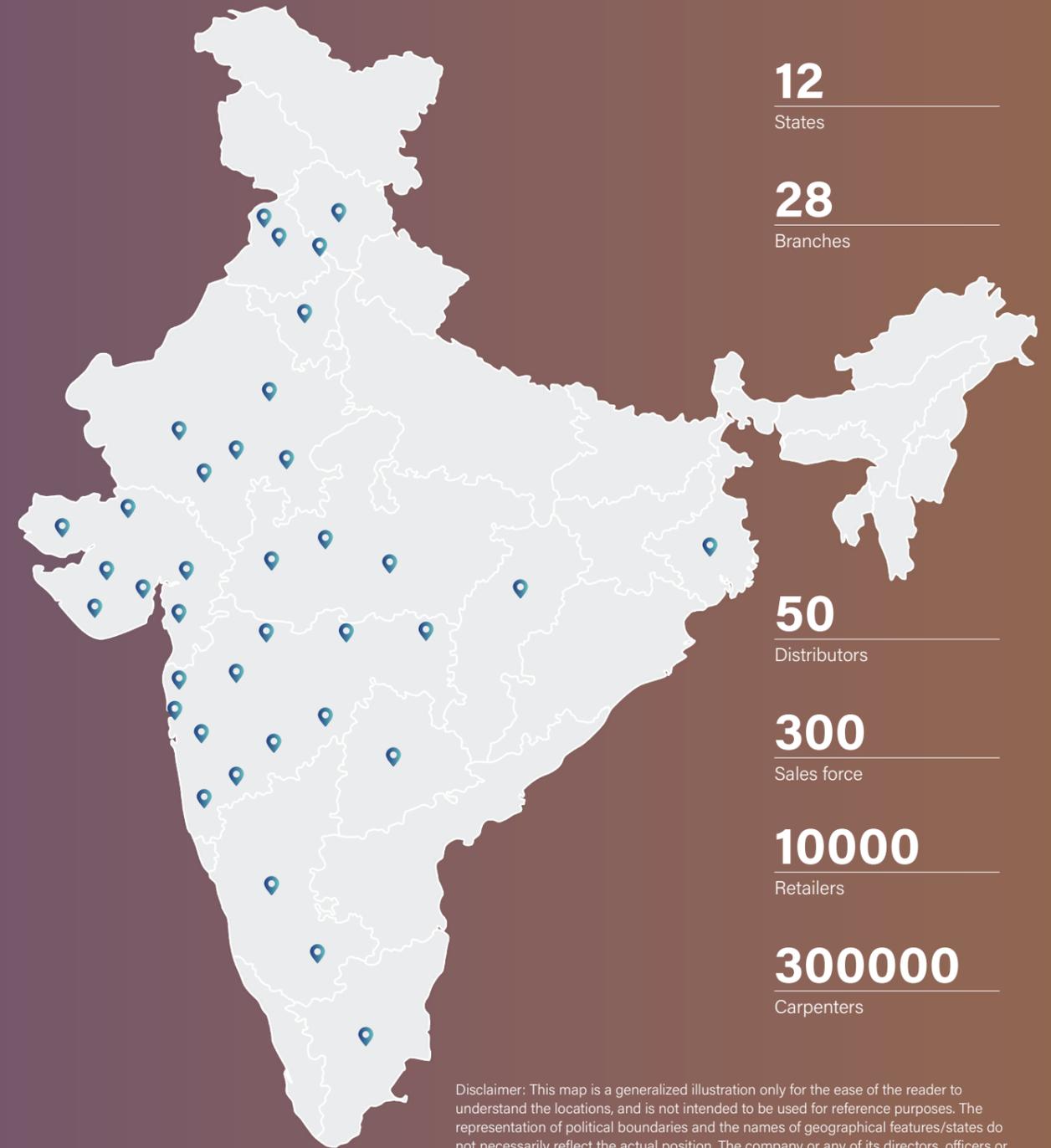
Sales force

10000

Retailers

300000

Carpenters



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The company or any of its directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The company does not warrant or represent any kind in connection to its accuracy or completeness.

Our Journey

1994
Established by Chairman and first generation entrepreneur Mr. Jagdish Patel

1994-95
• Initial Public Offering
• Manufacturing setup at Santej, Ahmedabad over 8000 square yard

2005
Mr Utkarsh Patel, ED joins the business after completing Chemical Engineering; and Masters in Marketing and International Business Management

2006
Euro 7000 brand launched, a premium white glue adhesive for retail segment

2007
Expanded capacity and market presence outside Gujarat

2022
• Doubles the production capacity to 2000 TPM.
• Initiates process to setup warehouse for storage of raw materials and finished goods

2018-19
• Company expands market presence to 12 states
• Manufacturing capacity expanded to 1000 TPM

2016-17
Expands production capacity to 500 TPM

2012
Expands presence in Maharashtra and other key markets

2010
Expands presence into the state of Rajasthan

Chairman's Message



Dear Shareholders,

As we take this opportunity to share our thoughts, we extend our heartfelt gratitude for your trust and support. It has not only propelled our growth journey but, has also contributed to our continued success.

Despite the prevailing macroeconomic backdrop, we are witnessing green shoots of recovery with the easing of inflationary pressures and supply chain constraints. It continues to bolster our confidence to improve profitability, generate robust cash flows and create shared value for our stakeholders.

With the government's emphasis on encouraging indigenous manufacturing within the country and a favourable policy environment for business growth, we stand at an opportune moment to capitalise on the overall economic growth. Taking advantage of lower freight charges and softening of raw material prices, we have successfully sustained margins in a



Our financial performance during FY 2023 has been nothing short of exceptional. We achieved the highest-ever net sales of ₹ 261.2 crores in the fiscal year, reflecting an impressive growth rate of 43.6% compared to the previous year.



competitive environment. Besides, the emergence of more substrates, apart from laminates, and increasing need for features such as anti-termite, water proof, quick drying, heat resistance, fungal resistance and hot and cold press, presents new opportunities for us to evolve our offerings and meet diverse customer requirements.

Stellar financial performance

Our financial performance during FY 2023 has been nothing short of exceptional. We achieved the highest-ever net sales of ₹ 261.2 crores in the fiscal year, reflecting an impressive growth rate of 43.6% compared to the previous year. This remarkable revenue growth is mirrored in our EBITDA, PBT

and PAT which have grown at 155%, 132% and 135% respectively. We also achieved best ever EBITDA Margin of 23.21% versus 13.06% in FY22 and our best ever PAT Margin of 17.78%. This further enabled us to declare a dividend of ₹ 6 per share which is 60% of Face Value of ₹ 10 each and equivalent to 15% Dividend Payout.

Efficient management of working capital has led to a reduction in debtor days (to 109 days from 190/117 days in FY20/21) which has further enhanced our operational efficiency. Additionally, we have made significant strides to reduce our financial liabilities as well to 32% of revenue from 96%/42% of revenue in FY21/22 respectively. During FY2022-23 on a reconciliation basis we generated Operating Cash Flow of ₹ 37.7 Crores during the year while Cash and Cash Equivalents + Fixed Deposit + Bank Balance collectively stood at ₹ 58.5 Crores at the end of the year.

Enhanced operational efficiency

Leveraging the strength of our manufacturing facility and our emphasis on cost-efficient methods, we have increased our production capacity to 2000 TPM, in line with the growing demand for our products. To ensure supply chain efficiency, we are also setting up a well-equipped warehouse for the storage of raw materials and finished goods. Besides, to streamline our internal operations, sales, purchase, distributor and consignee agent ordering, billing, inventory, and receivables, we are utilising a customised ERP software to digitise our processes.

Expanding reach

Our strategic vision for the future revolves around expanding our presence and market share. To enhance our reach and cater to the diverse needs of customers, we have adopted a two-pronged strategy. We have strategically placed distributors in small cities and consignee agents/ own branches in large cities thereby removing any hurdles for growth in large markets. It has enabled us to increase penetration in existing states through branch expansions and growth of the distribution network. Simultaneously, we continue to explore opportunities for foraying into new states. We are further evaluating foray into 2 or 3 more states in the coming year to increase our presence and tap into the available opportunity.

Customer-driven initiatives

Quality and excellence remain at the core of our operations. It drives us to promptly address issues and increase engagement with customers. We have embraced digital marketing campaigns and branding initiatives to benefit carpenters. Additionally, the carpenter loyalty programme has proved to be extremely successful, allowing us to build long-term partnerships with our valued patrons. Today we are proud to say that more than 3 lac carpenters have placed their trust on us and continue to be a part of our loyalty programme. These efforts are also expected to create greater brand value and strengthen our position in the market. Moreover, our dealer reward system plays a pivotal role

in incentivising distribution partners, fostering stronger networks, and ensuring customer loyalty.

Driven by an empowered team

The success achieved thus far would not have been possible without the relentless dedication of our team. Their deep understanding of our operations has enabled us to use appropriate raw materials for delivering superior quality products. It is their efforts that have allowed us to forge stronger relationships with vendors. Our team's proactive approach to meet end-user preferences has also enabled us to develop multiple products for different customers.

Acknowledgement

I remain deeply grateful to each one of our stakeholders for being an integral part of our journey. Together, we have overcome challenges, embraced opportunities, and achieved remarkable milestones.

As we look ahead with enthusiasm and determination, our vision is to strengthen our market position, remain debt-free, and continuously we improve corporate governance standards. We are committed to becoming a ₹ 1000 Crores brand by the next decade and aim for new benchmarks in the industry.

Best wishes
Jagdish N. Patel,
Chairman

Managing Director's Message



Dear Shareholders,

As we begin another financial year, it gives me immense pleasure to reflect upon our performance over the past year. Our emphasis on excellence, customer-centricity and innovation have always lend us a competitive edge over others. It has also empowered us to navigate challenges successfully and confidently move ahead.

Over the course of the past year, we have experienced a difficult macroeconomic environment. But, our ability to move past disruptions has enabled us to emerge stronger and become more resilient. Our strategic efforts have not only enabled us to retain our leadership position in the market but, has empowered us to consistently enhance shareholder returns. In the last fiscal year, we offered dividend of 15.5% and an impressive dividend payout per share of nearly 60% of face value.

A key aspect that sets us apart is our unwavering focus on financial stability. We have not only generated impressive net profits of ₹46.4 crores but have also



At Jyoti Resins, we always strive to remain attuned with evolving market demands. Accordingly, we are enhancing our manufacturing capabilities, expanding our branch network and creating an extensive dealer footprint across the country to efficiently meet customer requirements.

maintained a debt-free status. Our efficient working capital management and the ability to maintain a healthy cash flow has further strengthened our financial position.

Deepening our reach

At Jyoti Resins, we always strive to remain attuned with evolving market demands. Accordingly, we



are enhancing our manufacturing capabilities, expanding our branch network and creating an extensive dealer footprint across the country to efficiently meet customer requirements. At present, we have 28 branches across the country and an extensive product portfolio, with 75% to 80% of our revenue being generated from states like Gujarat, Rajasthan, Madhya Pradesh, Maharashtra, and Karnataka.

Financial performance

We have reported a healthy financial performance in FY2022-23 with a gross margin of 47.50% and an EBITDA Margin of 23.21%. The astounding numbers reflect our ability to capitalise on growth opportunities and ensure cost efficiency across our operations. Besides, a sharp drop in raw material prices have also allowed us to improve our profit margins. Our focus on strategic expansion and operational efficiency has resulted in a robust volume growth of 27.5%, which has increased our revenues to an impressive ₹ 261.2 Crores. Looking ahead, we are committed to sustaining the growth momentum and have set an ambitious target of achieving a 20%-25% revenue compounded annual growth rate (CAGR) over the next three years. We expect our earnings (profit) growth to outpace our revenue growth.

Embracing digitalisation

With rapid changes in the business environment, we understand the importance of digitalisation in revolutionising business processes and enhancing customer experiences. We have embarked on an exciting journey of digital transformation, leveraging cutting-edge technologies to streamline operations and offer seamless digital solutions to our valued customers. Our Carpenter Reward App is just one example of our commitment to digital innovation, providing carpenters easy access to rewards and enabling us to maintain seamless channels of communication with our business partners. Going forward, we are dedicated to empower our workforce with digital tools, and leverage data-driven insights to take informed decisions and unlock new opportunities.

Ensuring delivery of specialised products

At Jyoti Resins, we offer a comprehensive range of products that cater to various substrates and home improvement needs. From anti-termite solutions, waterproof coatings to heat and fume resistant products and adhesives for cold and hot glass applications, we produce different types of adhesives for varied requirements. We also manufacture specialised adhesives for PVC and acrylics and strive to provide comprehensive solutions that meet our customers' unique requirements.

Our product, Euro 7000 has experienced extraordinary growth and has now emerged as the second-largest selling wood adhesive brand in India's retail segment. The market is constantly evolving and we remain committed to staying ahead of the curve with an array of innovative products.

Building stronger bonds

Our marketing strategy remains laser-focused on capturing the attention of key influencers in our industry - the carpenters. Recognising their crucial role in our growth, we prioritise their needs and requirements through targeted marketing, branding, and rewards programmes. It has enabled us to successfully engage over 3 lakhs carpenters and earn their trust and loyalty for our brand. Additionally, our dealer reward programme and engaging promotional events have led to the recognition of dealer performances and they have been duly rewarded for their partnership with us. By nurturing strong relationships with our dealers, we foster mutually

beneficial bonds that play an integral role in our growth and development.

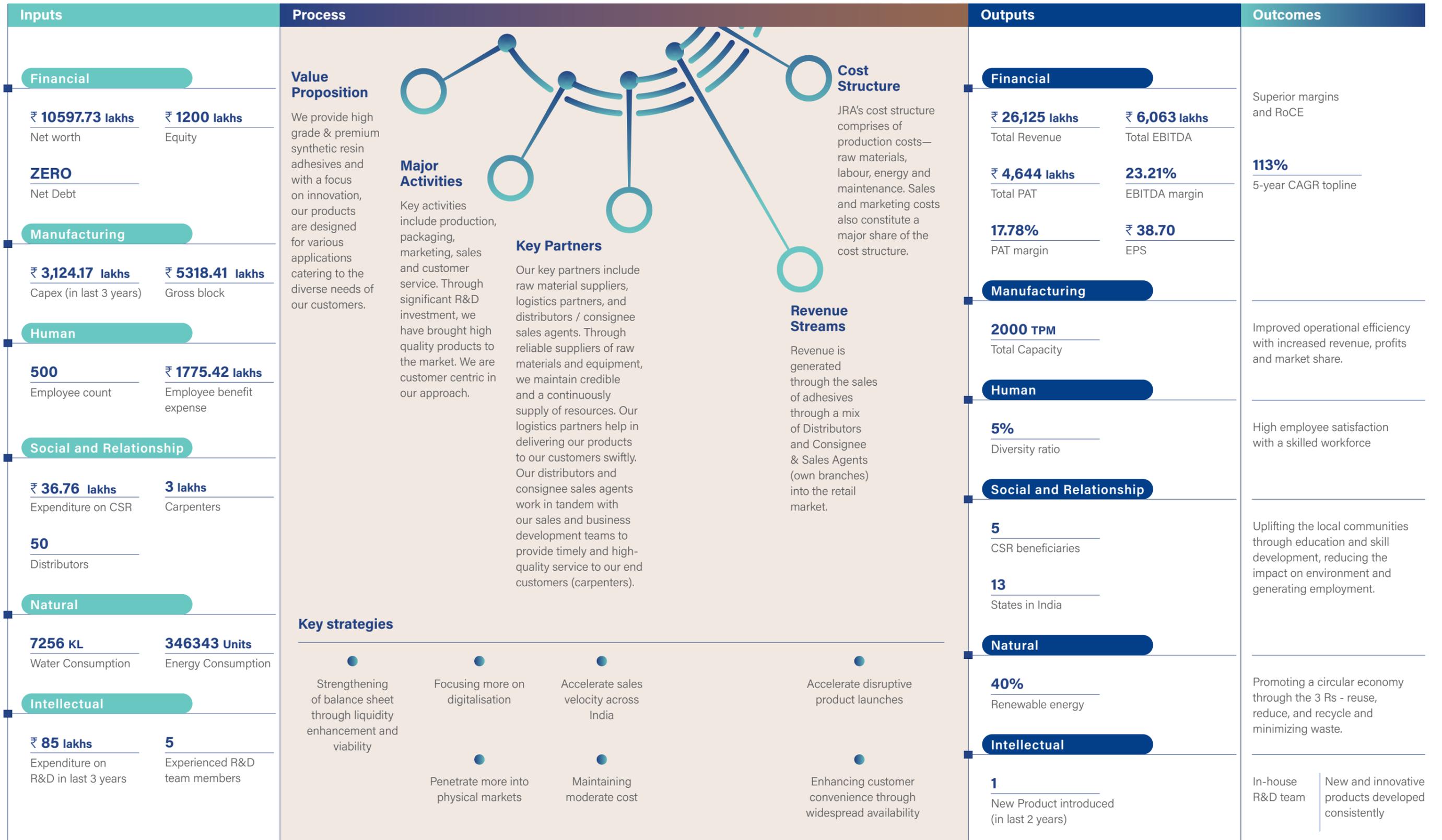
Sustainability

We firmly believe in the responsibility we bear towards the environment and the communities we serve. Our commitment to sustainability is evident in our efforts to reduce our carbon footprint, optimise resource utilisation, and promote eco-friendly practices throughout our value chain. We actively invest in research and development to develop innovative, environment-friendly products that align with our vision of a greener future. Additionally, we prioritise ethical sourcing, engage in responsible waste management, and strive for continuous improvement in our environmental performance.

In conclusion, I extend my heartfelt gratitude to every member of the Jyoti Resins family, from our dedicated employees to our loyal customers and esteemed business partners. Your unwavering support and trust in our brand have been instrumental in guiding our journey. As we reflect on our achievements and set our sights on the future, I am confident that the values of integrity, innovation, and sustainability will continue to guide us on our journey to greatness. Together, let us embrace change with enthusiasm, overcome challenges with resilience, and celebrate success with humility.

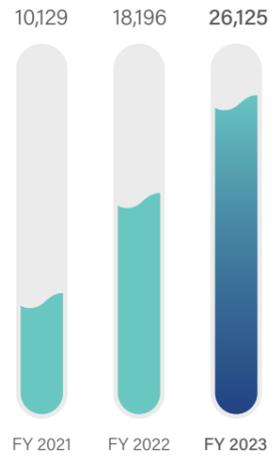
Warm regards,
Utkarsh J. Patel
Managing Director

Our Value Creation Model

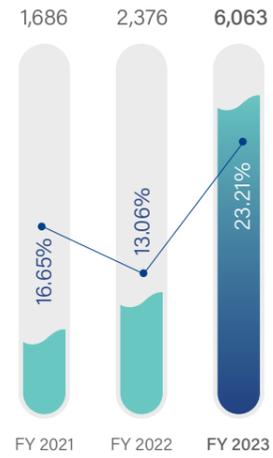


Financial Highlights

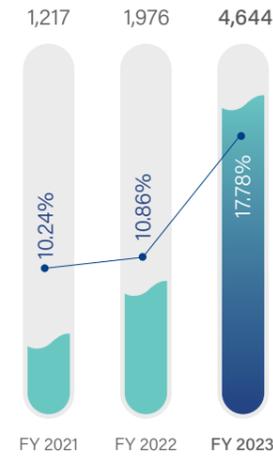
Revenue (₹ lacs)



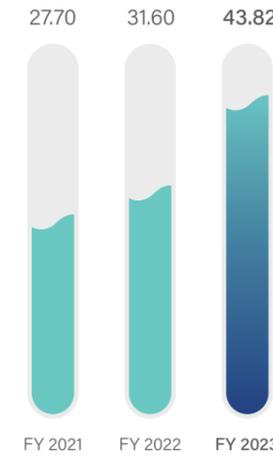
EBITDA (₹ lacs)
EBITDA Margin (%)



Profit after Tax (₹ lacs)
PAT Margin (%)



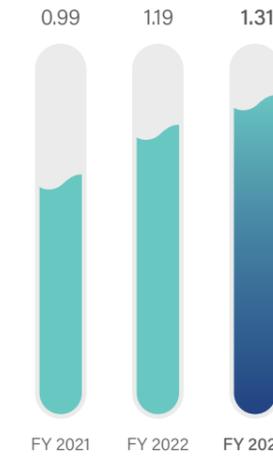
Return on Net Worth (Incl Revaluation Reserve) (%)



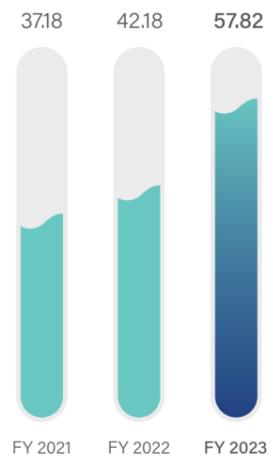
Earnings Per Share (Rs.)



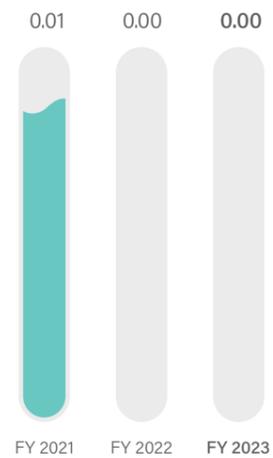
Current Ratio (Rs.)



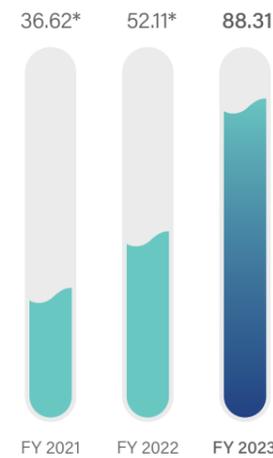
ROCE (%)



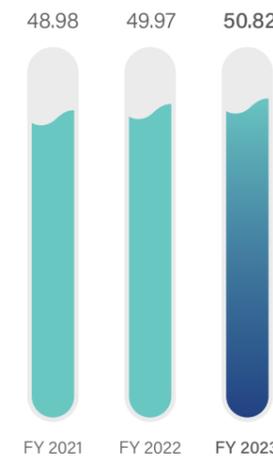
Debt-equity Ratio



BVPS (Including Revaluation Reserve)



Promoter Holding (%)



Reserve and Surplus (₹ lacs)



*Diluted book value per share after considering bonus share issue of 80,00,000 shares in September 2022

Our Competitive Strengths

In today's dynamic and competitive marketplace, our unique competitive attributes have propelled us to the second position in an industry dominated by one large player and other smaller players. These competitive strengths serve as pillars of distinction, guiding us towards sustained growth.



Manufacturing Excellence

Our cost-effective manufacturing strategy, along with a streamlined approach, enhance our competitive advantages. With just 15-16% of revenues allocated to manpower costs and keeping selling and distribution expenses between 12-14%, we ensure efficient operations while maintaining profitability and competitiveness in the market. Furthermore, achieving a high asset turnover of 8x signifies our effective utilization of resources.



Growing market presence

Our strong market presence across key states and extensive network has contributed significantly to our competitive advantage. We have a broad reach, operating in 13 states, with 50 distributors in smaller cities and 28 branches in major metropolitan areas. This enables us to efficiently distribute our products and reach a wide customer base. We serve around 10,000 active retailers and collaborate with over 300 sales and business development executives. Additionally, we have established robust relationships with approximately 300,000 registered carpenters, tapping into a vast network of skilled professionals in the industry. We are aiming to increase our width / reach and penetration in these 13 states with an eye towards our targeted 20-25% CAGR over the next 3-5 years. We will continue evaluating new states as we go along over the next 3-5 years as well.



Wide Product Portfolio

Our product portfolio is diverse, catering to different substrates and customer requirements. We provide a wide range of features including anti-termite properties, water resistance, fast drying, extensive coverage, fungal resistance, heat resistance, weatherproofing, high fixing strength, and suitability for both cold and hot press applications. This diversified range of adhesives enables us to meet specific customer needs and enhance our market presence.



Dynamic marketing

Our marketing initiatives feature a highly rewarding carpenter loyalty program, setting industry standards. With state-wise programs and attractive incentives, we prioritize the loyalty and product usage of carpenters. Through our dedicated app, registered carpenters can effortlessly claim and redeem points based on their usage levels, thanks to our well-structured slab systems. This program has garnered significant participation, with carpenters benefiting from the initiative. By strengthening relationships, fostering brand loyalty, and building a robust support network, these initiatives enhance our market position.



Expanded capacity

In response to increasing demand and to bolster our market share, we have successfully scaled up our production capacity to 2000 tons per month (TPM) (24,000 tonnes per annum). Additionally, we are actively establishing a warehouse facility to optimize storage for raw materials and finished goods, enabling smooth operations and effective supply chain management. These strategic measures will ensure our ability to meet market needs over the next 3 years efficiently.



Singular Focus

Our core business strength revolves around maintaining a singular focus on our white glue business. To further strengthen our position in the market, we are committed to investing in enhancing our capabilities as well as offerings, and expanding our reach in existing as well as new states. By doing so, we aim to develop innovative products that effectively address the unmet needs of our valued customers. This strategic approach allows us to continually improve and expand our offerings, ensuring customer satisfaction and driving business growth.



Building Strong Supplier Relationships

We prioritize establishing strong relationships with our vendors to optimize our material procurement processes. Our focus lies in sourcing materials efficiently while maintaining quality standards, being profitable and competitive in the market. Additionally, we aim to be efficient in our sourcing, ensuring cost efficiencies and maximize the value of our purchases.



Robust financials

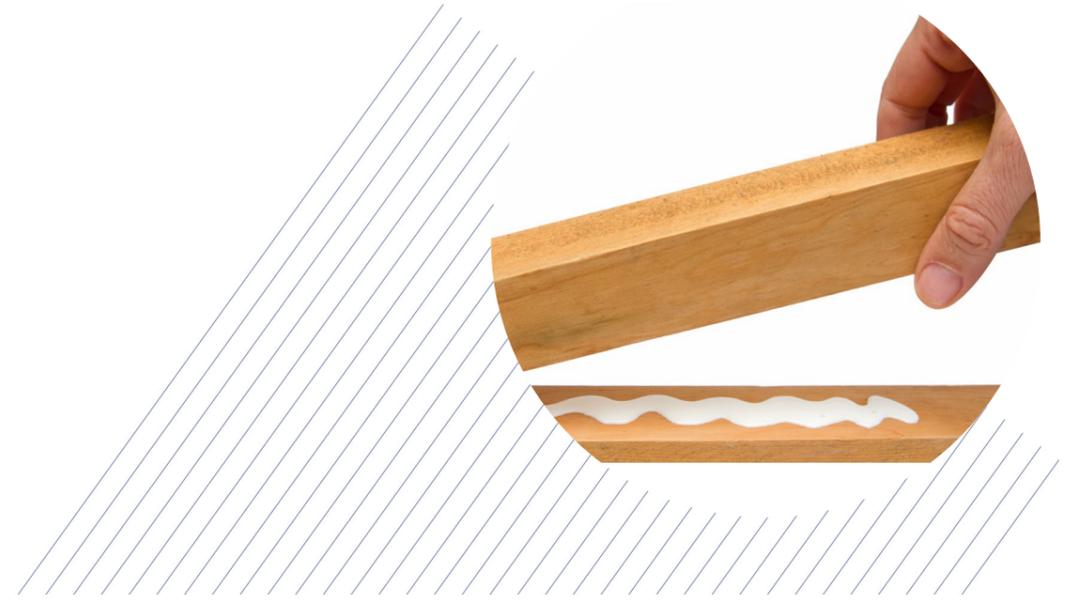
We are committed to maintaining a strong growth trajectory and achieving continuous expansion and success. With a focus on financial stability and flexibility, we have maintained a debt-free status and generated robust operating cash flows.

Diversifying our Product Portfolio

Innovating today. Resilient tomorrow.

At our company, we take pride in our diversified product portfolio, carefully crafted to meet the diverse needs of our valued customers. From high-performance industrial adhesives for heavy-duty applications to specialized adhesives for specific materials and surfaces, we offer a comprehensive range of solutions.

Our commitment to innovation and customer-centricity drives us to continuously expand and enhance our product offerings, ensuring that we stay at the forefront of adhesive technology and provide tailored solutions for every requirement. With our diversified product portfolio, we empower our customers to achieve superior bonding performance and efficiency in their respective industries.



EURO XTRA - Anti-termite



EURO WP 2 in 1 -
Waterproof + Anti-termite



EURO XTREME 3 - Fast drying (2 Hours)



EURO ULTRA 5 in 1 - With advance technology



EURO XTREME 3 HI STRONG -
Fast drying (2 Hours)



EURO ULTRA 2 in 1 -
Anti-termite + Waterproof



EURO PVC GLUE - For PVC/Acrylic sheet



EURO EWR - For cold & hot press

New Product Launch



Extreme 3 Hi-Strong

Three benefits in one

- Fast Drying Adhesive with 2-3 hours handling strength
- Waterproof adhesive
- Anti-termite formula

Euro EWR

Cold press expert

- Suitable for cold press
- Economy grade with extra strength
- Use for furniture industry
- Packing: 50 kgs drum



EWR D2+

Hot press expert

- Suitable for Hot and Cold Press
- D2+ Formula
- Fast Drying
- Powerful strength
- Packing: 50 kgs drum pack



Applications of our products



Expanding Our Reach

Empowering customers. Reaching farther

Digital Advertising campaigns

Our digital advertising campaigns have played a pivotal role in driving brand awareness and customer engagement. Through our targeted and creative advertising campaigns, we strategically positioning our products in the market and consistently reinforcing our brand message, strengthening our brand presence.

#SachiMein

EURO 7000 Ultra 5in1



https://www.youtube.com/watch?v=TPiF7fg_HYI

EURO 7000 WP 2in1 -



<https://www.youtube.com/watch?v=9EUSAHwglYU>

EURO 7000 Extreme 3



https://www.youtube.com/watch?v=8dkR_6gHOHw

Navratri Mein EURO 7000 Ka Pakka Jod



<https://www.youtube.com/watch?v=K1U2HTWX0s>

Promotion via Digital Media



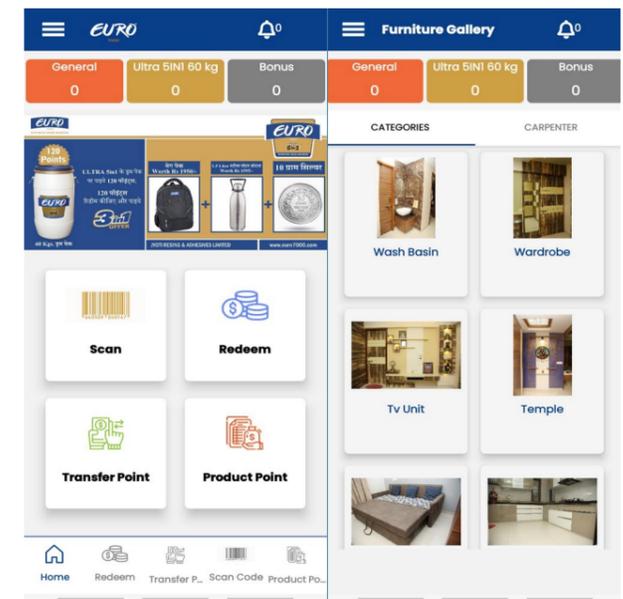
Dealer & Carpenter Events

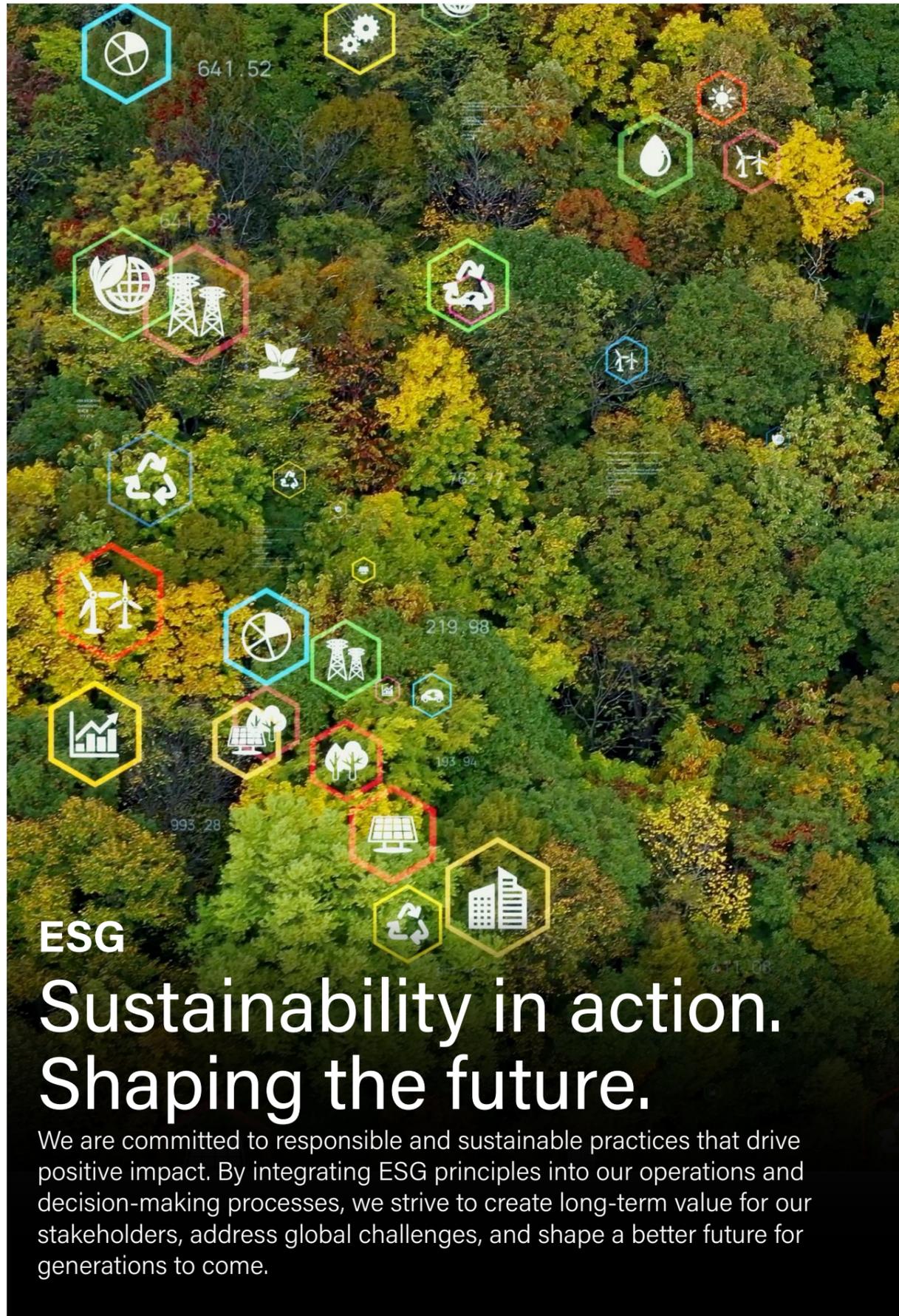


In-Shop Branding



Euro 7000 Digital App





ESG Sustainability in action. Shaping the future.

We are committed to responsible and sustainable practices that drive positive impact. By integrating ESG principles into our operations and decision-making processes, we strive to create long-term value for our stakeholders, address global challenges, and shape a better future for generations to come.



Environment

Our commitment to sustainability aligns with the principles outlined by the United Nations, encompassing responsible manufacturing practices that promote environmental sustainability.

We have taken proactive measures by investing in strategic sustainable initiatives, implementing stringent controls to monitor process deviations. We have also provided comprehensive training to all employees and maintains constant monitoring of its sustainability performance.

Saving resources, ensuring a healthy world

We are dedicated to producing durable products that promote sustainable resource usage over the long term. Our focus is on minimising the consumption of finite resources and safeguarding the environmental equilibrium of the region. While manufacturing wood-based products like white glue, we are aware that effluents generated during the process can pose risks to the ecosystem if untreated. To address this, we prioritise the implementation of advanced technologies in our manufacturing processes to minimise effluent generation. Additionally, we adhere to strict waste disposal practices to ensure responsible and proper management of the waste produced.



Social

Corporate Social Responsibility is integral to JRA's business model. We play our part in upholding human rights, ensuring fair labour practices, and combating corruption. We have been involved in social welfare initiative for 3 years and believe in making an impact to create a just, equitable, humane and sustainable society. Our CSR initiatives are focused on education, healthcare, animal welfare and environmental sustainability.

CSR Initiatives

In line with our commitment to community support, we actively engage in integrated development initiatives in the regions where our manufacturing plants are located. Our primary focus is on enhancing community welfare, fostering confidence, and cultivating stronger relationships. We prioritize women empowerment activities by offering education and training courses to enable self-employment opportunities. Additionally, we conduct training programs for marginalized youth, providing them with income generation prospects. We also contribute funding for computer training courses, job placements, and vocational training for individuals with disabilities. Through these efforts, we aim to empower various segments of the community and promote inclusive growth.



Governance

We strongly believe in embracing the highest standards of corporate governance and the principles of corporate governance are deeply ingrained in the ethos of Jyoti Resins & Adhesives Limited (JRAL), serving as the foundation of our core values.

Vigil Mechanism

We actively encourage ethical conduct in all aspects of our business operations and have established a system where employees are encouraged to report any instances of illegal or unethical behaviour, potential fraud, or violations of the Company's Codes of Conduct or Corporate Governance Policies. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices.

Code of Conduct

The Code of Conduct serves as a guiding framework for the Board of Directors and Senior Management of our organization. Its purpose is to elevate ethical standards and ensure transparent processes in managing the company's affairs. By upholding these principles, we aim to maintain the trust and confidence of our shareholders and cultivate a culture rooted in honesty and accountability.

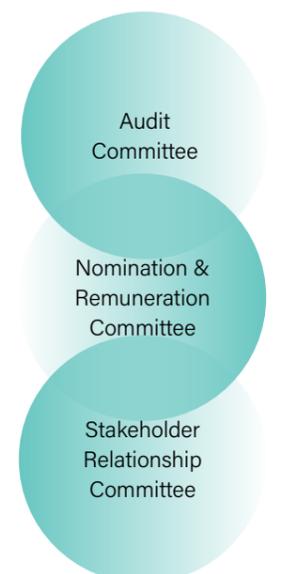
POSH policy

We are dedicated to establishing a harassment-free work environment, specifically one that has zero tolerance for sexual harassment, as outlined in our POSH (Prevention of Sexual Harassment) policy. We deeply value the dignity of all individuals within our workplace, including employees, suppliers, and customers. It is mandatory for all employees to uphold mutual respect and foster a positive environment where everyone is treated with dignity and regard.

3

Independent Directors on Board

Our Committees



Corporate Information

Board of Directors

Jagdish N. Patel

Chairman and Whole Time Director

Utkarsh J. Patel

Managing Director

Jyotikaben J. Patel

Executive Director

Parshwa B. Shah

Independent Director

Prakash U. Tekwani

Independent Director

Sandeep M. Shah

Independent Director

Key Managerial Personnel

Manish S Jain

Company Secretary

Ashok Chinubhai Jardosh

Chief Financial Officer

Committees

Audit Committee

- Sandeep M. Shah
- Parshwa B. Shah
- Prakash U. Tekwani

Nomination and Remuneration Committee

- Prakash U. Tekwani
- Sandeep M. Shah
- Parshwa B. Shah

Corporate Social Responsibility Committee

- Sandeep M. Shah
- Parshwa B. Shah
- Prakash U. Tekwani

Stakeholders Relationship Committee

- Parshwa B. Shah
- Sandeep M. Shah
- Prakash U. Tekwani

Risk Management Committee

- Mr. Jagdish Patel
- Mr. Utkarsh Patel
- Mr. Parshwa Shah

Auditors

Statutory Auditor

M/S Suresh R. Shah & Associates
Chartered Accountant
1st Floor, Ghanshyam Chambers,
Opp. Mithakhali Rly. Crossing
Mithakhali, Ellisbridge,
Ahmedabad-380006

Secretarial Auditor

M/s Meenu Maheshwari & Associates
Company Secretary
Ahmedabad-04

Bankers

- Axis Bank Limited
- Union Bank of India
- The Ahmedabad Mercantile
Co-operative Bank Ltd
- RBL Bank Limited

Registered Office & Plant

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

Website

www.euro7000.com

Email ID

info@euro7000.com

CIN

L24229GJ1993PLC020879

ISIN

INE577D01013

NOTICE

NOTICE is hereby given that **30th Annual General Meeting ("AGM")** of **Jyoti Resins and Adhesives Limited** will be held on **Friday, 22nd September, 2023 at 10:30 a.m.** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:-

ORDINARY BUSINESS: -

Adoption of Financial Statements

1) To receive, consider, and adopt:

The Audited Financial Statement of the Company for the Financial Year ended 31st March, 2023 together with reports of the Board of Directors & Auditors thereon

- 2) To declare a final Dividend of ₹ 6.00 (Rupees Six) per equity share of ₹ 10/- each for the financial year 2022-23.
- 3) To appoint a Director in place of Ms. Jyotika Jagdishbhai Patel (DIN 07134331), who retires by rotation, and being eligible, offers herself for re-appointment.
- 4) To consider and if thought fit to pass the following resolution with or without modification as **Special Resolution: -**

APPOINTMENT OF M/S. R KABRA & CO LLP, CHARTERED ACCOUNTANTS (ICAI FIRM REGISTRATION NO. 104502W/W100721) AS THE STATUTORY AUDITORS OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors Rules), 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. R KABRA & CO LLP, Chartered Accountants (ICAI Firm Registration No. 104502W/W100721) appointed as the Statutory Auditors of the Company for a First term of five years from the conclusion of 30th Annual General Meeting held in 2023 to the conclusion of 35th Annual General Meeting of the Company to be held in 2028, subject to ratification of their appointment by the Members at every intervening Annual General Meeting, and that the appointment of M/s. R KABRA & CO LLP, Chartered Accountants (ICAI Firm Registration No. 104502W/W100721) be and is hereby appointed on such remuneration

plus tax, out-of-pocket expenses etc. as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

5. To consider and if thought fit to pass the following resolution with or without modification as **Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Priyanka Gola (DIN:09384530), who holds office of an Independent Director up to this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member, signifying his intention to propose candidature of, Ms. Priyanka Gola (DIN:09384530) for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a first term of five consecutive years commencing from 22nd September, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Registered Office:

Survey No.873,
Opp. Anand Healthcare
Ranchhodpura Road,
Santej, Kalol, Gandhinagar

By Order of the Board
for **JYOTI RESINS AND ADHESIVES LIMITED**

Manish Jain

Company Secretary
Membership No.A53423

Date: 27.07.2023
Place: Ahmedabad

Notes:

Convening of AGM through Video Conferencing ("VC") or any Other Audio-Visual Means ("OAVM")

1. In terms of General Circular No. 10/2022 dated 28th December, 2022 and other earlier circulars issued in this regard by the Ministry of Corporate Affairs ("MCA Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations"), the 30th Annual General Meeting (AGM) of the Members of the Company will be held through VC/OAVM, so that members can attend and participate in the AGM from their respective locations. The deemed venue for the 30th AGM shall be the Administrative Office of the Company.

The Members are therefore requested not to visit Administrative / Registered Office to attend the AGM.

Dispatch of Notice and Annual Report through electronic means

2. In compliance with the MCA Circulars read with Circular No. SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and other earlier circulars issued in this regard by the Securities and Exchange Board of India ("SEBI Circulars"), Notice of the AGM along with the **Annual Report 2022-23** is being sent only through electronic mode to those Members whose name is recorded in the Register of Members / Register of Beneficial Owners as on **25th August, 2023** and whose email addresses are registered with the Company / Registrar and Share Transfer Agent ("Link Intime India Private Limited" / "RTA") or with the respective Depository Participant(s) for communication purposes to the Members, unless any member has requested for a hard copy of the same.
3. The Notice can also be accessed at the Company's website at <https://euro7000.com/> and at the website of the Stock Exchange BSE Limited www.bseindia.com and at the website of CDSL (agency for providing the Remote e-Voting facility) at www.evotingindia.com.
4. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Proxy form

5. In terms of the MCA Circulars, physical attendance of members has been dispensed with and as such, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, **the Proxy Form and Attendance Slip are not annexed to the Notice**. However, Pursuant to Section 112 and Section 113 of the Companies Act, 2013, representatives of the President of India or the Governor of State or the Body Corporates are entitled to attend the AGM through VC/OAVM and cast their votes through e-voting.

6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, does not forming part of the Company since the Company has not any special business to be transacted.

E-Voting facility and joining of AGM through VC / OAVM

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 MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 30th AGM. Shareholders are requested to refer Page No. 31 to 34 for detailed procedure for e-Voting and participation in the AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is also available at the Company's website <https://euro7000.com/>
8. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. In view of MCA & SEBI Circulars, printed copy of the Annual Report (including Notice) is not being sent to the Members.
10. AGM convened through VC/OAVM is in compliance with applicable provisions of the Companies Act, 2013 read with MCA & SEBI Circulars as stated above.
11. The voting period **begins on Monday, 18th September, 2023 at 9.00 a.m.** and ends on **Thursday, 21st September, 2023 at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date Friday, 15th September, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
12. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
13. 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 facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- The helpline number regarding any query / assistance for participation in the AGM through VC/ OAVM is 022-23058542/43.

Book Closure and Cut-off Date for Dividend & Voting

- The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 16th September, 2023** to **Friday, 22nd September, 2023** (both days inclusive) for the purpose of Annual General Meeting.
- The Company has designated **Friday, 15th September, 2023** as "Record Date" to determine the entitlement of the shareholders to receive dividend for the year 2022-23.
- The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. **Friday, 15th September, 2023**.

Quorum

- The attendance of Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning quorum under Section 103 of the Companies Act, 2013.

Scrutinizer for conducting E-Voting

- The Company has appointed **Mr. Utkarsh Shah (Membership No.F12526, COP: 26241), Practicing Company Secretary, Ahmedabad** to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

Voting Result

- The voting results shall be declared within two working days from the conclusion time of the Meeting. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at immediately after the result is declared by the Chairman or any other person authorised by the him in this regard and will simultaneously be sent to **BSE Limited** and where equity shares of the Company are listed.

PREVENT FRAUDULENT TRANSACTIONS

- To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 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.

Inspection of Documents

- The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode by sending an e-mail to info@euro7000.com.

Dividend

- The Board of Directors at its meeting held on Wednesday, **17th May, 2023**, has recommended a Final Dividend of ₹ 6.00/- per equity share of the face value of ₹ 10/- each. The Dividend, if declared at the Annual General Meeting, will be paid to those members of the Company, whose names appear in the Register of Members or Register of Beneficial Ownership as on Friday, 15th September, 2023 ("Record Date"). The dividend will be payable on or before 29th September, 2023.
- SEBI has made it mandatory for all companies to use the bank account details furnished by Depositories and maintained by the Registrar and Share Transfer Agent for payment of Dividend to the Members electronically. In the absence of details for electronic payment or in cases where electronic payments have failed/ rejected by the Bank, the Company would issue demand drafts/dividend warrants/ cheques and print the bank account details, as available, on instrument of payment of dividend.
- Members are requested to update the bank details including 11-digit IFSC code and 9 digit MICR code with the Depository Participants (DP) to receive the amount of dividend quickly.

Taxation of Dividend

- We would like to draw the attention of members that the dividend after approval in the ensuing AGM will be paid to those shareholders who held shares in their demat account as on **Friday, 15th September, 2023** (cut-off date for the purpose of dividend entitlement). Many times, Brokers are not transferring the shares purchased by their client (shareholders) and parking their shares in pool account and these shares are falling under category "clearing member". Shareholders are therefore advised to ask their brokers to transfer their shares purchased into their demat account in order to receive amount of dividend and credit of Tax Deducted at Source (TDS), if any, into the account of members. If the shares are parked in their pool accounts as clearing member by the brokers of shareholders, the dividend will be paid to them.*
- Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by a Company after 1st April 2020 shall be taxable in the hands of the Shareholders. No tax will be deducted on payment

of dividend to the resident individual shareholders if the amount of dividend payable does not exceed ₹ 5,000/- . Your Company shall therefore be required to deduct tax at source at the time of making the payment of the said Dividend payable. The shareholders are requested to update their PAN with the Company / RTA Agent and depositories (in case of shares held in demat mode). However, no tax or reduced tax shall be deducted on the dividend payable by the company in cases the shareholder provides Form 15G (applicable to any Resident Individual other than a Company or a Firm) / Form 15H (applicable to a Resident Individuals above the age of 60 years) / Form 10F (applicable to Non- Residents), provided that the eligibility conditions are being met. Needless to say, Permanent Account Number (PAN) is mandatory for category of Forms. To avail this benefit, shareholders need to provide respective declaration / document (form 15G /15H/ 10F) at the website of our RTA Agent, on or before Friday, 15th September, 2023.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading respective declaration/documents as mentioned hereinabove.

Unclaimed dividends

29. Members are requested to refer the details of unclaimed Final dividend of the Company as set out in the Report on Corporate Governance which is a part of this Annual Report and to approach our RTA Agent to claim their final dividend.
30. Members are requested to note that dividends not encashed or claimed within Seven Years from the date of transfer to the Company's Unpaid Dividend Account, will be, transferred to the Investor Education and Protection Fund (IEPF) as per Section 125 of the Companies Act, 2013. Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members/claimants are requested to claim their dividends from the Company within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

Financial Information required

31. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at **least 10 (Ten) days before** the date of the Meeting from their registered e-mail address, mentioning their name, DPID and Client ID number/folio number and mobile number at the Company's investor desk at info@euro7000.com so that the information required may be made available at the Meeting.
32. The Company is pleased to provide members, facility to exercise their right to vote at the **30th Annual General Meeting (AGM)** by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
33. The Recording/transcript of the AGM will be made available on the website of the Company <https://euro7000.com> in the Investors Section, as soon as possible after the Meeting is over.

INTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 Access through Depositories CDSL/NSDL e-Voting system in case of **Individual Shareholders holding** shares in demat mode.

In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. **Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.**

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 5) The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online" for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/Ideas DirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ▪ Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> ▪ If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
9. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
10. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN of Jyoti Resins and Adhesives Limited.
12. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
17. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
19. **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz info@euro7000.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at **least 7 (Seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at info@euro7000.com.

The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 7 (Seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are 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 available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders

may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 the **Company/ RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free **no. 1800 22 55 33**

All grievances connected with the facility for voting by electronic means may be addressed to: -

Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013

or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

NAME	CONTACT DETAILS
COMPANY	Jyoti Resins and Adhesives Limited 1104-1112, Elite, Near Shapath Hexa, Opp. Kargil Petrol Pump, Near Sola Bridge, S. G. Highway, Ahmedabad – 380 060 E-MAIL:- info@euro7000.com
REGISTRAR AND TRANSFER AGENT ('RTA AGENT')	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Tel: +91 022 - 4918 6270, Fax: +91 22 4918 6060 E-MAIL:- rnt.helpdesk@linkintime.co.in
E-VOTING AGENCY	Central Depository Services [India] Limited E-MAIL:- helpdesk.evoting@cdslindia.com
SCRUTINIZER	Mr. Utkarsh Shah – Practicing Company Secretary M/s. UTKARSH SHAH & CO. E-MAIL – info@csutkarsh.com

Registered Office:
Survey No.873,
Opp. Anand Healthcare
Ranchhodpura Road,
Santej, Kalol, Gandhinagar

By Order of the Board
for **JYOTI RESINS AND ADHESIVES LIMITED**

Manish Jain
Company Secretary
Membership No.A53423
Date: 27.07.2023
Place: Ahmedabad

This Explanatory Statement is provided, though strictly not required, as per Section 102 of the Companies Act, 2013

Item No. 4

M/s. R Kabra & Co LLP, a firm of Chartered Accountants (having Firm Registration Number 104502W/W100721) appointed as the Statutory Auditors of the Company for a first term of five years from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting subject to ratification of their appointment by the Members at every intervening Annual General Meeting. M/s. R Kabra & Co LLP have submitted the certificate of eligibility as per the provisions of the applicable laws. Your Directors are proposed to pay yearly fees of Rs.8.00 lacs excluding out of pocket expense. Looking to the growth of the Company, there is no material change in the fees payable to such auditor from that paid to the outgoing auditor.

Members are requested to appointment of M/s. R Kabra & Co LLP as the Statutory Auditors of your Company for a first term of five years from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting subject to ratification of their appointment by the Members at every intervening Annual General Meeting by passing a Special Resolution.

ANNEXURE TO THE NOTICE

Item No. 3 & 5

Details of Directors seeking appointment / reappointment at the 30th Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Full Name	Jyotika Jagdish Patel	Priyanka Gola
DIN No.	07134331	09384530
Age	65 years	30 years
Designation	Executive Director	Additional Non-Executive Independent Director
Appointment/ Re-Appointment	F.Y. 2023-24	05 (Five Years), 22.09.2023 to 21.09.2028
Qualification	Graduate	B.Com., LL.B., C.S.
Experience	More than 20 years.	More than 6 years
Expertise	Leadership, Human Resource & Administration	Corporate Law, Legal and Compliance Management
Last Remuneration	₹ 60,00,000/- p.a.	N.A.
Shareholding	12,97,452	Nil
Relationship with other directors and KMP	Wife of Chairman and mother of Managing Director	N.A.
Member/ Chairperson of committees of the Company	Nil	Nil
Directorships held in other public companies	Nil	<ol style="list-style-type: none"> 1. Chartered Logistics Limited 2. City Crops Agro Limited 3. Falcon Technoprojects India Ltd.
Membership of committees held in other Indian companies	Nil	<ol style="list-style-type: none"> 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Member
Chairpersonship of committees held in other Indian companies	Nil	Nil

Registered Office:

Survey No.873,
Opp. Anand Healthcare
Ranchhodpura Road,
Santej, Kalol, Gandhinagar

By Order of the Board
for **JYOTI RESINS AND ADHESIVES LIMITED**

Manish Jain

Company Secretary
Membership No.A53423
Date: 27.07.2023
Place: Ahmedabad

Directors' Report

To,
Dear Shareholders,

Your Directors have pleasure in presenting 30th ("Thirtieth") Annual Report together with the Audited Financial Statements of the Company for the Financial Year ("FY") ended on 31st March, 2023.

FINANCIAL RESULTS:

Particulars	(₹ in Lakhs)	
	Year Ended on 31 st March, 2023	Year Ended on 31 st March, 2022
Revenue from Operations	26125.30	18195.54
Other Income	226.25	345.05
Total Revenue	26351.54	18540.59
Earnings before Interest, Tax, Depreciation & Amortization	6288.76	2721.17
Finance Cost	3.10	4.61
Depreciation	144.56	70.65
Profit Before Tax	6141.10	2645.91
Payment & Provision of Current Tax	1493.21	665.00
Deferred Tax Expenses/(Income)	3.63	4.48
Profit After Tax	4644.26	1976.42

STATE OF COMPANY'S AFFAIRS:

During the year under review, the Revenue from Operation of the Company increased from ₹ 18195.54 Lakhs to ₹ 26125.30 Lakhs. Pursuant to the increase in sale of the Company the profit of the Company increased from ₹ 1976.42 lakhs to ₹ 4644.26 lakhs.

The Financial Statements as stated above are available on the website of the Company at <https://euro7000.com/>.

CHANGE IN NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company.

DIVIDEND:

The Board of Directors is pleased to recommend a dividend of ₹ 6.00/- (60.00%) per Equity Share of ₹ 10/- each on fully paid equity shares of the Company, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company. The Final dividend recommended, shall be paid to the members or before 29th September, 2023 whose name appears in the Register of Members, as on the Record date i.e. Friday, 15th September, 2023.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy.

The dividend distribution policy, in terms of regulation 43A of the Listing Regulations, is available on the website of the Company at <https://euro7000.com/>.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Other than as stated elsewhere in this report, there were no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year to which this financial statement relates on the date of this Integrated Annual Report.

ISSUE OF EQUITY SHARES

The Company has issued and allotted 80,00,000 Equity Shares via Bonus Issue on 19.09.2022 to the Existing Equity Shareholders. After that, the paid up equity share capital of the Company increased from ₹ 4,00,00,000/- to ₹ 12,00,00,000/-.

ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

The Company has adopted new set of Articles of Association of the Company in the 29th AGM held on 1st September, 2022.

AMOUNT TO BE TRANSFERRED TO RESERVES:

During the financial year, no amount was proposed to transfer to the Reserves account.

DEPOSITS:

During the financial year, your Company has not accepted any amount as Public Deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

FINANCE:

To meet the funds requirement of working / operational capital your Company utilize the internal accruals as funds.

CREDIT RATING:

The provisions related to Credit Rating does not applicable to the Company.

DISCLOSURE RELATING TO SUBSIDIARIES, ASSOCIATES

Your Company does not have any holding, subsidiary, associate or any joint venture.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

MERGERS AND ACQUISITIONS:

There were no mergers/acquisitions during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The composition of the Board of Directors of the Company on 31st March, 2023 is as under:

i) Directors to retire by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of your Company, Mrs. Jyotika Jagdishbhai Patel (DIN:07134331) Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The details as required under the provisions of the Companies Act and Listing Regulations are provided in the Notice convening the ensuing Annual General Meeting.

ii) Appointment of Director:

Your Director has appointed Ms. Priyanka Gola (DIN:09384530) as an additional Non-Executive Independent Director of the Company in their Board Meeting held on 27.07.2023. Now, in this 30th AGM, it is proposed to appoint her as a Non-Executive Independent Director of the Company for a period of 5 years w.e.f. 22.09.2023.

iii) Declaration by Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Companies Act, 2013 read with Schedules & Rules issued thereunder as well as Regulation 16 of the Listing Regulations.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

iv) Key Managerial Personnel (KMP):

Pursuant to Section 2 (51) and Section 203 of the Companies Act, 2013 read with Rules framed there under, the following executives have been designated as Key Managerial Personnel (KMP) of the Company.

1. Mr. Utkarsh Jagdishbhai Patel – Managing Director
2. Mr. Manish Shantilal Jain – Company Secretary
3. Mr. Ashok Chinubhai Jardosh – Chief Finance Officer

There has been no change in the Key Managerial Personnel of the Company during the financial year ended 31st March, 2023.

MEETINGS OF THE BOARD:

During the year, Eight Board meetings were convened and held on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 and 24.03.2023 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134(5) of the Companies Act, 2013 read with the rules made there under, including any enactment or re-enactment thereon, the Directors hereby confirm that:

- a) In the preparation of the Annual Accounts for the year ended on 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2023 and of the Profit of the Company for the period ended on 31st March, 2023.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had laid down Internal Financial Controls ('IFC') and that such Internal Financial Controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has conducted familiarisation programme for Independent Directors during the year. The details of the same are given in the Corporate Governance Report and also posted on the website of the Company at <https://euro7000.com/>.

BOARD PERFORMANCE EVALUATION:

Pursuant to the provisions of the Act and Regulation 17 of Listing Regulations, the Board has carried out the annual performance evaluation of its own performance and that of its statutory committee's Viz., Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, Risk Management Committee and also of the individual Directors.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Directors on parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders etc. The entire Board carried out the performance evaluation of the Independent Directors and also reviewed the performance of the Secretarial Department.

As required under the provisions of the Act and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 24th March, 2023 to evaluate the performance of the Chairman, Non- Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

The Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. A brief detail of the policy is given in the Corporate Governance Report and also posted on the website of the Company at <https://euro7000.com/>.

Non-Executive Directors are paid sitting fees for attending each meeting of the Board and/or Committee of the Board, approved by the Board of Directors within the overall ceilings prescribed under the Act and Rules framed thereunder.

All the Executive Directors (i.e. Chairman/Managing Director/ Whole-time Director) are paid remuneration as mutually agreed between the Company and the Executive Directors within the overall limits prescribed under the Companies Act, 2013.

In determining the remuneration of the Senior Management Employees, the Nomination and Remuneration Committee ensures / considers the following:

- The remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis Key Result Areas (KRAs) / Key performance Indicators (KPIs), industry benchmark and current compensation trends in the market.

COMMITTEES:

The composition of committees constituted by Board along with changes, if any, forms part of the Corporate Governance Report, which forms part of this Annual report.

I. Audit Committee:

The Company has constituted an Audit Committee in terms of the requirements of the Act and Regulation 18 of the Listing Regulations. The details of the same are disclosed in the Corporate Governance Report.

II. Stakeholders Relationship Committee:

The Company has constituted a Stakeholders Relationship Committee in terms of the requirements of the Act and Regulation 20 of the Listing Regulations. The details of the same are disclosed in the Corporate Governance Report.

III. Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee in terms of the requirements of the Act and Regulation 19 of the Listing Regulations. The details of the same are disclosed in the Corporate Governance Report.

IV. Risk Management Committee:

The Company has constituted a Risk Management Committee in terms of the requirements of Regulation 21 of the Listing Regulations. The details of the same are disclosed in the Corporate Governance Report.

V. Corporate Social Responsibility Committee:

As per the provision of Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and formulated Corporate Social Responsibility Policy (CSR Policy). The composition of CSR Committee is given in the Corporate Governance Report.

The Company has identified projects in accordance with Schedule VII of the Companies Act, 2013, such as eradication

of poverty, women empowerment, education, health care and such other projects. The Annual Report on CSR activities for the FY 2022-23 is annexed to this report as 'Annexure - A'

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. Suresh R. Shah and Associates, Chartered Accountants, Ahmedabad (Firm Regn. No. 110691W) were re-appointed as Statutory Auditors for the Second Term to hold office till the conclusion of 29th AGM to be held in 2023. Now, the term of the auditor will be expired.

Therefore, your Directors have proposed to appoint M/s. R Kabra & Co. LLP, (ICAI Firm Registration No. 104502W/W100721) were appointed as the Statutory Auditors of the Company for a First term of five years from the conclusion of 30th Annual General Meeting held in 2023 to the conclusion of 35th Annual General Meeting of the Company to be held in 2028, subject to ratification of their appointment by the Members at every intervening Annual General Meeting.

M/s. R Kabra & Co. LLP have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Notes to the Financial Statements referred in the Auditors' Report are self-explanatory.

There are no qualifications or reservations, or adverse remarks made by Statutory Auditors of the Company and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is attached with the Financial Statements in this Annual Report.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company had engaged the services of M/s Meenu Maheshwari & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended 31st March, 2023. The Secretarial Audit Report in Form No. MR - 3 for the financial year ended 31st March, 2023 is annexed to this report as 'Annexure - B'.

The Secretarial Auditor has made an observation and Board of Directors of your Company has already Complied on the respective Observations.

Internal Auditor:

M/s. VMAN and Associates Chartered Accountants was appointed as its Internal Auditors for Financial Year 2022-2023 to carry out the periodic audit as per the Scope Work.

Frauds Reported by Auditors

During the year under review, no instance of fraud in the Company was reported by the Auditors.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has in its place adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness in the design or operation of Internal Finance Control System was observed.

For all amendments to Accounting Standards and the new standards notified, the Company carries out a detailed analysis and presents the impact on accounting policies, financial results including revised disclosures to the Audit Committee. The approach and changes in policies are also validated by the Statutory Auditors.

Further, the Audit Committee periodically reviewed the Internal Audit Reports submitted by the Internal Auditors. Internal Audit observations and corrective action taken by the Management were presented to the Audit Committee. The status of implementation of the recommendations were reviewed by the Audit Committee on a regular basis and concerns if any were reported to the Board.

As per the relevant provisions of the Companies Act, 2013, the Statutory Auditors have expressed their views on the adequacy of Internal Financial Control in their Audit Report.

RELATED PARTY TRANSACTIONS (RPT):

All Related Party Transactions entered during the financial year were on an Arm's Length Basis and were in the ordinary course of business. The Company has not entered in to materially related party transactions i.e., exceeding 10% or more of the turnover of the Company with related parties, which may have a potential conflict with the interest of the Company at large. Hence, no transactions are required to be reported in Form AOC-2.

During the year, all Related Party Transactions were placed before the Audit Committee and the Board for approval. The Company, whenever required, has obtained approval of the Shareholders of the Company before entering into Materially Related Party Transactions.

As required under Regulation 23 of the Listing Regulations, the Company has framed a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is available on the website of the Company at <https://euro7000.com>.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has formulated a Vigil Mechanism-cum-Whistle Blower Policy ("Policy") as per the requirements of Section 177 of the Companies Act, 2013 and Regulation 22 of the LODR requirements. The Policy is applicable to all Directors and Employees of the Company. The Policy is to deal with instance of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct, if any. The said Policy is available on the website of the Company at <https://euro7000.com>.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, your Company has constituted Internal Complaint Committee (ICC) as per requirement of the Act which is responsible for redressal of complaints relating to sexual harassment against woman at workplace. The Sexual Harassment of Women Policy formed is available on the website of the Company at <https://euro7000.com>.

During the year, no complaint was lodged with the ICC nor any such instance was reported and the management was happy to take the same on record.

PARTICULARS OF EMPLOYEES:

Details of remuneration of Directors, KMPs and employees as per Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed to this report as 'Annexure - C'. However, as per the provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The disclosure is available for inspection by the Members at the Registered Office of your Company during business hours on all working days (except Saturday) of the Company up to the date of the ensuing AGM. Any Member interested in obtaining a copy thereof, may write to the Company Secretary of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as 'Annexure - D'.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE AUTHORITY:

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE:

The Report on Corporate Governance for FY2023, as per Regulation 34(3) read with Schedule V of the Listing Regulations along with the Certificate from Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

As per Clause 34(2)(e) of the Listing Regulations, a detailed report on the Management Discussion and Analysis forms part of this Annual Report.

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, the Annual Return as on 31st March, 2023 of the Company is available on Company's website and can be accessed, at <https://euro7000.com>.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

As per Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report does not applicable to the Company.

INSURANCE:

The Company's Plant, Property, Equipment and Stocks are adequately insured under the Industrial All Risk (IAR) Policy. The Company has insurance coverage for Product Liability and Public Liability Policy and Commercial General Liability (CGL). It also maintains various other types of insurance, such as Erection All Risk for its major capital expenditures projects, Directors' and Officers' liability, Transit cover, Charterers' liability cover, Marine policy and Employee Benefit Insurance policies. The Company covers the properties on full sum insured basis on replacement value. The scope of coverage, insurance premiums, policy limits and deductibles are in line with the size of the Company and its nature of business.

ENVIRONMENT:

As a responsible corporate citizen and as an adhesives manufacturer environmental safety has been one of the key concerns of the Company. It is the constant endeavor of the Company to strive for compliant of stipulated pollution control norms.

INDUSTRIAL RELATIONS:

The relationship with the workmen and staff remained cordial and harmonious during the year and management received full cooperation from employees.

DETAILS OF NODAL OFFICER

In accordance with Rule 7(2A) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the detail of Nodal Officer of the Company, for the purpose of coordination with Investor Education and Protection Fund (IEPF) Authority is as under:

Name:	Mr. Utkarsh Patel
Designation:	Managing Director
Postal Address:	1104 -1112, Elite, Nr. Shapath Hexa, Nr. Sola Over Bridge, S.G. Highway, Ahmedabad 380 060
Telephone No.:	+91 079 29700574
E-mail ID:	info@euro7000.com

The Company has also displayed the above details of Nodal Officer at its Website at <https://euro7000.com>.

OTHER DISCLOSURES AND INFORMATION:

(A) Secretarial Standards:

During the year under review, the Company is in Compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

(B) Annual Listing Fee:

The Company has paid listing fees to BSE Limited.

(C) No One Time Settlement:

There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGMENT:

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. Customers, Members, Dealers, Vendors, Banks and other business partners for the excellent support received from them during the year. The Directors place on record unstinted commitment and continued contribution of the Employee to the Company.

For and on behalf of the Board

Jagdish Patel

Chairman and Whole Time Director
(DIN: 00304924)

Date: 27.07.2023
Place: Ahmedabad

ANNEXURE - A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Corporate Social Responsibility (CSR) is a commitment by the Company to integrate its economic growth with environmental care and social well-being. With this philosophy, the CSR policy has been formulated to undertake sustainable development activities by way of skill enhancement, sustainable environment, women empowerment, promotion of gender equality / preventive health care / sanitation / education, etc.

The Company's major CSR activities are undertaken through direct donation and are compliant with CSR requirements as prescribed under Companies Act, 2013 (the 'Act') read with Schedule VII of the Act and rules framed thereunder.

2. Composition of CSR Committee:

Sr. No	Name of Director	Designation / Nature of Directorship	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1	Mr. Parshwa Shah	Chairman Non-Executive - Independent Director	8	8
2	Mr. Sandeep Shah	Member Non-Executive - Independent Director	8	8
3	Mr. Prakash Tekwani	Member Non-Executive - Independent Director	8	8

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

<https://euro7000.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not applicable.

5. (a) Average net profit of the Company as per Section 135(5): **₹ 1792.32 lakhs.**
- (b) Two percent of average net profit of the Company as per Section 135(5): **₹ 35.84 lakhs.**
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set off for the financial year, if any: **Nil**
- (e) Total CSR obligation for the financial year (b + c - d): **₹ 35.84 lakhs.**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 36.76 lakhs.**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent in Impact Assessment, if applicable: **Nil**
- (d) Total amount spent for FY. 2022-23 (a + b + c): **₹ 36.76 lakhs.**

(e) CSR amount spent or unspent for the F.Y. 2022-2023: Nil

(₹ In Lakhs)

Total amount spent for F.Y. 2022-23	Amount Unspent				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
-	-	-	-	-	-

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	35.84
(ii)	Total amount spent for the F.Y. 2022-2023	36.76
(iii)	Excess amount spent for the F. Y. 2022-2023 [(ii)-(i)]	0.92
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous F.Y.2021-2022	0.00
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.92

7. Details of unspent CSR amount for the preceding three Financial Year:

(₹ In Lakhs)

Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under Section 135 (6)	Amount spent in the Reporting financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any	Amount remaining to be spent in succeeding Financial Years	Deficiency, if any.
-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the F. Y. 2022-2023: No

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): N.A.

Jagdish Patel

Chairman & Whole Time Director
(DIN: 00304924)

Parshwa Shah

Chairman CSR Committee
(DIN:07866765)

Date: 27.07.2023

Place: Ahmedabad

ANNEXURE - B

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31/03/2023

[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 AND ADHESIVES LIMITED

CIN L24229GJ1993PLC020879

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 AND ADHESIVES LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 **31st March, 2023**, 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 **31st March, 2023**, according to the provisions of:

- (i) The Companies Act, 2013('the Act') and the rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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'):-

- The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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)

- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Report)
- 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 thereunder;

(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;

- Pharmacy Act, 1948;
- Drugs & Cosmetics Act, 1940;
- Narcotic Drugs and psychotropic Substances Act, 1985;
- Indian Boilers Act, 1923;
- Factories Act, 1948;
- The Insecticide Act, 1968;
- Environment Protection Act, 1986 and other environmental laws
- Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- Maternity Benefits Act, 1961
- Sale of Goods Act, 1930
- The Payment of Gratuity Act, 1972
- The Payment of Wages Act, 1936
- Equal Remuneration Act, 1976
- The Industrial Disputes Act, 1947
- The Child Labour (Regulation & Abolition) Act, 1970

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 **31st March, 2023**);
- (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.

- 1. The Company has not implemented the bonus issue U/S 295(1) within two months (i.e.) by 16/07/2022 from the date of the board meeting of directors (17/05/2022).**
- 2. The Company has not implemented the Regulation 34 as per the prescribed time given by the guidelines under SEBI (LODR) Regulations, 2015.**

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 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.

Date: 17-05-2023

Place: Ahmedabad

For **Meenu Maheshwari & Associates**
Proprietor

(Meenu Maheshwari)

Company Secretaries

Firm Regn No. S2015GJ305400

ICSI UDIN : F007087E000322545 dated 17/05/2023

FCS No. 7087

C.P. No. 8953

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 1 OF SECRETARIAL AUDIT REPORT

To,
The Members ,
JYOTI RESINS AND ADHESIVES LIMITED
CIN L24229GJ1993PLC0208 79

Secretarial Audit 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:

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

(3) 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.

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

(5) 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.

(6) 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.

I further report that I had physically verify few documents/ registers/returns and for some document

I have relied up on the soft copies/information shared with me.

Date: 17-05-2023

Place: Ahmedabad

For **Meenu Maheshwari & Associates**
Proprietor

(Meenu Maheshwari)

Company Secretaries

Firm Regn No. S2015GJ305400

ICSI UDIN : F007087E000322545 dated 17/05/2023

FCS No. 7087 C.P. No. 8953

ANNEXURE - C

STATEMENT OF DISCLOSURE OF REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. The ratio of the remuneration of each Working Director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the financial year 2023:

Sr. No	Name	Ratio to median remuneration	% increase in remuneration
Executive Directors			
1	Mr. Jagdish Patel – Chairman and Whole Time Director	53.00	0.00
2	Mr. Utkarsh Patel – Managing Director	42.67	0.00
3	Mrs. Jyotika Jagdish Patel – Executive Director	26.67	0.00
Key Managerial Personnel			
4	Mr. Ashok Jardosh – Chief Financial Officer	10.91	2.71
5	Mr. Manish Shantilal Jain – Company Secretary	2.67	9.09

The Non-Executive Independent Directors of the Company are entitled for sitting fees as per the statutory provisions and are within the prescribed limits. The details of sitting fees paid to independent directors are provided in the Corporate Governance Report that forms part of this Annual Report.

- ii. Percentage increase in the median remuneration of employees in the financial year 2023: 12.50%
- iii. Number of permanent employees on the rolls of the Company as on 31st March, 2023: 450
- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase in managerial remuneration:
- Average percentile increase in remuneration of employees other than managerial personnel was 12.50% and average increase in remuneration of managerial personnel was around 0.00%.
- v. The key parameters for any variable component of remuneration availed by the Executive Directors are considered by the Board of Directors as per the Remuneration Policy of the Company.
- vi. It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Date: 27.07.2023
Place: Ahmedabad

Jagdish Patel
Chairman and Whole Time Director
(DIN: 00304924)

ANNEXURE - D

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

[A] Conservation of Energy:

A	The steps taken / impact on conservation of energy:	LED lights, Flip flop screen in coal plant Raw water and STP water recovery system Stoppage of Old VAM Cooling tower thru innovative changes Stoppage of Cooling Tower Fan Stoppage of one Air Compressor
B	The steps taken by the Company for utilising Alternate Sources of Energy	The Company is in the process of searching the best available alternate source of Energy in renewable sector.
C	The capital investment on energy conservation equipment:	The Company is in the process of searching the best available alternate source of Energy in renewable sector.

[B] Technology Absorption:

Technology Absorption, Adoption and Innovation:

A	Efforts, in brief, made towards technology absorption, adoption and innovation.	The Company is using the raw material which is environment friendly.
B	Benefits derived as a result of the above efforts e.g. Product improvement, cost reduction, product development, import substitution etc.	
C	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:	-
	The details of the technology imported :-	NA
	The year of import	NA
	Whether the technology been fully absorbed	NA
	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof,	NA
D	Research & Development	
	Specific areas in which R & D is carried out by the Company.	To enhance the product quality and durability.
	Benefits derived as a result of the above R & D.	No
	Future Plan of Action	No
	Expenditure on R & D	Rs.85.00 Lakhs

[C] Foreign Exchange Earnings and Outgo:

	(₹ In Lakhs)	
	2022-2023	2021-2022
a. Foreign Exchange earned	-	-
b. Foreign Exchange outgo	-	-

For and on behalf of the Board

Date: 27.07.2023
Place: Ahmedabad

Jagdish Patel
Chairman and Whole Time Director
(DIN: 00304924)

Corporate Governance Report

1. COMPLIANCE OF CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the Financial Year ended 31st March, 2023 in compliance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a synthesis of business elements & ethics encompassing accountability, transparency, fairness, responsibility, risk management, sustainability & so on, that not only enhances the organizational growth and values but also generates trust among all its shareholders and other stakeholders.

The Directors and Management of the Company believes in constructive and progressive Corporate Governance principle and are committed to maintain high standards of Corporate Governance in conducting its business and ensure that an effective self-regulatory mechanism exists to protect the interest of all the Stakeholders be it Employees, Investors, Customers, Suppliers, Financiers, Government and Community at large.

The Company is in compliance with the requirements stipulated under the provisions of Regulations 17 to 27 read with Regulation 34(2) and Schedule V of the Listing Regulations.

3. BOARD OF DIRECTORS

(a) COMPOSITION AND CATEGORY OF DIRECTORS: -

The composition of the Board of Directors was in conformity with the provisions of Section 149 of the Companies Act, 2013 ('the Act') and Regulation 17 of the Listing Regulations during the period under review. The strength of the Board of Directors as on 31st

March, 2023 consisted of Six (6) Directors comprising of One (1) Chairman and Whole Time Director, One (1) Managing Director, One (1) Executive Directors [all being Promoter-Directors] and Three (3) Non-Executive Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities. The Board presently, does not have any nominee director.

In view of the scope and the nature of the Company's operations, the present size of the Board is appropriate for effective decision making. The Board of Directors has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business.

(b) ATTENDANCE OF DIRECTORS AT BOARD & ANNUAL GENERAL MEETING: -

The Board meets at regular intervals on a quarterly basis to discuss and decide on business policies and strategies apart from other Board businesses. An ad-hoc meeting is convened as and when circumstances require. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Company in consultation with the Directors prepares the Annual calendar of meetings and circulates a tentative Schedule for the meeting of the Board and Committee in order to facilitate the Directors to plan their schedules.

The Board meetings are normally held at administrative office of the Company situated at 1104-1112, ELITE, Near Shapath Hexa, Opp. Kargil Petrol Pump, Near Sola Bridge, S. G. Highway, Ahmedabad - 380 060. The details of attendance of the Directors at the Board Meeting during the year and at Annual General Meeting are given below:

Name of Director	Category of Directors	Board Meeting attended	AGM Attended
Mr. Jagdish Patel	Chairman and Whole Time Director	8	Yes
Mr. Utkarsh Patel	Managing Director	8	Yes
Mrs. Jyotika Patel	Executive Director	8	Yes
Mr. Sandeep Shah	Non-Executive Independent Director	8	Yes
Mr. Parshwa Shah	Non-Executive Independent Director	8	Yes
Mr. Prakash Tekwani	Non-Executive Independent Director	8	Yes

(c) DIRECTORSHIPS AND MEMBERSHIP ON COMMITTEES: -

The Company has obtained the requisite disclosures from the Directors in respect of their Directorships and Memberships in Committees of other Companies, the details of which are given below:

Name of Director	Category of Directors	Directorship in other Public Limited Companies ¹	No. of Committee Positions held in Indian Public Limited Companies ²	
			Member	Chairman
Mr. Jagdish Patel	Chairman and Whole Time Director	0	0	0
Mr. Utkarsh Patel	Managing Director	0	0	0
Mrs. Jyotika Patel	Executive Director	0	0	0
Mr. Sandeep Shah	Non-Executive Independent Director	3	8	5
Mr. Parshwa Shah	Non-Executive Independent Director	2	2	0
Mr. Prakash Tekwani	Non-Executive Independent Director	0	1	1

1 Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

2 Committees considered are Audit Committee & Shareholders and Stakeholder's Relationship Committee.

All the Directors are in compliance with the provisions of the Act and Listing Regulations, in this regard.

The details of the Directors with respect to directorships in other listed entities along with category are as under:

Sr. No	Name	Name of other listed entities	Category
1	Mr. Sandeep Shah	HCP Plastene Bulkpack Limited	Independent Director
		Chartered Logistics Limited	Independent Director
		Global Longlife Hospital and Research Limited	Independent Director

(d) NUMBER OF BOARD MEETINGS HELD: -

The Board met Eight (8) times during the F. Y. 2022-2023 on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 and 24.03.2023. The time elapsed between any two consecutive meetings did not exceed 120 days.

(e) DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER-SE: -

None of the Directors of the Company have any inter-se relationship except between Mr. Jagdish Patel, Mrs. Jyotika Patel and Mr. Utkarsh Patel as they are blood relatives.

(f) NUMBER OF SHARES HELD BY NON EXECUTIVE DIRECTORS: -

Particulars of number of shares held by the Non-Executive Directors as on 31st March, 2023 is given below:

Name of Non-Executive Director	No. of Equity Shares held
Mr. Sandeep Shah	-
Mr. Prakash Tekwani	-
Mr. Parshwa Shah	-

(g) FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTOR: -

All new Independent Directors are taken through a detailed induction and familiarization Programme when they join the Board of your Company. As part of the induction sessions, the Chairman and Managing Director provide an overview of the organization, history, culture, values and purpose. The Business and Functional Heads take the Independent Directors through their respective businesses and functions.

The Company has formed the procedure to explain in detail the compliances required under the Act and Listing Regulations, to independent directors. The details of familiarization programme of Independent Directors is available on the website of the Company at <https://euro7000.com> in the investor section.

(h) SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTOR

The Board as on 31st March, 2023 comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board. -

Name of other listed entities	Category
Mr. Jagdish Patel	Leadership, Strategic Planning, Technical expertise, Production, Corporate Affairs and Policy decision making
Mr. Utkarsh Patel	Leadership, Information Technology, Technical, Marketing
Mrs. Jyotika Patel	Leadership, Human Resource & Administration
Mr. Sandeep Shah	Industry Experience, Corporate Governance Finance, Taxation, Forex, Treasury & Credit Management.
Mr. Prakash Tekwani	Specialization in Finance and Marketing, Financial, Regulatory, Marketing.
Mr. Parshwa Shah	Corporate Governance, Legal, Joint Ventures, Capital markets, Leadership.

(i) INDEPENDENT DIRECTORS: -

Independent Directors play an important role in the governance processes of the Board. They bring with them their expertise and experience for fruitful discussions and deliberations at the Board. This better the decision making process at the Board.

The Independent Directors have been appointed for a fixed term of **5 (five) years** from their respective dates of appointment with an option to retire from the office at any time during the term of appointment. Their appointment has been approved by the Members of the Company. The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act, the Code and Listing Regulations.

(j) LIMIT ON NUMBER OF DIRECTORSHIP: -

None of the Director of the Company is holding Directorship in more than 10 Public Limited Companies and none of an Independent Directors serve as an Independent Director in more than 7 (Seven) Listed Companies.

None of the Director of the Company is appointed in more than 10 Committees or is acting as Chairman in more than 5 (Five) Committees across all the Companies in which he is a Director.

(k) SEPARATE MEETING OF INDEPENDENT DIRECTOR:-

In accordance with provisions of Regulation 25(3) of the SEBI Listing Regulation read with Schedule IV of the Companies Act, 2013 the Independent Directors separately met on 24th March, 2023, without the attendance of Non-Independent Directors and Management Personnel of the Company. The meeting was held with the objective of reviewing the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company.

They will also have a separate meeting with the Chairman of the Board, to discuss issues and concerns, if any.

(l) ISSUANCE OF LETTER OF APPOINTMENT: -

The Independent Directors are given a formal appointment letter inter alia containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc.

(m) BOARD'S ROLE: -

The Board's role is to:

- (1) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (2) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;
- (3) identify the key stakeholder groups and recognize that their perceptions which may affect the Company's reputation;
- (4) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;
- (5) Consider sustainability issues, e.g. environmental, governance and social factors, as part of its strategic formulations
- (6) review and approve the recommended remuneration framework and packages for the Board and key management personnel;
- (7) review the performance of the Board, set the criteria for selection of directors and to nominate directors for shareholders' approval; and
- (8) Ensure that communications with shareholders are accurate, adequate and timely.

To assist the Board in the execution of its responsibilities, the Board has constituted various Board committees, namely the Audit Committee, Nomination and Remuneration Committee, Shareholders/ Investors Grievances Committee, Corporate Social Responsibility Committee.

The role and function of each committee is described in subsequent sections in this report. While these committees are delegated with certain responsibilities, the ultimate responsibility for the final decision lies with the entire Board.

All Board Committees are constituted with clear Terms of Reference to assist the Board in discharging its functions and responsibilities

(n) CHAIRMAN'S RESPONSIBILITY: -

The Board believes that there is sufficient element of independence and adequate safeguards against a concentration of power in one single person.

The Chairman is responsible, among others: -

- i. To lead the Board to ensure its effectiveness on all aspects of its role;
- ii. To set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- iii. To promote a culture of openness and debate at the Board;
- iv. To ensure that the directors receive complete, adequate and timely information;
- v. To ensure effective communication with shareholders;
- vi. To encourage constructive relations within the Board and between the Board and management;
- vii. To facilitate the effective contribution of non-executive directors in particular; and
- viii. To promote high standards of corporate governance.

(o) AGENDA FOR BOARD MEETING: -

Agenda and Notes on Agenda are circulated to the Directors at least 7 days in advance, in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful discussion.

The Board business generally includes consideration of important corporate actions and events including: -

- Quarterly and Annual Financial results announcements;
- Oversight of the performance of the business;

- Declaration of Dividends, if any;
- Board succession planning;
- Review of the functioning of the Committees; and
- Other strategic, transactional and governance matters as required under the Act, Listing Regulations.

The followings are generally tabled for information, review and approval of the Board:

- Annual Operating Plans & Budgets;
- The information on recruitment and remuneration of Senior Officers just below the level of Board of Directors, including Appointment or Removal of Chief Financial Officer and the Company Secretary;
- Show cause Notices, Demand Notices, Prosecution Notices and Penalty Notices, which are materially important;
- Fatal or Serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the entity;
- Details of any Joint Venture or Collaboration Agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Significant labour problems and their proposed solutions;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.;

The Board works with management to achieve this objective and the management remains accountable to the Board.

(p) RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS: -

As per Secretarial Standard 1 (SS-1) issued by The Institute of Company Secretaries of India (ICSI), the Company Secretary records the minutes of the proceedings of each Board and Committee meetings.

(q) POST MEETING FOLLOW-UP MECHANISM: -

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/Committees. Important decisions taken at the Board/Committee meetings are communicated to the concerned Functional Heads promptly. Action Taken Report on previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee members.

(r) COMPLIANCE REPORT: -

While preparing the Agenda adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013 read with rules framed thereunder and Secretarial standard issued by ICSI. The Board periodically reviews all statutory compliance reports of all laws applicable to the Company. The Company have Installed Legatrix module for better legal compliance & monitoring.

(s) ACCESS TO INFORMATION: -

The Directors have separate and independent access to the Company's management and the Company Secretary at all times. The Directors are entitled to request from management and should be provided with such information as needed to make informed decisions in a timely manner. The Board is informed of all material events and transactions as and when they occurred.

Should the Directors, whether individually or collectively, require independent professional advice; such professionals will be selected with the approval of the Chairman of the respective Committees requiring such advice, and is appointed at the expenses of the Company.

The Company Secretary attends all the Board and Board Committee meetings and attends to the Corporate Secretarial Administration matters, ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

(t) CHAIRMAN AND MANAGING DIRECTOR: -

Mr. Jagdish Patel - Chairman and Whole Time Director, leads the Board to ensure effectiveness of all aspects of its role. The Chairman sets the meeting agenda and ensures that the Directors are provided with complete, adequate and timely information. The Chairman ensures that discussions and deliberations are effective and promote a culture of openness and

debate at Board meetings. The Chairman encourages constructive relations within the Board and between the Board and Management. The Chairman also facilitates the effective contribution of the Non-Executive Directors and promotes high standards of corporate governance.

Mr. Utkarsh Patel - Managing Director, is responsible for executing the strategic plans set out by the Board and ensures that the Directors are regularly kept updated and informed of the business.

4. COMMITTEES OF THE BOARD OF DIRECTORS: -

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview.

All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

The Board has following five statutory committees constituted as on 31st March 2023:

- (1) Audit Committee (AC)
- (2) Nomination and Remuneration Committee (NRC)
- (3) Stake Holders Relationship Committee (SRC)
- (4) Corporate Social Responsibility Committee (CSR)
- (5) Risk Management Committee (RMC)

The terms of reference of the Committees are determined by the Board from time to time. The respective Chairman of the Committee informs the summary of discussions held in the Committee Meetings to the Board.

The Minutes of the Committee Meetings are tabled at the respective Committee Meetings. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

5. AUDIT COMMITTEE

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board. The Board has constituted a qualified and independent Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations, read with Section 177 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein. The Committee has full access to financial information.

(a) TERMS OF REFERENCE: -

The terms of reference of the Audit Committee are as set out in Part C of Schedule II of SEBI (LODR) 2015 read with Section 177 of the Companies Act 2013.

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, 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;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of 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;
16. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. mandatorily reviewing the following information:
 - i. management discussion and analysis of financial condition and results of operations;
 - ii. statement of significant Related Party Transactions ("RPT") (as defined by the Audit Committee), submitted by management;
 - iii. management letters / letters of internal control weaknesses issued by the statutory auditors;

- | | |
|--|--|
| <p>iv. internal audit reports relating to internal control weaknesses; and</p> <p>v. the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.</p> <p>vi. statement of deviations:</p> <p>(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock</p> | <p>exchange(s) in terms of Regulation 32(1) of Listing Regulations</p> <p>(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations.</p> <p>All the recommendations made by the Committee during the year under review were accepted by the Board.</p> |
|--|--|

(b) COMPOSITION OF AUDIT COMMITTEE: -

As on 31st March, 2023, the Audit Committee comprised of Three (3) Independent Directors. All members of the Audit Committee are financially literate having expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. The composition of the Audit Committee is given below:

Name of the Director	Category	Qualification
Mr. Sandeep Shah Chairman	Non-Executive Independent Director	Chartered Accountant
Mr. Prakash Tekwani Member	Non-Executive Independent Director	Chartered Accountant
Mr. Parshwa Shah Member	Non-Executive Independent Director	Company Secretary

Mr. Manish Jain, Company Secretary, acts as the Secretary of the Audit Committee.

(c) MEETINGS AND ATTENDANCE: -

The Committee met Eight (8) times during the F.Y. 2022-2023 on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 & 24.03.2023 and that the time elapsed between any two consecutive meetings did not exceed 120 days.

Name of the Director	No. of meetings attended
Mr. Sandeep Shah Chairman	8
Mr. Prakash Tekwani Member	8
Mr. Parshwa Shah Member	8

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees.

The Audit Committee also meets the internal and external auditors separately, without the presence of Management Representatives. The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. The discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company.

The minutes of each Audit Committee meeting are placed in the next meeting of the Board.

Mr. Sandeep Shah, Chairman of the Committee, was present at the last AGM held on 1st September, 2022.

(d) INTERNAL AUDIT FUNCTION: -

The Company has outsourced the Internal Audit function to a professional firm M/s. VMAN & Associates, Ahmedabad, Chartered Accountants. The Internal Auditor reports directly to the Chairman of the Audit Committee ("AC") on internal audit matters, which inter-alia includes:

- approval or any subsequent modification of related party transactions;
- scrutinization of inter-corporate loans and investments;
- ascertaining of valuation of undertakings or assets, wherever it is necessary;
- evaluation of internal financial controls and risk management systems
- discussion of any significant findings and follow up action thereon.
- reviewing the functioning of the whistle blower mechanism;

- grant of omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions.
 - carrying out of any other functions as mentioned in the terms of reference of the audit committee.
- (e) Total fees for all services paid by the Company to the Statutory Auditors is given below:

(₹ In Lakh)	
M/s. Suresh R. Shah & Associates	FY 2022-23
Audit Fees	3.50
Total	3.50

(f) MAINTENANCE OF FINANCIAL RECORDS: -

Based on reports submitted by the external and internal auditors, the system of internal controls, including that of financial, operational, compliance, information technology, and risk management systems maintained by the management was in place throughout the financial year and up to date of this report, the Board, with the concurrence of the Audit Committee and assurance of the management (including Chief Executive Officer and Chief Financial Officer) as well as the Internal Auditors, are of the opinion that:

- (a) the financial records have been properly maintained and financial statements give a true and fair view of the Company's operations and finances; and
- (b) the system of internal controls, including financial, operational, compliance, information technology, and risk management systems are adequate and effective as at the date of this report.

To ensure the adequacy of the internal audit function, the Audit Committee reviews and approves, on an annual basis, the internal audit plans and the resources required to adequately performing this function.

However, the Board and management acknowledge that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

(g) REVIEW OF INFORMATION BY AUDIT COMMITTEE (AC): -

AC has reviewed and satisfied that the Company's internal audit function is adequately resourced and has appropriate standing within the Company. AC has also reviewed:

- (1) Management Discussion Analysis of financial condition and results of operation;
- (2) Statement of significant Related Party Transactions submitted by management.

- (3) Internal Audit Reports relating to internal control weaknesses.

(h) ASSURANCE FROM MD AND CFO: -

The Board has received assurance from Managing Director (MD) and Chief Financial Officer (CFO) to ensure that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and the effectiveness of the Company's risk management and internal control systems are operating effectively in all material respects, based on the criteria for effective internal control established.

6. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board has constituted the Nomination and Remuneration Committee in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 and is in compliance of all the provisions stated therein.

(a) TERMS OF REFERENCE: -

The Nomination and Remuneration Committee (NRC) aims at establishing a formal and transparent process for the appointment / re-appointment of Directors. The Nomination Committee is responsible to:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. devising a policy on diversity of Board of Directors;
4. identifying persons who are qualified to become Directors and who may be appointed in Senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.
6. recommend the Board, all remuneration, in whatever form, payable to Senior management.
7. make recommendations to the Board on the appointment of new Executive and Non-Executive Directors, Key Managerial Personnel and other employees;
8. review the Board structure, size and composition, having regard to the principles of the Code;

9. assess nominees or candidates for appointment or election to the Board, determining whether or not such nominee has the requisite qualifications and whether or not he/she is independent;
10. put in place plans for succession, in particular, for the Chairman of the Board and Chief Executive Officer of the Company;
11. make recommendations to the Board for the continuation in services of any Executive Director who has reached the age of 70 (Seventy) years;
12. recommend Directors who are retiring by rotation to be put forward for re-election;
13. decide whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when he has multiple Board representations;
14. recommend to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards;
15. qualifications, positive attributes and independence of a Director; for evaluation of performance of Independent Directors and the Board of Directors;
16. recommend to the Board a framework of remuneration and specific remuneration packages for all Directors of the Company, Key Managerial Personnel (KMP) and other Senior Management Personnel;
17. review the service contracts of the Executive Directors;
18. carry out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the NRC by the Board of Directors from time to time;
19. reviewing and enhancing on the compensation structure to incentive performance base for key executives;
20. ensure that the remuneration packages are comparable within the industry and comparable Companies and include a performance-related element coupled with appropriate and meaningful measures of assessing individual Executive Director's performance.
21. facilitate the transparency, accountability and reasonableness of the remuneration of Director and Senior Management Personnel.
22. recommend to the Board a framework of remuneration for the Directors,
23. all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind shall be covered by the Nomination and Remuneration Committee.

(b) COMPOSITION & MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE: -

As on 31st March, 2023, the Nomination & Remuneration Committee comprised of three (3) Non-Executive Independent Directors. Eight (8) meeting of the Nomination and Remuneration Committee were held on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 and 24.03.2023.

The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are appearing hereinafter:

Name of the Director	Category	No. of Meetings attended
Mr. Prakash Tekwani Chairman	Non-Executive Independent Director	8
Mr. Sandeep Shah Member	Non-Executive Independent Director	8
Mr. Parshwa Shah Member	Non-Executive Independent Director	8

Each member of the NRC shall abstain from voting on any resolution in respect of his remuneration package.

(c) PERFORMANCE EVALUATION OF BOARD & INDIVIDUAL DIRECTORS: -

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including the Independent Directors. Pursuant to the provisions of the Act and Listing Regulations, the Board carries out the Annual

performance evaluation of the Board as well as the evaluation of the working of its Committees.

A separate exercise is also carried out to evaluate the performance of individual Directors. The Chairman of the Board of Directors and the Chairman of Nomination and Remuneration Committee meets all the Directors individually to get an overview of functioning of the Board and its constituents inter alia on the following broad criteria:

- attendance and acquaintance with business level of participation,
- independence of judgement exercised by Independent Directors,
- vision and strategy
- Interpersonal relationship etc.
- effective participation, domain knowledge,

Based on the valuable inputs received from the Directors, an action plan is drawn up to encourage greater engagement of the Independent Directors with the Company.

(d) NOMINATION PROCESS FOR NEW DIRECTORS: -

The search and nomination process for new Directors are through database of Independent Directors, personal contacts and recommendations of the Director. NRC reviews and assess candidates before making recommendation to the Board.

NRC also take the lead in identifying, evaluating and selecting suitable candidate for new Directorship. In its search and selection process, NRC considers factors such as commitment and the ability of the prospective candidate to contribute to discussions, deliberations and activities of the Board and Board Committees.

(e) PECUNIARY RELATIONSHIP OR TRANSACTION: -

There is no other pecuniary relationship or transaction by the Company with Non-Executive Directors.

(f) PAYMENT TO EXECUTIVE DIRECTORS: -

The Company pays remuneration to its Chairman, Managing Director and Executive Directors by way of Salary, Performance Bonus and Perquisites.

(g) PAYMENT TO NON EXECUTIVE DIRECTORS:-

The Non-Executive Directors are not paid any compensation / commission / other fees except sitting fees for attending Board and its Committees meetings. The Board has fixed the sitting fees payable to Non-Executive Directors within the limits prescribed under the Act. The criteria of making payments to Non-Executive Directors is available on Company's website at <https://euro7000.com>.

The details of sitting fees paid to Non-Executive Directors for the year ended 31st March, 2023 are as under:

(₹ in Lakh)	
Name of Independent Director	Sitting Fees
Mr. Sandeep Shah	0.75
Mr. Prakash Tekwani	0.75
Mr. Parshwa Shah	0.30
Total	1.80

(h) REMUNERATION TO DIRECTORS: -

The members at the Annual General Meeting held on 1st September, 2022 has approved the re-appointment and terms of remuneration payable to Mr. Jagdish Patel - Chairman and Whole Time Director, Mr. Utkarsh Patel - Managing Director.

In FY 2022-23, the Company has paid ₹ 276.00 Lakh as Salary and Perquisites to each of the Working Directors.

The details of Remuneration paid to Working Directors for the year ended 31st March, 2023 are as under:

(₹ in Lakh)	
Name of Director	Salary & Perquisites (p.a.)
Mr. Jagdish Patel	120.00
Mrs. Jyotika Patel	60.00
Mr. Utkarsh Patel	96.00
Total	276.00

The Company is providing remuneration to its Executive Directors in compliance with Section II of Part II of Schedule V of the Companies, Act, 2013.

The Company does not have any Employee Share Option Scheme or Employee Stock Purchase Scheme or any long-term incentive scheme.

7. SHAREHOLDERS'/INVESTORS' GRIEVANCES, SHARE ALLOTMENT, SHARE TRANSFER AND STAKE HOLDER RELATIONSHIP COMMITTEE (STAKEHOLDERS' RELATIONSHIP COMMITTEE - SRC)

The Board has constituted the Stakeholders' Relationship Committee in line with the provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

(a) TERMS OF REFERENCE: -

- to allot equity shares of the Company;
- efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc.;
- issue of duplicate / split / consolidated share certificates;
- allotment and listing of shares;
- review of cases for refusal of transfer / transmission of shares and debentures;

7. reference to statutory and regulatory authorities regarding investor grievances;
8. to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

Independent Directors. Eight (8) meeting of the SRC were held on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 & 24.03.2023.

The composition of the SRC Committee and the details of meetings attended by its members are appearing hereinafter:

(b) COMPOSITION & MEETINGS OF SRC COMMITTEE:-

As on 31st March, 2023, the Stakeholders' Relationship Committee comprised of Three (3) Non-Executive

Name of the Director	Category	No. of Meetings attended
Mr. Prakash Tekwani Chairman	Non-Executive Independent Director	8
Mr. Sandeep Shah Member	Non-Executive Independent Director	8
Mr. Parshwa Shah Member	Non-Executive Independent Director	8

During the year under review, 10 shareholders' complaints were received and 10 were resolved, resulting in no shareholders' complaint pending as end of the financial year.

Mr. Manish Jain act as Company Secretary & Compliance officer.

2. to review and recommend the amount of expenditure to be incurred on the activities to be undertaken;
3. to monitor the CSR Policy of the Company from time to time
4. any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

The Company has always been mindful of its obligations vis-à-vis the communities it impacts and has been pursuing various CSR activities long before it became mandated by law.

(a) TERMS OF REFERENCE: -

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. to formulate and recommend to the board of directors, the CSR Policy, indicating the CSR activities to be undertaken as per Companies Act, 2013, as amended;

(b) COMPOSITION & MEETINGS OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE: -

As on 31st March, 2023, the Corporate Social Responsibility Committee (CSR) comprised of Three (3) Non-Executive Independent Directors. Eight (8) meetings of the Corporate Social Responsibility Committee were held on 17.05.2022, 13.06.2022, 04.08.2022, 19.09.2022, 09.11.2022, 20.12.2022, 10.02.2023 & 24.03.2023.

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are appearing hereinafter:

Name of the Director	Category	No. of Meetings attended
Mr. Parshwa Shah Chairman	Non-Executive Independent Director	8
Mr. Sandeep Shah Member	Non-Executive Independent Director	8
Mr. Prakash Tekwani Member	Non-Executive Independent Director	8

During the year the Company has spent ₹ 36.76 lakhs towards CSR activities.

The Company has spent the excess amount of ₹ 0.92 lakhs in FY. 2022-23. Therefore, ₹ 0.92 lakhs will be available for set off in succeeding Financial Years.

9. RISK MANAGEMENT COMMITTEE

The Board has constituted the Risk Management Committee in line with the provisions of Regulation 21 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 on their Board Meeting held on 27.07.2023 and is in due compliance of all the provisions stated therein.

(a) TERMS OF REFERENCE: -

The terms of reference of the Risk Management Committee include the following:

1. formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
2. ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(b) COMPOSITION & MEETINGS OF RISK MANAGEMENT COMMITTEE: -

As on reporting date, the Risk Management Committee (RMC) comprised of Two (2) Non-Executive Independent Directors and 1 Executive Director.

The composition of the Risk Management Committee and the details of meetings attended by its members are appearing hereinafter:

Name of the Director	Category	No. of Meetings attended
Mr. Jagdish Patel Chairman	Chairman	N.A.
Mr. Utkarsh Patel Member	Member	N.A.
Mr. Parshwa Shah Member	Member	N.A.

10. GENERAL BODY MEETINGS: -

The details of date, time and location of Annual General Meetings (AGM) held in last 3 years and Special Resolutions passed are as under: -

Financial Year	Date & Time	Venue	Special - Resolutions passed
2021-22	01 st September, 2022	ELITE, NR. SHAPATH HEXA, OPP. KARGIL PETROL PUMP, NR. SOLA OVER BRIDGE, S.G. HIGHWAY, AHMEDABAD - 380 060	1. To adopt revised Articles of Association of the Company as per companies' act 2013.
2020-21	28 th September, 2021	ELITE, NR. SHAPATH HEXA, OPP. KARGIL PETROL PUMP, NR. SOLA OVER BRIDGE, S.G. HIGHWAY, AHMEDABAD -380 060	2. Approval for continuation of present term of Directorship of Shri. Shakarlal Patel Mangaldas as Non-Executive Independent Director. 3. Reappointment And Revision In Terms Of Remuneration Of Shree Jagdish Patel As Managing Director Of The Company 4. Reappointment And Revision In Terms Of Remuneration Of Shree Utkarsh Patel As Executive Director Of The Company. 5. Reappointment And Revision In Terms Of Remuneration Of Smt Jyotika Jagdish Patel As Executive Director Of The Company.

Financial Year	Date & Time	Venue	Special - Resolutions passed
2019-20	30 th September, 2020	Through Video Conferencing ("VC") / Other AudioVisual 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. ELITE, NR. SHAPATH HEXA, OPP. KARGIL PETROL PUMP, NR. SOLA OVER BRIDGE, S.G. HIGHWAY, AHMEDABAD -380 060	Nil

Details of Special Resolution passed last year through postal ballot:

During the financial year ended 31st March, 2023, no resolution was passed through postal ballot.

Whether any special resolution is proposed to be conducted through postal ballot:

No Special Resolution is currently proposed to be conducted through postal ballot.

11. OTHER DISCLOSURES: -

(a) Disclosure of Material Transactions: - Related Party Transaction: -

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions with related parties, except as stated in the Financials. Suitable Disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements in this Annual Report. The Policy on Related Party Transaction has been placed on the Company's website at <https://euro7000.com>.

(b) Vigil Mechanism / Whistle Blower Policy: -

In line with Regulation 22 of the Listing Regulations and Section 177 of the Act, the Company has formulated a Whistle Blower Policy / Vigil Mechanism for Directors and employees to report genuine concerns about instance of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is posted on the website of the Company at <https://euro7000.com>.

During the year under review, no complaint has been received under the Vigil Mechanism /Whistle Blower Policy.

(c) Compliance with Listing Regulations: -

The Company has complied with all the mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There was no Non-Compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the F.Y. 2022-2023.

(d) Prevention of Sexual Harassment (POSH) of Women at workplace: -

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on prevention of Sexual Harassment of women at workplace. The Status of complaints during FY 2022-23 is as under: -

Period	Complaints
Opening as on 01.04.2022	0
Received during - 01.04.2022 to 31.03.2023	0
Disposed of during - 01.04.2022 to 31.03.2023	0
Pending as at 31.03.2023	0

(e) Accounting Treatment: -

In the preparation of the Financial Statements, the Company has followed the Indian Accounting Standards notified pursuant to Companies Indian (Accounting Standards) Rules, 2015 (as amended

from time to time) and the relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(f) Corporate Governance of Subsidiaries: -

The Company does not have any subsidiaries as on date.

(g) Certificate on Corporate Governance: -

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance prescribed under the Listing agreement with Stock Exchanges which forms part of this report.

(h) Shareholder's Information: -

This Chapter read with the information given in the section titled General Shareholders' information constitutes the compliance report on Corporate Governance.

(i) Code of Conduct: -

The Company has adopted a code of conduct for its Directors and designated Senior Management Personnel. All the Board Members and Senior Management Personnel have agreed to follow compliance of code of conduct. The code has been posted on the Company's website at <https://euro7000.com>.

(j) Management Discussion and Analysis (MD&A) Report: -

The Management Discussion and Analysis Report on Company's financial and operational performance, Industry trends etc. is presented as the Separate chapter in the Annual Report which forms part of this report.

(k) Insider Trading: -

The Company has in place "Code of Conduct to regulate, monitor and report Trading by Insider" and accordingly Company Secretary of the Company closes

window for trading in Equity Shares of the Company at the end of every quarter in addition to specific event, if any to comply with said Insider Trading Code.

(l) Disclosures regarding Re-appointment of Directors: -

As per the Articles of Association of the Company, one third of the Directors are liable to retire by rotation every year and if eligible, they offer themselves for re-election by the shareholders at the General Meeting. There is no Alternate Director being appointed to the Board. The independent Directors are not liable to retire by rotation.

(m) Transfer of shares to Investor Education and Protection Fund (IEPF): -

The provision of Section 124(6) of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, is not applicable for the reporting period

(n) Immediate Family Member of Director: -

Mr. Jagdish Patel, Mrs. Jyotika Patel and Mr. Utkarsh Patel are immediate family members.

(o) Appointment & Removal of Company Secretary: -

The appointment and removal of the Company Secretary is subject to the approval of the Board.

(p) Credit Ratings: -

The provisions related to Credit Rating does not applicable to the Company.

(q) Reminders to Unpaid Dividend: -

Reminder to Shareholders for claiming unpaid dividend will be send as per the provisions of the Act.

(r) No Suspension of Securities: -

The Securities of the Company is not suspended.

(s) Discretionary Requirements: -

The table below summarizes compliance status of discretionary requirements of Part E of Schedule II of SEBI (LODR) Regulations, 2015.

Sr. No	Name	Category
1	Non-Executive Chairman's office	The Company does not have a Non-Executive Chairman
2	Shareholders Rights	As the quarterly, half yearly and yearly financial results are published in the newspapers and are also posted on the website of Stock Exchanges and website of the Company, the same are not being sent to the shareholders.
3	Audit Qualifications	The Company's Financial Statements for FY 2022-23 is unmodified.
4	Separate posts of Chairman and MD or CEO	There is a separate post of Chairman, Managing Director / CEO.

(t) Means of Communication: -**i. Financials Results: -**

The quarterly / half yearly / yearly financial results (unaudited / audited) are normally published in Financial Express English and Gujarati, Ahmedabad Edition.

ii. Website Display: -

The Company's official news releases, presentations to analysts and institutional investors, policies, financial results, all information submitted to stock exchanges, etc. are displayed on the Company's website <https://euro7000.com>.

iii. Green Initiative for Paperless Communications: -

To support the "Green Initiative in the Corporate Governance", by the Ministry of Corporate Affairs (MCA), the Company has sent the soft copies of Annual Report 2022-23 to those members whose Email IDs were registered with the Depository Participants (DP) after informing them suitably.

12. GENERAL SHAREHOLDER INFORMATION: -

Annual General Meeting:	22.09.2023
Financial Year:	April 01, 2022 to March 31, 2023
Date of Book Closure:	16.09.2023 to 22.09.2023
Record Date for Dividend:	15.09.2023
Dividend Payment Date:	29.09.2023
Listing Details:	Equity Shares are listed on the following Stock Exchanges: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Annual Listing Fees for the year 2022-2023 has been paid to the said Stock Exchanges.
Stock Code:	BSE Ltd. - 514448
ISIN Number:	INE577D01013
Corporate Identification Number (CIN):	L24229GJ1993PLC020879
Registrar and Share Transfer Agent:	Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400083. Tel: +91 22 4918 6270, Fax: +91 22 4918 6060

Share Transfer System:	Link Intime India Private Limited, Mumbai, is Registrar & Share Transfer Agent of the Company. The Share Transfer and Share Dematerialization is processed by Link Intime India Private Limited, Mumbai. The transfer of shares in Depository mode need not be approved by the Company.																		
Distribution of Shareholding & Category-wise Distribution:	Refer Table A & B																		
Dematerialization of shares and liquidity:	As on 31 st March, 2023, 99.74% of the paid-up share capital (face value of Equity Shares of ₹10/- each) is held in Demat form with NSDL and CDSL.																		
	<table border="1"> <thead> <tr> <th>Mode</th> <th>No. of Equity Shares</th> <th>% to Total Share Capital</th> </tr> </thead> <tbody> <tr> <td>Physical</td> <td>31143</td> <td>0.26</td> </tr> <tr> <td>Electronic</td> <td></td> <td></td> </tr> <tr> <td>A. NSDL</td> <td>4182885</td> <td>34.86</td> </tr> <tr> <td>B. CDSL</td> <td>7785972</td> <td>64.88</td> </tr> <tr> <td>Total</td> <td>12000000</td> <td>100.00</td> </tr> </tbody> </table>	Mode	No. of Equity Shares	% to Total Share Capital	Physical	31143	0.26	Electronic			A. NSDL	4182885	34.86	B. CDSL	7785972	64.88	Total	12000000	100.00
Mode	No. of Equity Shares	% to Total Share Capital																	
Physical	31143	0.26																	
Electronic																			
A. NSDL	4182885	34.86																	
B. CDSL	7785972	64.88																	
Total	12000000	100.00																	
Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:	NIL																		
Plant Locations:	Plot No. 873, Village Santej, Tal. Kalol, Dist. Gandhinagar, Gujarat.-382 721.																		
Address for Correspondence:	All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer: Mr. Manish Jain, Company Secretary & Compliance Officer 1104-1112, ELITE, Opp. Shapath Hexa, Nr. Sola Over Bridge, S.G. Highway, Ahmedabad – 380 060. Phone: (02764)286327 Email: info@euro7000.com																		

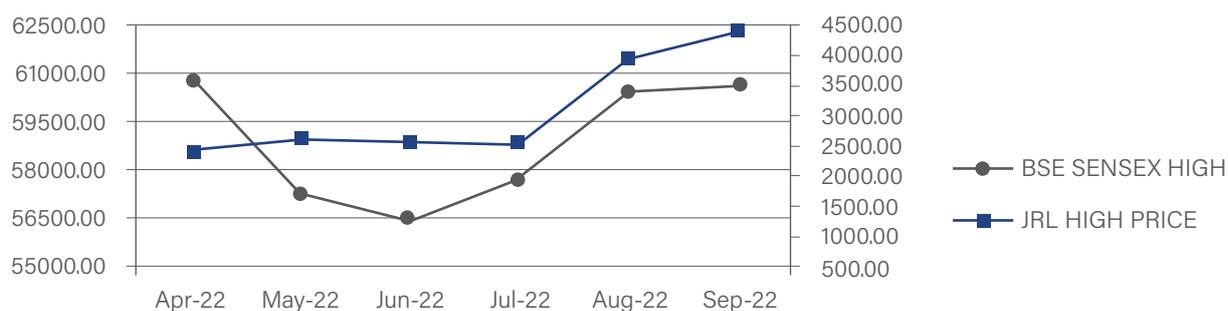
Market Price data:**BSE Limited – 31.03.2023 – JYOTIRES Share Price**

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	Total Turnover (Rs.)
Apr-22	2092.25	2449	1901.8	2050.65	1,06,169	23,19,72,378
May-22	2045	2613.25	1870	2313.7	1,13,168	25,82,23,842
Jun-22	2375	2547.4	2101	2410.7	67,872	15,96,93,798
Jul-22	2436.2	2510	2301	2466.1	39,932	9,65,21,321
Aug-22	2440.1	3931.55	2440.1	3931.55	2,19,150	67,14,08,860
Sep-22	4128.1	4400	1336.25	1350.25	4,55,630	1,00,62,95,052
Oct-22	1282.75	1466	1114.8	1241.2	4,93,934	63,76,37,890
Nov-22	1246.9	1439.45	1180	1321.8	3,29,161	42,73,03,583
Dec-22	1349	1349	1068.3	1248.7	2,30,525	29,21,34,233
Jan-23	1249.95	1273.5	1102.65	1127.55	1,23,307	14,74,45,234
Feb-23	1130	1351	1055.6	1291.25	3,61,540	45,44,51,731
Mar-23	1295	1300	1081.1	1270.8	2,67,677	32,15,67,287

Monthly High and Low Indices

	Bombay Stock Exchange Limited	
	Sensex	
	High	Low
Apr-22	60,845.10	56,009.07
May-22	57,184.21	52,632.48
Jun-22	56,432.65	50,921.22
Jul-22	57,619.27	52,094.25
Aug-22	60,411.20	57,367.47
Sep-22	60,676.12	56,147.23
Oct-22	60,786.70	56,683.40
Nov-22	63,303.01	60,425.47
Dec-22	63,583.07	59,754.10
Jan-23	61,343.96	58,699.20
Feb-23	61,682.25	58,795.97
Mar-23	60,498.48	57,084.91

Share Performance of the Company in comparison to BSE Sensex Before Bonus Issue



Share Performance of the Company in comparison to BSE Sensex After Bonus Issue

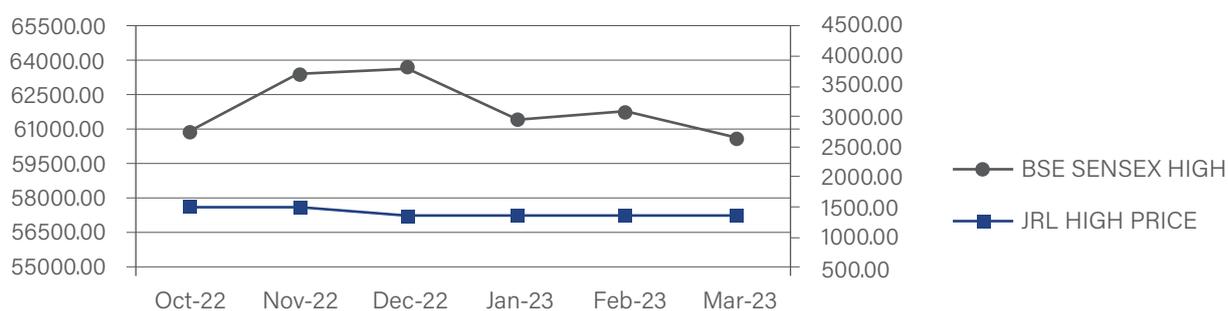


TABLE A**Distribution of Shareholding: 31.03.2023: -**

Category	Shareholders		Total Shares of ₹ 10/- each	
	Number	Percent	Number	Percent
1-500	29730	97.54%	985853	8.22%
501-1000	342	1.12%	244525	2.04%
1001-2000	184	0.60%	264053	2.20%
2001-3000	71	0.23%	187607	1.56%
3001- 4000	30	0.10%	108364	0.90%
4001- 5000	17	0.06%	75858	0.63%
5001-10000	52	0.17%	366666	3.06%
10001- & ABOVE	54	0.18%	9767074	81.39%
Total	30480	100.00%	12000000	100.00%

TABLE B**Shareholding Pattern - 31.03.2023: -**

Sr. No.	Category	No. of Shares	Total Value	%
1	Body Corporate - Ltd Liability Partnership	10,354	1,03,540	0.0863
2	Clearing Members	8,368	83,680	0.0697
3	Foreign Portfolio Investors (Corporate) - I	11,100	1,11,000	0.0925
4	Foreign Portfolio Investors (Corporate) - II	28,500	2,85,000	0.2375
5	Hindu Undivided Family	52,446	5,24,460	0.4371
6	Non Resident (Non Repatriable)	29,657	2,96,570	0.2471
7	Non Resident Indians	89,698	8,96,980	0.7475
8	Other Bodies Corporate	10,92,893	1,09,28,930	9.1074
9	Promoters	60,98,724	6,09,87,240	50.8227
10	Public	45,78,260	4,57,82,600	38.1522
11	TOTAL :	1,20,00,000	12,00,00,000	100.0000

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
Jyoti Resins & Adhesives Ltd.

I have examined the compliance of conditions of corporate governance by **M/s Jyoti Resins & Adhesives Ltd.** for the year ended on 31st March, 2023 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 on behalf 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.

Place : Ahmedabad
Date :17th May, 2023
For, **Meenu Maheshwari & Associates**
(Company Secretary)
FRN: S2015GJ305400

Per; Meenu Maheshwari
Proprietor
F.C.S. No. : 7087
C.P.No. : 8953
UDIN NO. F007087E000322523

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 LIMITED
CIN L24229GJ1993PLC020 879
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 LIMITED** having CIN L24229GJ1993PLC020879 and having registered office at SURVEY NO. 873, OPP. ANAND HEALTHCARE, RANCHHODPURA ROAD, SANTEJ, TAL. KALOLDIST. GANDHINAGAR – 382721 IN 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) 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, 2023 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.

SR NO	NAME	DIN	DATE OF APPOINTMENT
1	JAGDISH NATHALAL PATEL	00304924	01/04/2009
2	UTKARSH JAGDISHBHAI PATEL	02874427	29/01/2010
3	JYOTIKA PATEL	07134331	24/03/2015
4	SANDEEP MOTILAL SHAH	01850151	05/02/2022
5	PRAKASH UDHAWDAS TEKWANI	03589658	05/02/2022
6	PARSHWA BHAVIKBHAI SHAH	07866765	05/02/2022

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.

Place : Ahmedabad
Date :17TH MAY, 2023

SD/-
For, Meenu Maheshwari & Associates (Company Secretary)
FRN: S2015GJ305400

Per; Meenu Maheshwari Proprietor

F.C.S. No. : 7087
C.P.No. : 8953
UDIN NO. F007087E000322512
dated:17/5/2023

Management Discussion and Analysis

Economic overview

Global economy

Geopolitical uncertainty pushed inflation to an unprecedented level at the beginning of the year. In the last few quarters, inflation has been perceived to be stabilising, indicating a positive outlook.

The global economy appears poised for a gradual recovery from the powerful blows of the pandemic and Russia-Ukraine war. The global economic output is expected to witness steady growth, driven by stabilising inflationary pressures, reviving consumer sentiment and investor confidence. The employment scenario in the US and other advanced economies has recovered from pandemic levels and rising disposable income is also likely to support growth in the coming years.

Emerging and developing countries are also witnessing growth across multiple sectors, powered by government focus on infrastructure and manufacturing sectors. China has also recovered from the COVID impact on its economy and industries and is on the mend.

Central banks' monetary policies are expected to bear fruit, leading to a decline in global inflation from *8.7% in CY22 to 7.0% in CY23 to 4.9% in CY24. It is anticipated that the pent-up demand in numerous economies, along with a significant reduction in inflation, will contribute to accelerated economic growth in CY23.

[*Source: IMF World Economic Outlook, April 2023].

Outlook

The landscape of the global economy continues to evolve, characterised by recovery, resilience, and an increasing focus on sustainable development.

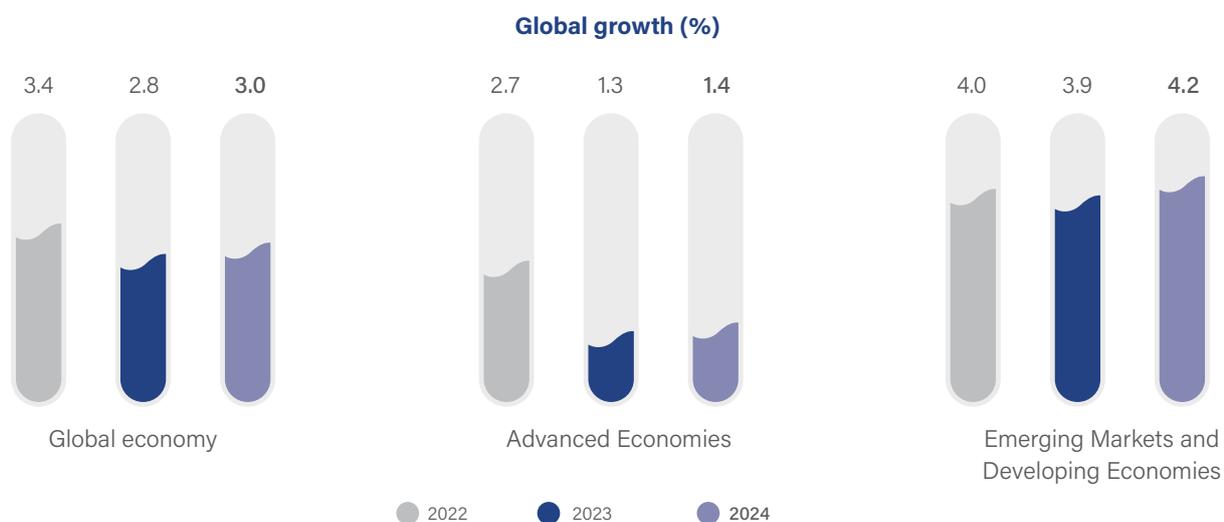
Despite inflationary pressures, the global economy is supported by a robust labour market, increased domestic spending, an influx of foreign capital and a prudent response to the energy crisis in Europe.

The International Monetary Fund (IMF) in its World Economic Outlook report of April 2023, projects a global growth rate of 4.9% for 2023, signalling a continuation of the recovery trend.¹

Many emerging markets and economies (EMDEs) have already recovered, which has bolstered real incomes. An optimistic global outlook would also be determined by the speed and effectiveness of fiscal and monetary policy actions implemented to boost economic expansion. Trade is also expected to remain a crucial engine of growth. Despite challenges like supply chain disruptions, the World Trade Organisation anticipates a 4% growth in the volume of world merchandise trade in 2023, reflecting the robust demand and supply adaptations.² The central banks have been tightening monetary policy, which is expected to curb sticky inflation and foster long-term growth.

A stronger boost from pent-up demand in numerous economies or a faster fall in inflation is likely in the course of 2023. The governments and central banks of the world are expected to play a major role in accelerating economic growth through targeted, need-based measures. Advanced economies are expected to maintain their recovery momentum, thanks to the successful vaccination campaigns and strong fiscal and monetary support.

However, the effectiveness and timing of fiscal and monetary policies will be crucial in determining the accuracy of the IMF's forecast. While central banks around the world are tightening monetary policy, it remains uncertain whether these actions will successfully reduce inflation and promote sustainable growth. Fiscal measures will also be critical, particularly in aiding those affected by the pandemic in their businesses and personal lives.



(Source- IMF World Economic Outlook, April 2023)

¹IMF World Economic Outlook, April 2023

²World Trade Organization, April 2023

Indian Economy

As stated by the Reserve Bank of India, the Indian economy has experienced a robust GDP growth of 7.2% for the fiscal year 2023.³ This resurgence in growth comes after the challenging period of economic contraction faced in 2020 due to the COVID-19 pandemic and the associated lockdown measures. This recovery has been largely fuelled by strong domestic demand, a resurgence in manufacturing and services sectors, and increased export activity owing to the revival of global trade. Infrastructure development has also been a key driver of growth, with government initiatives spurring construction activities across the country.

The Indian government has managed to maintain a favourable domestic policy environment and prioritise structural reforms, allowing the country's economy to remain resilient amid global challenges.

Various high-frequency indicators, such as GST collections, railway and air traffic, electronic toll collections and E- Way bill volume, suggest a robust economic recovery in India. This persistent growth momentum has positioned India as an attractive investment destination. Moreover, India is expected to retain its status as the fastest-growing G-20 nation in the coming years. India's presidency of the G20 Summit in 2023 has also bolstered its international stature. It is anticipated that this event will boost India's image as a hub for business and innovation, attracting more foreign investments and opening up new avenues for trade and collaboration.

Despite the challenges, the Indian government's prudent initiatives, such as the PM Gati Shakti - National Master Plan, the National Monetisation Plan (NMP) and the Production-Linked Incentive (PLI), have been instrumental in fostering economic growth. The Reserve Bank of India (RBI) has also taken prudent and proactive measures to ensure financial stability and address liquidity constraints. These factors have contributed to the Indian economy's resilience and stimulated substantial investments.

In response to monetary policy actions by the RBI, together with other supply side measures, headline CPI inflation has gradually declined from its peak of 7.8% in April 2022 to 5.7% in March 2023 and is projected to moderate further to 5.2% in Q4, 2023-24.

Outlook

Despite global challenges, India's economic activity has remained robust due to a favourable domestic policy environment and the Government's continued emphasis on structural reforms.

India is expected to be among the fastest growing major economies of the world in 2023-24, accounting for 15% of global growth—the second largest contribution, and higher than that of the US and EU put together. A crucial component of this growth

story is the expected surge in domestic consumption. As the vaccination drive expands and pandemic-induced restrictions ease, consumer confidence is likely to rebound, leading to increased spending

A combination of rising disposable income, easy access to credit and lowering interest rates in the wake of a stabilising inflation trajectory will bode well for economic growth of the country, going forward.

Looking ahead, the Indian economy presents a landscape of promising opportunities mixed with significant challenges. It is on a trajectory of steady recovery and poised for growth, reflecting the resilience and dynamism of the Indian market.

Industry overview

Global adhesive and resin industry

The global Adhesive Resin Market, is predicted to experience significant growth in the upcoming years, driven by the rising demand for adhesive resins in automotive, packaging, industrial, and other sectors. The global adhesive resins market is projected to attain a valuation of US\$ 31 billion by the year 2033, with a steady expansion at a compound annual growth rate (CAGR) of 5.1% during the period from 2023 to 2033.⁴ Notably, the Asia-Pacific region is expected to have high demand for adhesive resins due to technological advancements in end-use industries and the increase in surgical procedures.

In recent times, there has been a noteworthy surge in the demand for adhesive resins in various consumer applications and other sectors, consequently contributing to the expansion of the global market. Additionally, the rising construction and infrastructure developments in the building industry have further fuelled the demand for these adhesive products.

The adoption of synthetic and environmentally friendly adhesive resins is anticipated to create favourable prospects for participants in the industry. Increasing consciousness regarding sustainable materials is projected to drive the demand for bio-based adhesives, thereby assisting end-use industries in addressing environmental concerns. Moreover, there is a discernible shift towards the utilization of hot-melt adhesives within these end-use sectors.

However, the growth of the global market is likely to be influenced by certain challenges and constraints. Among these factors are time-consuming and stringent regulatory policies, as well as fluctuations in raw material prices. Moreover, difficulties in separating objects during the testing process and reduced stability of these solutions at high temperatures further limit growth opportunities for industry participants. Nonetheless, it is worth noting that these adhesives exhibit relative weakness in bonding larger objects with smaller surface areas. Nevertheless, the automotive industry's increasing demand for low carbon-emitting and lightweight vehicles will drive the need for adhesives and their resins.

³<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1928682>

⁴<https://www.globenewswire.com/en/news-release/2023/02/09/2605274/0/en/Adhesive-Resins-Market-Is-Forecasted-To-Top-a-Market-Valuation-of-US-31-Billion-by-the-End-of-2033-Reports-Fact-MR.html>

Wood adhesives industry

In a world increasingly driven by innovation and sustainability, the wood adhesive industry holds an essential role. The wood adhesives sector has witnessed considerable growth in recent years due to several factors. Some of them include higher real estate demand, an increasing number of individual houses in Tier II and Tier III cities and rural housing, as well as greater demand for furniture and building materials. It is projected that the global wood adhesives industry will grow at a CAGR of 4.8% and reach USD 22.8 billion by 2030.⁵

The wood adhesives market's growth is also propelled by high demand for furniture, wooden flooring, cabinets, and other wood items in the Asia-Pacific (APAC) countries, including India and China. Other factors contributing to this sector's expansion are lower labour and manufacturing costs in the APAC region. Likewise, this region has less stringent regulations and data requirements, leading to adaptive and business-friendly regulatory policies that promote the growth of the wood adhesive industry.

Outlook

The growth of the market is driven by the increasing demand for adhesive resins in consumer applications and transportation, as well as the surge in construction and building activities due to infrastructure development. Technological advancements and the trend towards sustainable construction and smart cities are expected to further boost market demand. The global Adhesive Resin market report provides a comprehensive evaluation of the market, including analysis of key segments, trends, drivers, restraints, competitive landscape, and factors impacting market growth.

The future of the Indian wood adhesive industry, particularly white glue, appears to be vibrant, underscored by various macroeconomic trends and industry-specific drivers. The Indian wood adhesive market is showing promising growth, reflecting the country's accelerating economic recovery. According to a report by Research and Markets, the Indian wood adhesive market was valued at USD 880 million in 2022 and is anticipated to grow at a CAGR of 7.5% during 2022-2027.

Indian Adhesive and Resin industry

The adhesive market in India was worth USD 930.464 million in 2021. However, it is projected to expand at a compound annual growth rate (CAGR) of 10.26% during the forecast period of FY2023-28, reaching a value of USD 1842.936 million by 2028. The wood adhesive industry plays a crucial role in a rapidly evolving world that emphasises innovation and sustainability. On top of that, the industry holds immense importance in India's manufacturing and construction sectors, finding widespread usage in furniture manufacturing, interior design, flooring, panelling, and construction. Over recent years, the Indian wood adhesive market has experienced remarkable growth due to factors such as rapid urbanisation, infrastructure development,

and a thriving furniture industry. Rising disposable incomes, evolving lifestyles, and a growing inclination towards superior wood products also contribute to the increasing demand for wood adhesives in the market. In addition to this, the wood adhesive market in India is witnessing significant growth, driven by the country's large population and the substantial demand for furniture, wooden flooring, and cabinets.

India's Adhesives market can be classified into water-based, solvent-based, hot-melt, reactive and other adhesives, determined by the technology employed. Water-based adhesives, such as Polyvinyl Acetate (PVA) adhesives, are anticipated to grow in the foreseeable future. Additionally, the market is expected to be driven by ongoing innovation and the introduction of new adhesive products in the country⁶.

Outlook

India's adhesive market has received an enhanced impetus from both government and private initiatives aimed at its expansion.

The outlook for the Indian wood adhesive industry, specifically in the realm of white glue, appears to be characterised by a multitude of macroeconomic trends and drivers that are unique to the industry. The Indian wood adhesive market is poised for promising growth, reflecting the country's robust economic recovery. As stated in a report by Research and Markets, the market for wood adhesive in India attained a value of USD 880 million in 2022 and is projected to register a compound annual growth rate (CAGR) of 7.5% from 2022 to 2027.

The Indian wood adhesive industry's expansion has been propelled by the revival of the construction and furniture sectors. Furthermore, the industry gains momentum from the increasing urbanisation and the expanding middle class with higher disposable incomes. A noteworthy factor driving this growth is the anticipated surge in India's real estate and construction sectors. On top of that, Government initiatives focused on infrastructure development and housing have also stimulated the demand for wood adhesives, specifically white glue.

Company overview

Jyoti Resins & Adhesives, is India's second-largest white glue adhesive manufacturer in the retail segment. The Company offers a wide range of synthetic wood adhesives (white glue) under their flagship brand, Euro 7000. It is a consumer-centric company committed to quality and innovation. The Company's success in this business is a result of its strategic vision, which focuses on delivering world-class products and services to its customers.

Jyoti Resins and Adhesives Limited launched its brand, Euro 7000, in 2006. The Company is currently operating the plant with an installed capacity of 2,000 Tonnes Per Month (TPM) at Santej in Gandhinagar to meet the growing demand for its products. As a result, Euro 7000 has grown exponentially and is now the second largest selling wood adhesive brand in India's

⁵<https://www.globenewswire.com/en/news-release/2023/02/14/2608089/0/en/Global-Wood-Adhesives-Market-Size-Share-To-Grow-22-8-Billion-By-2030-CAGR-4-8-Spherical-Insights.html>

⁶<https://www.knowledge-sourcing.com/report/india-adhesives-market>

retail segment. The Company services 13 states in India through 25 branches and 50 distributors, catering to 10,000 retailers and 3,00,000 carpenters across India.

The Company's headquarters as well as manufacturing facilities are based in Ahmedabad. While it has a sales footprint across 13 states, Gujarat, Madhya Pradesh, Rajasthan, Maharashtra, Karnataka and Telangana are the top volume contributing states. The Company's proprietary brand, Euro 7000, commands superior recall and traction for consistency, quality, and service. It is engaged in the manufacture of various types of wood adhesives with different formulations, such as waterproof, anti-termite, fast-drying, weather-proof and anti-fungal adhesives.

Business overview

The Company's range of high-quality adhesives cater to all key substrates and woodworking needs. The adhesives are designed to last for years by providing greater strength, durability and protection.

EURO Synthetic Wood Adhesive

It is a perfect combination of strength and transparency. The adhesive film is transparent and glossy, providing a smooth and clear finish. Its anti-termite formula ensures long-lasting durability and protection.

WP 2-in-1 Waterproof Adhesive

When it comes to waterproof adhesive, it is the ultimate option. The transparent and glossy adhesive film is water-resistant, heat-resistant, and fungal-resistant, ensuring strength and durability. Its anti-termite formula protects woodwork from termites, making it the perfect adhesive for outdoor woodwork projects.

EURO Extreme3

It is an adhesive that offers fast-drying, waterproof, and anti-termite properties. With a transparent and glossy film, it offers excellent handling strength within 2-3 hours of application.

EURO Ultra 5in1 adhesive

It offers five benefits in one adhesive. The transparent and glossy film provides a smooth and clear finish to the wood, while its fast-drying formula offers 2 hours handling strength. Its waterproof and anti-termite properties make it perfect for outdoor woodwork projects. It is also weather-proof and provides more coverage than other adhesives, making it the ultimate choice for all woodworking needs.

EURO PVC Glue

It is perfect for bonding PVC sheets to wood. It comes with pre-edge bending taps, making it easy to apply.

EURO Extreme3 Hi Strong adhesive

It is quick-drying, waterproof, and termite-resistant. With a transparent and glossy film, it provides excellent handling strength within 2-3 hours of application.

EURO 2in1 adhesive

It is waterproof, termite-resistant, heat-resistant, and fungal-resistant. The translucent and glossy coating gives the wood a smooth and clear finish, while its high strength assures long-lasting durability.

EURO EWR adhesive

It is suitable for both hot and cold press, providing more coverage and better strength.

EWR D2+ Hot Press Expert

It has a fast-drying composition with high strength that ensures sturdiness in any situation. Its D2+ grade glue is ideal for all woodworking applications, and it comes in a compact 50 Kg drum pack.

Opportunities

Growing demand for eco-friendly products

With increasing environmental consciousness and stricter regulations, there is a rising demand for sustainable and eco-friendly resins and adhesives. The Company can capitalise on this opportunity by developing and marketing environmentally friendly products to attract environmentally conscious customers and gain a competitive edge.

Advancements in technology

The adhesive and resin industry is continuously evolving, with advancements in materials and manufacturing processes. The Company can leverage these technological developments to create innovative and high-performance products, catering to diverse applications across various industries.

Collaboration and partnerships

Partnering with other companies, research institutions, or universities can open up opportunities for the Company to access new technologies, resources, and expertise. Collaborations can lead to joint product development, which may result in a stronger market position and accelerated growth.

Customisation and tailored solutions

Many industries require specialised adhesives and resins to meet specific application needs. Offering customisable products and tailored solutions for individual clients can attract niche markets and foster long-term customer loyalty.

Targeting the OEM market

Ready-made furniture i.e. the OEM business is systematically growing with changing consumer tastes and preferences along with quick ready to use products. Our products are adept to target OEM customers thereby targeting a large opportunity in the market.

Threats

Intense Competition

The adhesive and resin industry is highly competitive, with a large established player, several mid to small existing players and new entrants vying for market share. Intense competition can lead to price wars, reduced profit margins, and increased marketing expenses, making it challenging for the Company to maintain its profitability.

Raw Material Price Volatility

The prices of key raw materials used in manufacturing adhesives and resins, can be subject to fluctuations. Unpredictable price increases can strain profit margins and affect the Company's ability to remain competitive.

Shift in Customer Preferences

Changing customer preferences and buying behaviour may lead to a demand shift towards alternative materials or adhesives and resins from competitors. The Company must adapt to evolving customer needs and preferences to retain its market position effectively.

Supply Chain Disruptions

Disruptions in the supply chain, such as shortages of raw materials or transportation issues, can disrupt production schedules and lead to delayed deliveries, damaging customer relationships.

Competitive advantage

Jyoti Resins adopts a low-cost manufacturing approach and operates with an asset-light strategy, focusing on efficiency and profitability. The Company has successfully limited overall manpower costs to a commendable 15-16% of its revenues, demonstrating prudent cost management.

Carpenter reward model

The Company offers an exceptional and highly rewarding carpenter incentive model, which stands out as one of the finest in the industry. It's reward and loyalty programs are specifically designed on a state-wise basis. Carpenters are provided with a dedicated company app through which they can easily claim and redeem points earned. The reward system is structured into different tiers based on the extent of usage.

Moreover, selling and distribution expenses are meticulously maintained below 13-14%, further optimising operational expenses. The Company achieved an impressive asset turnover rate of 8x, indicating the Company's ability to generate significant revenue relative to its asset base. In addition, the Company stands out in the industry with one of the highest EBITDA per tonne compared to its peers, showcasing its exceptional profitability. The Company's prudent working capital management has enabled it to operate without any debt, and it maintains a positive operating cash flow (OCF) and free cash flow (FCF) position. This financial strength underscores Jyoti Resins and Adhesives' prudent financial management and sustainable business practices.

Financial overview

Particulars (₹ in lakhs)	FY23	FY22	% Change
Net Revenue	26,125	18,196	43.58 %
EBITDA	6,063	2,376	155.18 %
PAT	4,644	1,976	135.02 %
Cash Profit	4,792	2,052	133.53 %
BVPS	88.31	52.11*	69.47 %
BVPS (without revaluation reserve)	74.31	38.11*	94.99 %
Earnings Per Share (₹)	38.70	16.47	134.97 %
Promoter Holding (%)	50.82 %	49.97 %	1.70 %
Reserves and Surplus (₹ Crores)	93.98	58.53	60.57 %

*Diluted book value per share after considering bonus share issue of 80,00,000 shares in FY 23

Key ratios

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios

Sr. No.	Ratio	Numerator	Denominator	For the year ended 31 March, 2023	For the year ended 31 March, 2022	% Variance	Explanation for significant changes of more than 25% as compared to previous year
1	Debtor Turnover ratio	Net Credit Sales	Average Accounts Receivable	3.35	3.13	7.30%	Not Applicable
2	Inventory turnover ratio	Sales	Average Inventory	59.27	45.21	31.10%	Sales performance of the Company has improved
3	Interest coverage ratio	Earnings available for interest	Interest	2029.18	590.74	243%	The debt was very small and same is paid in full.
4	Current ratio	Current Assets	Current Liabilities	1.31	1.19	10.19%	Not Applicable
5	Debt equity ratio	Total Debt	Shareholder's Equity	0.00	0.00	-	The debt is very small and paid in full, hence Not Applicable
6	Operating Profit Margin	Operating Profit	Sales	24.07%	14.96%	60.96%	Sales performance of the Company has improved
7	Net Profit Margin	Net Profit	Sales	17.78%	10.86%	63.66%	Sales performance of the Company has improved
8	Return on Net Worth	Net Profit	Net Worth	43.82%	31.61%	38.66%	Increased profit during the year

Business Outlook

Due to a significant surge in demand and a significant increase in market share, the Company successfully completed the expansion of its production capacity, raising it to 2000 TPM. Presently, the Company is actively engaged in establishing a warehouse facility to enhance storage capabilities for both raw materials and finished goods. Further, the Company aims to bolster its presence in the existing states by expanding its network of branches and distributors, strategically focusing on improving market share. Additionally, the Company plans to explore opportunities in 1-2 new states while also enhancing operational efficiencies in its established regions. These initiatives reflect the Company's commitment to growth and optimisation as it seeks to reinforce its position in the adhesive industry.

Corporate social responsibility

The Company believes in giving back to the society it operates in and social initiatives are integral to its business model. The Company's CSR initiatives focus on education, healthcare, animal welfare, and environmental sustainability.

Under the Ambedkar Hastshilp Vikas Yojana (AHVY), the JBECT Trust has started a cluster at Chotila, under a special project, where 500 women are receiving training for self-employment. The organisation has also established a de-addiction centre at Chotila Tal, which provides treatment for addicts.

The Shri Jagatbharti Education and Charitable Trust has organised several programmes to provide vocational training and income generation opportunities to various sections of society. These programmes include income generation training for youth and women, a handicrafts training centre, and a vocational training programme for disabled persons. The organisation also runs a job placement centre that provides job opportunities and guidance to beneficiaries in government, semi-government, and private sectors. Additionally, the trust operates a computer training centre that helps 200 students gain self-employment after receiving training and also provides placements in government and private sectors. The organisation has successfully benefited over 450 disabled persons and 500 job placement beneficiaries with its ongoing programmes.

Human resources

The workforce of the Company comprises individuals who possess extensive knowledge and demonstrate unwavering dedication across various functional areas, including procurement, manufacturing, marketing, technology, innovation, and finance. It's steadfast commitment and diligent efforts have significantly contributed to the Company's impressive performance in FY23, all while prioritising the health and safety of employees and ensuring the smooth operation of supply chains, deliveries, and customer service.

Recognising the pivotal role of a diverse and engaged talent pipeline in the Company's success, the HR department

understands the importance of building, developing, and retaining such a pool of capable individuals. The Company firmly believes in continuous improvement of productivity by empowering teams through delegation of responsibilities and authority. This focus extends to transforming initiatives aimed at enhancing products and services.

To enhance business viability, liquidity, and competitiveness, the Company actively invests in sustainable initiatives and provides relevant training to employees to foster stronger engagement with carpenters, contractors, architects, and other stakeholders. Recognising that investment in the workforce and the establishment of a positive work environment are critical to success, the Company places great emphasis on these areas.

In order to attract seasoned professionals and recruit entry-level talent, the Company collaborates with educational institutions, professional recruiting agencies, and schools. As of March 31st, 2023, the Company manages a total of 500 full-time employees and retainer-based staff.

The Company places a high priority on incentivising and retaining its workforce through a performance-based compensation and review system that duly rewards and promotes service excellence.

Looking ahead, the Company aims to capitalise on the expertise of its experienced specialists to enhance brand recall, attract a larger customer base, and maintain its position as a leader in the adhesive and resin industry. The Company's commitment to building, developing, and retaining a diverse and engaged talent pool, combined with its investment in sustainable initiatives and provision of relevant training, ensures that it is well-prepared for continued success.

Manufacturing excellence

Jyoti Resins and Adhesives Ltd upholds a strong belief in maximising asset utilisation, adopting cutting-edge technologies, and centralising its manufacturing process to ensure optimal operational efficiency and cost-effectiveness. The Company's manufacturing philosophy revolves around a steadfast commitment to sustainability, in alignment with the principles of responsible manufacturing endorsed by the United Nations. By prioritising Human Rights, Labour, and Environment, Jyoti Resins has attained environmental sustainability and earned the commendation of stakeholders as a responsible corporate entity.

To maintain compliance with industry standards, the Company's manufacturing sites undergo rigorous audits by regulatory authorities, ensuring adherence to Good Manufacturing Practice (GMP) and other regulatory requirements. This has established Jyoti Resins as a recognised and compliant manufacturer in the industry.

In their pursuit of effective cost management, the Company negotiates mutually beneficial terms of trade while also making proactive investments in state-of-the-art equipment, capacity expansion, and operational integration. As a result, Jyoti

Resins has accomplished the establishment of the second-largest adhesives manufacturing capacity in India, granting the company economies of scale and a competitive edge in the market.

The implementation of bar-coded products and process digitalisation has been a transformative development for the Company's manufacturing capabilities, enhancing operational efficiency, accuracy, and seamlessness. This advancement has significantly contributed to the Company's position as the second-largest manufacturing capacity within the sector.

Risk and mitigation

The Company recognises the significance of effective risk management in ensuring sustainable growth. To this end, it has devised and put into action a comprehensive risk management policy. This policy systematically identifies potential risks that could pose a threat to the Company's existence. These risks encompass credit risk, liquidity risk, market risk, currency risk, and interest risk.

The Board and top management oversee the risk management framework, which is regularly reviewed and revised to reflect changes in market conditions and activities. Through effective risk management policies and procedures, the Company maintains a disciplined and constructive control environment that promotes sustainable growth.

The Board, along with top management, is responsible for developing and monitoring the Company's risk management policies, which are designed to identify and analyse risks, set appropriate limits and controls, and monitor risks and adherence to limits.

The 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.

Credit risk

It arises primarily from trade receivables, certain loans and advances, and other financial assets.

Mitigation: The Company has implemented a well-defined, balanced and comprehensive client policy, which drives all contracts and business dealings. Additionally, the finance team evaluates the financial capabilities of big clients and channel partners to mitigate credit risk.

Liquidity risk

It arises when the Company encounters difficulty in meeting obligations associated with financial liabilities.

Mitigation: The Company's approach to managing liquidity is to ensure sufficient liquidity to meet liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Market risk

It arises from potential future losses or changes in the value of financial instruments. This risk is attributable to market risk-sensitive financial instruments such as foreign currency receivables and payables. However, the Company is not exposed to currency risk as it does not have any transactions in foreign currency. The Company's exposure to market risk is primarily related to interest rate risk, which is a function of borrowing activities.

Internal control systems and their adequacy

The Company has implemented a robust internal control system to safeguard its assets, ensure precise financial reporting, and enhance operational efficiency. A clear segregation of duties is enforced, assigning distinct responsibilities to mitigate conflicts of interest and reduce the risk of fraudulent activities. All significant transactions and expenditures undergo appropriate authorisation and approval, adhering strictly to Company policies. Advanced accounting software is utilised to maintain accurate and reliable financial records, which are subject to periodic review and verification. Furthermore, stringent physical controls are enforced to secure assets and limit access to authorised personnel exclusively. Employee training and awareness initiatives contribute to bolstering the overall control environment. In addition, IT controls are in place to safeguard against cyber threats and potential data breaches. Regular

monitoring and internal auditing processes are conducted to assess the effectiveness of the system and identify areas for enhancement. The Company remains steadfast in its commitment to compliance with relevant laws, regulations, and industry standards, placing great importance on ethical business practices.

Cautionary statement

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable laws and regulations. Such statements represent the intention of the Management and the efforts being put into place by them to achieve certain goals. These assertions are predicated on a number of assumptions and future activities. Since the Company's operations are impacted by several internal and external factors outside of its control, actual results could significantly differ from those stated or inferred. Any forward-looking statement published here only speaks as of the date it was made and only reflects the Company's current intentions, beliefs, or assumptions. The Company disclaims any obligation to update or modify any forward-looking statements, whether as a result of new data, unexpected developments, or other factors. Readers are urged to use their best judgement when determining the risks connected to the Company.

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, 2023, 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, 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.

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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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.

Responsibilities of Management and those charged with governance 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.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the bank has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause a Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report 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 afore said 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,

that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note 14 to the standalone financial statements

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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

Mrugen K Shah
(Partner)

Place: Ahmedabad
Date: 17-05-2023

M. No.: 117412
UDIN : 23117412BGUDVB1693

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, 2023** 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 were 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2023, 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

Mrugen K Shah

(Partner)

M. No.: 117412

UDIN : 23117412BGUDVB1693

Place: Ahmedabad

Date: 17-05-2023

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 Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, and Plant and Equipment.
 - (B) The Company does not have any intangible assets and hence records showing full particulars of intangible assets is not applicable.
 - (b) The Company has a program of verification to cover all the items of Property and Plant and Equipment 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 Property and Plant and Equipment 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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. In respect of its inventories:
 - a) As explained to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year.
 - b) In our opinion and according to the information and explanations given to us during the course of the audit, the coverage and procedure for such physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the company has maintained proper records for its inventories and no material discrepancies were noticed on physical verification in any class of inventories as compared to the book records
 - (d) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - a. According to information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - b. According to information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - c. According to information and explanations given to us and on the basis of our examination of the records of the Company, no loans have been granted by the Company. Hence, reporting under clause 3(iii)(c) of the Order is not applicable.
 - d. According to information and explanations given to us and on the basis of our examination of the records of the Company, no loans have been granted by the Company. Hence, reporting under clause 3(iii)(d) of the Order is not applicable.
 - e. According to information and explanations given to us and on the basis of our examination of the records of the Company, no loans have been renewed by the Company during the year. Hence, reporting under clause 3(iii)(e) of the Order is not applicable.
 - f. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- 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. According to the information and explanations given to us, the company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year to which directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act are applicable and as such Paragraph 3(v) of the order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (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, 2023** for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) Based on our audit procedures and according to information and explanations given to us, the Company has not defaulted in repayment and hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has taken term loan during the year and it was used for the same purpose for which it has been taken hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us during the course of the audit and the audit procedures performed by us, and on an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the company.
- (e) The company does not have any subsidiaries, associates or joint ventures and hence reporting on the funds taken by the company from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures is not applicable.
- (f) The company does not have any subsidiaries, associates or joint ventures and hence reporting on the loans raised by the company during the year on the pledge of securities held in its subsidiaries, associates or joint ventures is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) No complaints received by the Company from the whistle blower complaints during the year (and upto the date of this report).
- 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. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion on the basis of our examination of the financial statements and representations made by the company it has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) According to the information and explanations given to us during the course of the audit and on the basis of our examination of the financial statements of the company and representations made by the company, in our opinion the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations given to us during the course of the audit and as represented to us by the company in our opinion, there is no core investment company within Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvii) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As per information and explanations given to us during the course of the audit and based on our examination of the records of the company, there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects or other than ongoing projects. Accordingly transfer of unspent amount to a special account in compliance with provisions of sub-section (6) of Section 135 of the Companies Act, 2013 or transfer to a Fund specified in Schedule VII to the Companies Act 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act is not applicable and accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.
- xxi. The company is not required to prepare consolidated financial statements and hence clause 3(xxi) of the Order regarding qualifications or adverse remarks by the auditors of the companies included in the consolidated financial statements is not applicable.

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W

Mrugen K Shah
(Partner)

Place: Ahmedabad
Date: 17-05-2023

M. No.: 117412
UDIN : 23117412BGUDVB1693

Balance Sheet

as at 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	4725.79	4626.58
Financial Assets			
Investments	6	0.04	7.22
Other financial assets	7	2759.67	43.80
Other Non Current assets		-	-
Total non-current assets		7485.49	4677.59
Current assets			
Inventories	8	503.39	899.22
Financial Assets			
Investment	6	2.26	1.85
Trade receivables	9	9145.70	6433.31
Cash and cash equivalents	10	386.03	627.95
Bank Balance other than cash and cash equivalent	11	2702.38	1746.97
Other Current assets	12	839.69	780.32
Total current assets		13579.46	10489.62
TOTAL ASSETS		21064.96	15167.21
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	1200.00	400.00
Other Equity	14	9397.73	5853.48
Total equity		10597.73	6253.48
Liabilities			
Non-current liabilities			
Financial Liabilities			
Long Term Borrowings	15	-	-
Other financial liabilities	17	43.10	40.64
Deferred Tax liabilities (Net)	19	28.33	24.69
Total non-current liabilities		71.43	65.33
Current liabilities			
Financial Liabilities			
Short Term Borrowings	15	-	5.27
Trade Payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises			
(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises		1420.48	206.10
Other financial liabilities	17	8327.17	8360.62
Provisions	18	175.17	109.77
Other Current liabilities	20	472.99	166.65
Total current liabilities		10395.80	8848.41
Total Liabilities		10467.23	8913.73
TOTAL EQUITY AND LIABILITIES		21064.96	15167.21
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

Sd/-
Mrugen Shah
Partner
Membership no: 117412

Place: Ahmedabad
Date: 17-05-2023

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

Sd/-
UTKARSH J PATEL
Managing Director
DIN : 02874427

ASHOK C JARDOSH
Chief Financial Officer

Sd/-
JAGDISH N PATEL
Chairman
DIN: 00304924

MANISH S JAIN
Company Secretary

Statement of Profit and Loss

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue From Operations	21	26125.30	18195.54
Other Income	22	226.25	345.05
Total Income		26351.54	18540.59
Expenses			
Cost Of Materials Consumed	23	13519.70	11348.15
Changes In Inventories Of Finished Goods & Work-in Progress	24	196.22	(272.88)
Employee Benefits Expense	25	1775.42	1462.27
Finance Costs	26	3.10	4.61
Depreciation And Amortisation Expense	27	144.56	70.65
Other Expenses	28	4571.45	3281.89
TOTAL EXPENSES		20210.44	15894.69
Profit Before Exceptional Items And Income Tax		6141.10	2645.91
Exceptional Items		-	-
Profit Before Tax		6141.10	2645.91
Current Tax		1550.00	665.00
Earlier Year Excess Provision Written Back		(56.79)	-
Deferred Tax (credit) / Charge	19	3.63	4.48
Income Tax Expense		1496.84	669.48
Profit For The Year		4644.26	1976.43
Other Comprehensive Income Net Of Taxes			
Items That Will Not Be Reclassified Subsequently To Profit Or Loss			
Remeasurement Of The Net Defined Benefit Liability / Asset, Net		-	-
Equity Instruments Through Other Comprehensive Income, Net		-	-
Income Tax Relating To Items That Will Not Be Reclassified Subsequently To Profit Or Loss		-	-
Net Other Comprehensive Income Not To Be Reclassified Subsequently To Profit Or Loss		-	-
Items That Will Be Reclassified Subsequently To Profit Or Loss			
Fair Value Changes On Derivatives Designated As Cash Flow Hedge, Net		-	-
Fair Value Changes On Investments, Net		-	-
Income Tax Relating To Items That Will Be Reclassified Subsequently To Profit Or Loss		-	-
Net Other Comprehensive Income To Be Reclassified Subsequently To Profit Or Loss		-	-
Other Comprehensive Income For The Year, Net Of Tax		-	-
Total Comprehensive Income For The Year		4644.26	1976.43
Earnings Per Share:			
Equity Shares Of Par Value ₹10 Each			
Basic		38.70	16.47
Diluted		38.70	16.47
(Refer Note 4.25)			
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

Sd/-

Mrugen Shah

Partner

Membership no: 117412

Place: Ahmedabad

Date: 17-05-2023

For and on behalf of the Board of Directors of

JYOTI RESINS & ADHESIVES LIMITED

CIN : L24229GJ1993PLC020879

Sd/-

UTKARSH J PATEL

Managing Director

DIN: 02874427

ASHOK C JARDOSH

Chief Financial Officer

Sd/-

JAGDISH N PATEL

Chairman

DIN: 00304924

MANISH S JAIN

Company Secretary

Cash Flow Statement

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flow From Operating Activities		
Net Profit Before Tax	6141.10	2645.91
Adjustments:		
Depreciation And Amortisation	144.56	70.65
Finance Expense	3.10	4.61
Profit On Sale Of Investment	-	(185.16)
Net Loss/(gain) On Fair Value Change	-	60.89
Interest Income	(206.96)	(145.87)
Dividend Income	0.00	(5.35)
Operating Cash Flow Before Working Capital Changes	6081.80	2445.67
Working Capital Adjustments:		
(increase) / Decrease In Operating Assets		
Decrease / (increase) In Trade Receivables	(2712.39)	(1224.15)
Decrease / (increase) In Other Current Assets	(59.38)	672.70
Decrease / (increase) In Other Non Current Financial Assets	(2715.87)	585.86
Decrease / (increase) In Other Bank Balances	(955.41)	(87.90)
Decrease/ (increase) In Inventories	395.82	(354.03)
Increase / (decrease) In Operating Liabilities		
Increase/ (decrease) In Trade Payables	1214.38	(6.41)
Increase/ (decrease) In Borrowings	(5.27)	(18.14)
Increase/ (decrease) In Other Financial Liabilities	(33.45)	(728.75)
Increase/ (decrease) In Provisions	(52.81)	(391.01)
Increase/ (decrease) In Other Current Liabilities	306.34	16.72
Cash Generated From Operations	1463.76	910.55
Less: Income Tax Paid	(1375.00)	(650.00)
Net Cash Generated From Operating Activities (a)	88.76	260.55
Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(243.77)	(808.46)
Investment Made (net)	6.76	430.44
Dividend Received	-	5.35
Interest Received	206.96	145.87
Net Cash Used In Investing Activities (b)	(30.05)	(226.80)
Cash Flow From Financing Activities		
Borrowings Made	-	(5.27)
Increase In Other financial liabilities	2.47	12.07
Dividened Paid	(300.00)	(120.00)
Finance Costs Paid	(3.10)	(4.61)
Net Cash Generated From / (used In) Financing Activities (c)	(300.63)	(117.81)
Net Increase/(decrease) In Cash And Cash Equivalents (a)+(b)+(c)	(241.92)	(84.06)
Cash And Cash Equivalents At The Beginning Of The Year	627.95	712.01
Cash And Cash Equivalents At The End Of The Year	386.03	627.95

Cash Flow Statement

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Notes To Cash Flow Statement		
Components Of Cash And Cash Equivalents		
Cash On Hand	14.52	6.36
Balances With Bank		
In Current Account	371.51	198.76
In Fixed Deposit Accounts With Original Maturity Of 3 Months Or Less	-	422.83
	386.03	627.95

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

Sd/-

Mrugen Shah

Partner

Membership no: 117412

Place: Ahmedabad

Date: 17-05-2023

For and on behalf of the Board of Directors of

JYOTI RESINS & ADHESIVES LIMITED

CIN : L24229GJ1993PLC020879

Sd/-

UTKARSH J PATEL

Managing Director

DIN: 02874427

ASHOK C JARDOSH

Chief Financial Officer

Sd/-

JAGDISH N PATEL

Chairman

DIN: 00304924

MANISH S JAIN

Company Secretary

Statement of Changes in Equity

for the year ended 31 March 2023

A. Equity Share Capital

(Amounts are in Lakhs ₹)	
As At 31 March 2022	400.00
Changes In Equity Share Capital (issue Of Bonus Shares)	800.00
As At 31 March 2023	1200.00

B. Other Equity

(Amounts are in Lakhs ₹)			
Particulars	Retained earnings	Revaluation Reserve	Total
Balance At 1 April 2021	2314.36	1679.91	3994.27
Profit For The Year	1976.43	-	1976.43
Other Adjustment	2.77	-	2.77
Revaluation Reserve For The Year	-	-	-
Other Comprehensive Income	-	-	-
Less: Dividend	120.00	-	120.00
Total Comprehensive Income For The Year	1859.20	-	1859.20
Balance As At 31 March 2022	4173.57	1679.91	5853.48

B. Other Equity

Particulars	Retained earnings	Revaluation Reserve	Total
Balance At 1 April 2022	4173.57	1679.91	5853.48
Profit For The Year	4644.26	-	4644.26
Less : Issue Of Bonus Shares	800.00	-	800.00
Revaluation Reserve For The Year	-	-	-
Other Comprehensive Income	-	-	-
Less: Dividend	300.00	-	300.00
Total Comprehensive Income For The Year	3544.26	-	3544.26
Balance As At 31 March 2023	7717.82	1679.91	9397.73

Notes on Financial Statements

for the year ended 31 March 2023

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 2000 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 is initially adopted or a revision to an existing standard requires a change in the Accounting policy hitherto in used.

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 Statement of Compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards

(Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian

Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

4.2 Going Concern

The board of directors have considered the financial position of the Company at 31st March, 2023 and projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

4.3 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

Notes on Financial Statements

for the year ended 31 March 2023

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.

The Company depreciates property, plant and equipment over their estimated useful lives using the straightline method. The estimated useful lives of assets are as follows :

Office Buildings	60 years
Plant and Equipments	20 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computer equipments	3 years
Factory & Laboratory buildings	30 years

4.4 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.

4.5 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant part of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. The Company's Investment property consists only of land and hence depreciation thereon is not provided. The fair value of

investment property is disclosed in the notes. Fair values are determined based on evaluation performed by accredited external independent valuers. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in Statement of Profit and Loss in the period in which the property is derecognised."

4.6 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance Internally generated intangible assets Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it, the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit and loss in the

period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortization of Intangible assets

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalised and carried at cost less accumulated amortization. Amortization is recognised on a straight line basis over the useful life of the asset.

Notes on Financial Statements

for the year ended 31 March 2023

Internally generated intangible assets are amortized over the period for which the company expects to derive the economic benefits from such assets.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

4.7 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.

4.8 Cash flow Statement

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

4.9 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.10 Transaction in Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively)

4.11 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. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

4.12 Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Notes on Financial Statements

for the year ended 31 March 2023

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss."

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 Trade receivables

Trade receivables are recognised initially at fair value unless they do not carry a significant financing component, in which case they are recognized at the transaction price.

The Company generally determines the allowance for expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

4.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.16 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.

4.17 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.

4.18 Inventories

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses where considered necessary.

The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and appropriate proportion of variable and fixed overhead expenditure and also other costs incurred in bringing the inventories to their present location and condition. Overhead expenditures are being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Non- production inventory (other than those supplied along with main plant and machinery, which are capitalised and depreciated accordingly) are charged to profit or loss on consumption.

Raw Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Saleable scrap is valued at the net realisable value."

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for the year ended 31 March 2023

4.19 Impairment of assets

Financial assets

The Company assesses impairment based on Expected Credit Losses (ECL) model to the following :

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to :

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default by customers including revisions in the credit period provided to the customers. In making this assessment, the Company has considered current and anticipated future economic conditions relating to industries/business verticals that the company deals with and the countries where it operates. In addition the Company has also considered credit reports and other credit information for its customers to estimate the probability of default in future. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate."

Non-financial assets

Property, plant and equipment

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.

4.20 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods are net of applicable taxes, estimated returns and reduction/addition towards variable consideration includes discounts, rebates, incentives, promotional couponing and schemes. Advance received from customer before transfer of control of goods to the customer is recognised as Current Liabilities.

The company estimates the amount of variable components based on historical, current and forecast information available and either expected value method or most likely method, as appropriate and records a corresponding liability in other payables; the actual amounts may be different from such estimates. These differences, which have historically not been significant, are recognized as a change in management estimate in a subsequent period.

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

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

4.21 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."

4.22 Provisions and Contingencies

Provisions :

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.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable

that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset:

Contingent Assets is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefit is probable."

4.23 Employees Benefit

- (a) Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.
- (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.

4.24 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

Notes on Financial Statements

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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. Current year's Income Tax Provision is netted off against current year's advance tax paid, tax deducted at source receivable and tax collected at source receivable.

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."

4.25 Earning Per Share

- (i) 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.
- (ii) On 19 September 2022, the company allotted 80,00,000 equity shares of face value of ₹ 10 each as bonus shares in the proportion of two bonus equity share of face value of ₹ 10 for every one equity share of face value of ₹ 10 held as on the record date, by capitalising an amount of ₹ 8 crores from the free reserves. The bonus shares were listed on BSE Limited w.e.f. 22 September 2022.
- (iii) The above changes are reflected in the Earnings Per Share for current year as well as previous year.

4.26 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies

(Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 107 - Financial Instruments - Disclosures

Information about the measurement basis for financial instruments shall be disclosed as a part of material accounting policy information. The Company does not expect this amendment to have any significant impact in its financial statements. The Company does not expect this amendment to have any significant impact in its financial statements"

4.27 Assets held for sale

Sale of business is classified as held for sale, if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification as held for sale is met when disposal business is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale.

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5 Property, plant and equipment

(see Accounting Policy In Note 4.3 And Note 4.7)

Reconciliation of carrying amount

(Amounts are in Lakhs ₹)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Computers	Laboratory building	Office premises	Total
Gross Carrying Amount									
Balance at 1 April 2021	2778.78	181.20	269.46	175.95	179.45	15.57	1.07	664.70	4266.17
Additions	-	114.40	148.59	16.70	32.97	8.35	-	487.46	808.46
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022	2778.78	295.60	418.05	192.65	212.42	23.92	1.07	1152.16	5074.64
Balance at 1 April 2022	2778.78	295.60	418.05	192.65	212.42	23.92	1.07	1152.16	5074.64
Additions	-	38.39	51.63	66.96	76.46	10.32	-	-	243.77
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2023	2778.78	333.99	469.69	259.61	288.88	34.24	1.07	1152.16	5318.41
Accumulated depreciation									
Balance at 1 April 2021	-	42.55	191.04	26.18	78.94	7.00	0.78	30.92	377.41
Depreciation for the year	-	6.68	13.17	17.65	17.84	4.05	0.03	11.22	70.65
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022	-	49.23	204.21	43.83	96.78	11.06	0.81	42.14	448.06
Balance at 1 April 2022	-	49.23	204.21	43.83	96.78	11.06	0.81	42.14	448.06
Depreciation for the year	-	12.33	27.10	26.47	30.19	7.08	0.03	41.36	144.56
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2023	-	61.56	231.31	70.31	126.97	18.13	0.85	83.50	592.62
Carrying amount (net)									
As at 31 March 2022	2778.78	246.37	213.85	148.82	115.64	12.86	0.25	1110.02	4626.58
As at 31 March 2023	2778.78	272.43	238.38	189.30	161.91	16.11	0.22	1068.66	4725.79

Notes on Financial Statements

for the year ended 31 March 2023

6 Investments

(See accounting policies in Notes 4.12)

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current investments		
Unquoted investments		
Investments in equity instruments		
At amortised cost		
Kalupur Commercial Co-operative bank (28,698 shares of ₹25 each)	-	717
Atithya Non Trade Association (6 shares of ₹500 each)	0.03	0.03
Neptune Co Op Housing Soc Ltd (2 shares of ₹600 each)	0.01	0.01
(A)	0.04	7.22
Quoted		
At FVTPL		
Investments in equity instruments		
Saumya Capital Ltd (2994 shares of 0.22 each)	0.01	0.01
Yes Bank Ltd (15000 shares of 15.05 each)	2.26	1.85
(B)	2.26	1.85
Total Investments (A)+(B)	2.31	9.07
Current	2.26	1.85
Non-current	0.04	7.22

7 Other financial assets

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits with Banks with original maturity of more than 12 months	2759.67	43.80
	2759.67	43.80

8 Inventories

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Valued at lower of cost and net realizable value		
Raw Materials	87.84	227.12
Packing Material	72.89	133.22
Work in Process	37.68	54.29
Finished Goods	304.98	484.60
Total	503.39	899.22

9 Trade receivables

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivable	9145.70	6433.31
	9145.70	6433.31

Notes on Financial Statements

for the year ended 31 March 2023

Particulars	Ageing Schedule of Trade Receivables as on 31-03-2023					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed- Good	8378.50	315.09	123.06	43.65	212.80	9073.10
Undisputed-doubtful	7.08	13.63	24.55	10.23	17.12	72.60
Disputed- Good	-	-	-	-	-	-
Disputed-doubtful	-	-	-	-	-	-
TOTAL	8385.58	328.72	147.61	53.87	229.92	9145.70
Less : Expected Credit Loss Allowance						-
Total Trade Receivables net of credit loss allowance						9145.70

Further classification

Secured Good	-
Unsecured Good	9073.10
Doubtful	72.60

Particulars	Ageing Schedule of Trade Receivables as on 31-03-2022					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed- Good	5915.63	226.41	92.03	94.51	59.56	6388.13
Undisputed-doubtful	5.92	11.92	10.23	10.50	6.62	45.18
Disputed- Good	-	-	-	-	-	-
Disputed-doubtful	-	-	-	-	-	-
TOTAL	5921.55	238.33	102.26	105.01	66.17	6433.31
Less : Expected Credit Loss Allowance						-
Total Trade Receivables net of credit loss allowance						6433.31

Further classification

Secured Good	-
Unsecured Good	6388.13
Doubtful	45.18

10 Cash and bank balances

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents		
Cash on hand	14.52	6.36
Balances with Bank		
In Current Account	371.51	198.76
In Fixed Deposit Accounts with original maturity of 3 months or less	0.00	422.83
Total	386.03	627.95

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for the year ended 31 March 2023

11 Bank Balance other than cash and cash equivalent

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at	
	March 31, 2023	March 31, 2022
Other Bank Balance		
In Fixed Deposit Accounts with original maturity of more than 3 months but upto 12 months	2693.84	1742.98
Earmarked Account		
Dividend Payment Bank Account	8.54	3.99
Total	2702.38	1746.97

12 Other current assets

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at	
	March 31, 2023	March 31, 2022
Balance with statutory authorities	64.14	39.94
Sundry deposits and advances	773.07	739.41
Prepaid Expenses	2.49	0.97
Total	839.69	780.32

13 Share capital

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
	Authorized Share capital			
Equity shares of ₹ 10/- each with voting rights	5,40,00,000	5400.00	5,40,00,000	5400.00
	5,40,00,000	5400.00	5,40,00,000	5400.00
Issued, subscribed and fully paid-up Share Capital				
Equity shares of ₹ 10/- each with voting rights	1,20,00,000	1200.00	40,00,000	400.00
Total	1,20,00,000	1200.00	40,00,000	400.00

(Refer notes (i) to (v) below)

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year				
-Equity shares with voting rights	40,00,000	400.00	40,00,000	400.00
Add : Issue of Bonus Shares during the year	80,00,000	800.00	-	-
At the end of the year	1,20,00,000	1200.00	40,00,000	400.00
At the end of the year				

Notes on Financial Statements

for the year ended 31 March 2023

Note : During the year Company has issued equity shares of face value of ₹ 10 each as bonus shares in the proportion of two bonus equity share of face value of ₹ 10 for every one equity share of face value of ₹ 10 held.

(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 March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of ₹ 10/- each fully paid				
Utkarsh Jagdishbhai Patel	12,06,345	10.05%	4,02,115	10.05%
Jagdish Nathalal Patel	18,24,939	15.21%	6,08,313	15.21%
Jyotika Jagdishbhai Patel	12,97,452	10.81%	4,32,484	10.81%
Udita Jagdishbhai Patel	7,22,310	6.02%	2,40,770	6.02%
Naisha IT Solutions pvt ltd	9,23,877	7.70%	3,07,959	7.70%
Priyanka Utkarshbhai Patel	12,67,677	10.56%	4,22,559	10.56%

(iv) The details of the shares held by promoters as at March 31, 2023 are as follows

Sr No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Jagdish Nathalal Patel	18,24,939	15.21%	-
2	Jagdish Nathalal Patel HUF	18,594	0.15%	-
3	Utkarsh Jagdishbhai Patel	12,06,345	10.05%	-
4	Utkarsh Jagdishbhai Patel HUF	21,699	0.18%	-
5	Jyotika Jagdishbhai Patel	12,97,452	10.81%	-
6	Priyanka Utkarshbhai Patel	12,67,677	10.56%	-
7	Subhadra Ramanlal Patel	4,62,018	3.85%	3.85%

(v) 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, 2023	As at 31 March, 2022
Equity shares with voting rights		
Fully paid up pursuant to contracts without payment being received in cash	-	-
Fully paid up by way of bonus shares	80,00,000	-
Shares bought back	-	-

Notes on Financial Statements

for the year ended 31 March 2023

14 Other equity

	Amount
Retained earnings	
As at 31 March 2022	4173.57
Profit for the year	4644.26
Less : Dividend	(300.00)
Less : Issue of Bonus Shares	(800.00)
As at 31 March 2023	7717.82
Revaluation Reserves	
As at 31 March 2022	1679.91
Movement in OCI during the year	0.00
As at 31 March 2023	1679.91
Total	9397.73

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Borrowings	0.00	5.27
Less : Cash and cash equivalent (Note)	386.03	627.95
Net debt	0.00	0.00
Equity	1200.00	400.00
Other equity	9397.73	5853.48
Total capital	10597.73	6253.48
Capital and net debt	10597.73	6253.48

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. All the borrowings have been paid in full in the current period and there is no balance of outstanding borrowing as at 31 March 2023.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023. As company has no Net Debt Gearing ratio is Not Applicable

Notes on Financial Statements

for the year ended 31 March 2023

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:

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit attributable to the equity shareholders of the Company	4644.26	1976.43
Weighted average number of equity shares	1,20,00,000	1,20,00,000
Basic and diluted earnings per share (EPS)	38.70	16.47

(Refer Note 4.25)

Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. The Company declares and pays dividends in Indian rupees.

Companies are required to pay / distribute dividend after deducting applicable withholding income taxes.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows :

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Final dividend paid per Share (After Adjusting effect of Bonus Share issued during F.Y 2022-23)	2.50	1.00

The Board of Directors, at its meeting on May 17, 2023, recommended a final dividend of ₹ 6 per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company.

15 Borrowings

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term loans	-	5.27
	-	5.27
Non-current	-	-
Current	-	5.27

Note : Secured Term Loans includes Car Loan taken from Axis Bank of ₹ 45,00,000/- at the rate of 8.67% for 4 years. The same is fully repaid during the year.

16 Trade payables

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
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	1420.48	206.10
Total	1420.48	206.10

Note : The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises development Act, 2006 and hence disclosure relating to amounts unpaid at the year end has not been given.

Notes on Financial Statements

for the year ended 31 March 2023

Particulars	Ageing Schedule of Trade Payables as on 31-03-2023				
	Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
OTHERS	1417.50	2.98	-	-	1420.48
Disputed- MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-

Particulars	Ageing Schedule of Trade Payables as on 31-03-2022				
	Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
OTHERS	203.32	-	-	2.78	206.10
Disputed- MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-

17 Other financial liabilities

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits from Staff	3.17	3.50
Security deposits from Distributors	43.10	40.64
Dividend Payable	8.54	3.99
Liabilities for expenses	8149.09	8166.83
Other financial liabilities *	166.37	186.30
	8370.27	8401.25
Non-current	43.10	40.64
Current	8327.17	8360.62
Total	8370.27	8401.25

* Other financial liabilities are liabilities of Gratuity for Employees of the Company.

18 Provisions

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income tax (Refer note 4.22)	175.17	-
Payable for employee benefits	-	109.77
	175.17	109.77
Non-current	-	-
Current	175.17	109.77
Total	175.17	109.77

19 Deferred tax liabilities (net)

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
As at the start of the year	24.69	22.98
Charge / (credit) to Statement of profit and loss	3.63	1.71
At the end of the year	28.33	24.69

Notes on Financial Statements

for the year ended 31 March 2023

20 Other current liabilities

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	469.49	163.15
Unpaid Auditor's Remuneration	3.50	3.50
	472.99	166.65

21 Revenue from operations

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Sale of products	26125.30	18195.54
Total revenue from operations	26125.30	18195.54

Reconciliation of revenue recognised with the contracted price is as follows:

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Contracted Price	26149.58	17474.29
Addition / (Reduction) towards variable consideration components*	(24.28)	721.26
	26125.30	18195.54

*The reduction/addition towards variable consideration includes discounts, rebates, incentives, promotional couponing and schemes.

22 Other income

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Interest Income	206.96	145.87
Dividend Income	-	5.35
Other income	19.28	8.67
Profit/(Loss) on sale of shares	-	185.16
Total	226.25	345.05

23 Cost of materials consumed

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Raw material		
Opening Stock of Raw Materials	227.12	139.74
Add : Purchases made during the year	10947.81	9535.65
Less : Rate Difference	-	(1.09)
Less : Closing Stock of Raw Materials	(87.84)	(227.12)
Consumption of Raw Materials during the year (A)	11087.09	9447.19

Notes on Financial Statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Packing materials		
Opening Stock of Packing Materials	133.22	139.43
Add : Purchases made during th year	2372.28	1894.74
Less : Closing Stock of Packing Materials	(72.89)	(133.22)
Consumption of Packing Materials during the year (B)	2432.61	1900.96
Total (A+B)	13519.70	11348.15

24 Changes in inventories of finished goods & work-in progress

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Inventories at the beginning of the year		
Finished goods	484.60	232.07
Work in progress	54.29	33.94
	538.88	266.01
Inventories at the end of the year		
Finished goods	304.98	484.60
Work in progress	37.68	54.29
	342.66	538.88
(Increase)/Decrease in Inventories		
Finished goods	179.62	(252.53)
Work in progress	16.61	(20.34)
(Increase)/Decrease in Inventories	196.22	(272.88)

25 Employee benefits

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Salary, Wages and Allowances (incl. Director Remuneration)	1702.37	1354.77
Contribution to Provident Fund and other funds	14.08	12.02
Gratuity	46.16	81.32
Staff Welfare Expenses	3.40	7.94
Ex Gratia Payment	9.41	6.22
Total	1775.42	1462.27

26 Finance costs

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Interest expenses	3.10	4.61
Other borrowing cost	-	-
Total	3.10	4.61

Notes on Financial Statements

for the year ended 31 March 2023

27 Depreciation expense

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
See accounting policy 4.7		
Depreciation of property, plant and equipment	144.56	70.65
	144.56	70.65

28 Other expenses

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Manufacturing expenses		
Consumption of stores and spares	2.54	2.54
Power and Fuel	67.17	53.02
Freight Inward, Octroi, Coolies and Cartages	81.73	64.11
Repairs and Maintenance		
- To Buildings	3.41	2.14
- To Plant and Machineries	29.51	37.29
- To Other Assets	4.54	3.10
Misc. Factory Expenses	13.93	2.14
Water Expense	0.25	18.61
	203.06	182.97
Selling and distribution expenses		
Freight Outward, Coolies and Cartages	416.93	331.53
Traveling Expenses		
- For Staff and Guests	228.77	150.65
Sales Promotion expense	3194.93	2229.30
Meeting & Seminar Expense	141.65	48.98
Advertisement Expenses	86.30	17.36
	4068.57	2777.83
Administrative Expenses		
Insurance Premium Expenses	16.81	14.56
Payments to Auditors		
As Auditor		
Statutory Audit fees	3.50	3.50
Bank Commission Charges	0.07	1.19
Organisation Fund Expenses	12.59	8.12
Donation Expense	-	0.38
Garden Exp	0.52	0.13
Laboratory Testing Expense	0.12	-
Legal & Professional Fees Exps.	47.43	37.83
Bonus Share Issue Expenses	23.68	-
Misc. Office & Maintenance Expenses	27.63	18.13
Municipal Tax	4.95	4.07
Petrol, Diesel & Conveyance	7.91	6.65
Postage Expense	4.83	3.67
Printing & Stationery Exp.	51.02	26.54
Rates and taxes	0.38	0.03

Notes on Financial Statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
R. O. C. Fee Expenses	0.08	0.07
Rent Expense	13.60	3.45
Share Transfer Expense	3.56	0.95
Subscription Expenses	4.83	2.04
Bad debts	5.02	76.80
Telephone Exp.	20.64	17.86
CSR Expense (Note No. 35)	36.76	21.51
Tempo Diesel & Repair & Maintenance	13.89	12.74
	299.81	260.20
Changes in fair value of equity instruments recognised at FVTPL	-	60.89
	4571.45	3281.89

29 Income tax

See accounting policy in note 4.24

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Current tax (a)		
Expense for current year	1550.00	665.00
Deferred tax (b)		
Attributable to-		
Origination and reversal of temporary differences	3.63	4.48
	3.63	4.48
Total Tax expense	1553.63	669.48

B. Reconciliation of effective tax rate

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Profit before income taxes	6141.10	2645.91
Enacted rate in India	25.17%	25.17%
Income Tax Provision as per P&L	1550.00	665.00
Effective tax rate	25.24%	25.13%

C. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) liabilities	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Property, plant and equipment	-	-	28.33	24.69	28.33	24.69
Deferred tax (assets) liabilities	-	-	28.33	24.69	28.33	24.69

Notes on Financial Statements

for the year ended 31 March 2023

Movement in temporary differences

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2023	For the year ended 31 March, 2023	For the year ended 31 March, 2023
Property, plant and equipment	24.69	3.63	-	28.33
	24.69	3.63	-	28.33

30 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 2023	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
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Financial assets measured at amortized cost

Trade receivables * (Refer to Note 9)	9145.70	-	-	9145.70	9145.70
Cash and cash equivalents * (Refer to Note 10)	386.03	-	-	386.03	386.03

Financial liabilities measured at amortized cost

Borrowings * (Refer to Note 15)	-	-	-	-	-
Trade payables * (Refer to Note 16)	1420.48	-	-	1420.48	1420.48
Other financial liabilities * (Refer to Note 17)	8370.27	-	-	8370.27	8370.27

31 March 2022	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
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Financial assets measured at amortized cost

Trade receivables * (Refer to Note 9)	6433.31	-	-	6433.31	6433.31
Cash and cash equivalents * (Refer to Note 10)	627.95	-	-	627.95	627.95

Financial liabilities measured at amortized cost

Borrowings * (Refer to Note 15)	5.27	-	-	5.27	5.27
Trade payables * (Refer to Note 16)	206.10	-	-	206.10	206.10
Other financial liabilities * (Refer to Note 17)	8401.25	-	-	8401.25	8401.25

B. Financial risk management

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

- credit risk (see (B)(ii));
- liquidity risk (see (B)(iii)); and
- market risk (see (B)(iv)).

Notes on Financial Statements

for the year ended 31 March 2023

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:

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Carrying amount	
	31 March, 2023	31 March, 2022
Trade receivables	9145.70	6433.31
Cash and cash equivalents	386.03	627.95
Investments in equity instruments	-	-
	9531.73	7061.26

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.

31 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:

(All amounts in ₹ lakhs, unless stated otherwise)

	31 March, 2023	31 March, 2022
Third party customers	9145.70	6433.31
Related parties	-	-

Notes on Financial Statements

for the year ended 31 March 2023

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 March 31, 2023: ₹ 12236.38 which the management believes is sufficient to meet all its liabilities maturing during the next 12 months amounting to March 31, 2023: ₹ 10395.80

Financial instruments - Fair value and risk management

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 doesnot have any transactions in foreign currency which leads to currency risk.

32 Contingent liabilities and commitments (to the extent not provided for)

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Commitments		
Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for	-	-
Contingent liabilities		
Claims against the Company not acknowledged as debts:		
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	-	-

Notes on Financial Statements

for the year ended 31 March 2023

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
(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.

34 Disclosures related to Gratuity Benefits for Employees

(All amounts in ₹ lakhs, unless stated otherwise)

S. NO.	Particulars	For the year ended 31 March, 2023
1	Method of Valuation	Projected Unit Credit Method
2	Actuarial Assumption	
	Discount rate	7.25% p. a.
	Salary Escalation	7%
3	Results of Valuation	
a	PV of Past Service Benefit	369.04
b	Current Service Cost	56.08
c	Total Service Gratuity	2229.04
d	Accrued Gratuity	420.15
e	LCSA	1808.89
f	LC Premium	4.28
g	GST @18%	0.77
4	Recommended Contribution Rate	
a	Fund Value as on Renewal Date	263.80
b	Additional Contribution for existing fund	105.24
c	Current Service Cost	56.08

Notes on Financial Statements

for the year ended 31 March 2023

35 Corporate Social Responsibility (CSR) Expenditure

(a) CSR Disclosures

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
(i) amount required to be spent by the company during the year,	35.85	20.25
(ii) amount of expenditure incurred,	36.76	21.51
(iii) shortfall at the end of the year,	0.00	0.00
(iv) total of previous years shortfall,	0.00	0.00
(v) reason for shortfall,	Not Applicable	Not Applicable

(b) Expenditure related to Corporate Social Responsibility is spent on Distributing Food Packets/Grains/Pulses to need People, environment protection activities, educational activities and Gaushala.

(c) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,

Name of Trust	Nature of Relation	Amount Contributed
Not applicable		

(d) There is no provision to be made with respect to any liability incurred by entering into a contractual obligation.

36 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.

37 Related party disclosures

Details of related parties

Description of relationship	Names of related parties
(i) Key Management Personnel (KMP)	Utkarsh J. Patel - Managing Director
	Jagdish N. Patel - Chairman cum Whole Time Director
	Jyotika Jagdish Patel - Executive Director
	Ashok C Jardosh - Chief Financial Officer
	Manish S Jain - Company Secretary
(i) Relative of Key Management Personnel (KMP)	Priyanka U Patel - Employee

Note: Related parties have been identified by the Management.

Notes on Financial Statements

for the year ended 31 March 2023

Details of related party transactions during the year ended 31 March, 2023 and balances outstanding as at 31 March, 2023:

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	KMP		Relative of KMP		Total	
	For the year ended 31 March, 2023	For the year ended 31 March, 2022	For the year ended 31 March, 2023	For the year ended 31 March, 2022	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Director Remuneration	276.00	234.08	-	-	276.00	234.08
Salary and Allowances	12.11	11.47	36.00	18.00	48.11	29.47
Loan Given	1160.50	44.35	25.75	5.40	1186.25	49.75
Repayment of loan & Advances	1172.59	72.26	29.40	1.75	1201.99	74.01
Closing balance as at year end	-	12.09	-	3.65	-	15.74

Notes:

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

38 Ratio

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows :

Sr. No.	Ratio	Numerator	Denominator	For the year ended 31 March, 2023	For the year ended 31 March, 2022	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.31	1.19	10.19%	Not Applicable
2	Debt equity ratio	Total Debt	Shareholder's Equity	0.00	0.00	-	Not Applicable
3	Debt service coverage ratio	Earnings available for debt service	Debt Service	751.48	97.12	673.79%	The debt was very small and same is paid in full.
4	Return on Equity	Net Profit after taxes	Average Shareholder's Equity	55.12%	37.12%	48.48%	Profit performance of the Company has improved
5	Inventory turnover ratio	Sales	Average Inventory	59.27	45.21	31.10%	Sales performance of the Company has improved
6	Trader receivable turnover ratio	Net Credit Sales	Average Accounts Receivable	3.35	3.13	7.30%	Not Applicable
7	Trade payable turnover ratio	Cost of Goods Sold	Average Accounts Payable	16.62	54.22	-69.34%	Trade payables of the company has increased

Notes on Financial Statements

for the year ended 31 March 2023

Sr. No.	Ratio	Numerator	Denominator	For the year ended 31 March, 2023	For the year ended 31 March, 2022	% Variance	Reason for variance
8	Net capital turnover ratio	Net Sales	Average Working Capital	10.83	23.23	-53.38%	The working capital of the company has improved, therefore, the ratio is reduced
9	Net profit ratio	Net Profit	Net Sales	17.78%	10.86%	63.66%	Profit performance of the Company has improved
10	Return on capital employed	Earning before interest and taxes	Capital Employed	57.82%	42.18%	37.08%	Profit performance of the Company has improved
11	Return on investment	Return	Investment	0.00%	117.49%	-100.00%	The Company has not sold any investment during the year.

Note number: 39

(1) Details of Benami Property held

Current Year

property details	Year of acquisition	beneficiaries Details	Amount	If property is in book, then reference of BS	If not in books, then reason	Where there are proceedings against the company under this law as an a better of the transaction or as the transferor then the details shall be provided	Nature of proceedings	status of same	company's view on same
Not Applicable									

Previous Year

property details	Year of acquisition	beneficiaries Details	Amount	If property is in book, then reference of BS	If not in books, then reason	Where there are proceedings against the company under this law as an a better of the transaction or as the transferor then the details shall be provided	Nature of proceedings	status of same	company's view on same
Not Applicable									

Notes on Financial Statements

for the year ended 31 March 2023

(2) Borrowings from banks or financial institutions on the basis of security of current assets

No such Borrowings and hence N.A

(3) Wilful Defaulter

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given.

Current Year

Date of declaration as wilful defaulter	Details of Nature	Details of amount
Not Applicable		

Previous Year

Date of declaration as wilful defaulter	Details of Nature	Details of amount
Not Applicable		

(4) Relationship with Struck off Companies

Current Year

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company
Not Applicable			

Previous Year

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company
Not Applicable			

(5) Registration of charges or satisfaction with Registrar of Companies

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof

Current Year - No

Previous Year - No

(6) Compliance with number of layers of companies

Current Year

Name of Company	CIN	relationship/extent of holding of the company in such downstream companies
Not Applicable		

Previous Year

Name of Company	CIN	relationship/extent of holding of the company in such downstream companies
Not Applicable		

Notes on Financial Statements

for the year ended 31 March 2023

(7) Compliance with approved Scheme(s) of Arrangements

Effect of such Scheme of Arrangements have been accounted for in the books of account of the Company

Current Year Year		Previous Year	
in accordance with the Scheme	in accordance with accounting standards	in accordance with the Scheme	in accordance with accounting standards
Not Applicable			

(8) Undisclosed Income

Current Year: No

Previous Year: No

(09) Details of Crypto Currency or Virtual Currency

Particulars	Current Year	Previous Year
Profit or loss on transactions involving Crypto currency or Virtual Currency		
Amount of currency held as at the reporting date		Not Applicable
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency or virtual currency		

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

Sd/-
Mrugen Shah

Partner

Membership no: 117412

Place: Ahmedabad

Date: 17-05-2023

For and on behalf of the Board of Directors of

JYOTI RESINS & ADHESIVES LIMITED

CIN : L24229GJ1993PLC020879

Sd/-
UTKARSH J PATEL

Managing Director

DIN: 02874427

ASHOK C JARDOSH

Chief Financial Officer

Sd/-
JAGDISH N PATEL

Chairman

DIN: 00304924

MANISH S JAIN

Company Secretary



SYNTHETIC WOOD ADHESIVE

Jyoti Resins and Adhesive Limited

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Healthcare, Ranchhodpura Road, Santej, Tal-Kalol,
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