

2023



75th



ANNUAL REPORT

JAINEX AAMCOL LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Mohanlal Zumbarlal Kothari	: Managing Director
Mr. Kunal Bafna	: Chairman (Whole Time Director & Chief Financial Officer)
Mr. Rahul Dugar	: Director
Mrs. Bharati Bafna	: Director
Mr. Hitesh Mulraj Popat	: Non-Executive Independent Director
Mr. Sunil Sampatraj Parakh	: Non-Executive Independent Director
Mr. Sachindra Misra	: Non-Executive Independent Director
Mr. Murli Dhar Motwani	: Non-Executive Independent Director
Ms. Sonam Dubey	: Company Secretary and Compliance Officer

STATUTORY AUDITORS

M/s. R A SINGH & ASSOCIATES,
Chartered Accountants,
Firm Registration No. 110271W

BANKERS

ICICI Bank, Manpada Thane

REGISTERED OFFICE

L-3, MIDC Industrial Area P.O. Chikalthana
Aurangabad - 431006
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.

NOTICE

Notice is hereby given that the 75th Annual General Meeting of the Members of Jainex Aamcol Limited will be held on Saturday, 30th September, 2023 at 12.00 P.M. at the registered office of the Company at L-3, MIDC Industrial Area P.O. Chikalthana Aurangabad - 431006 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Report of the Board of Directors and the Auditors thereon.
- 2) To consider re-appointment of Mr. Rahul Dugar (DIN: 00013704) as Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3) **Appointment of M/s. R K Jagetiya & Co., Chartered Accountants (Firm Registration No: 146264W) as Statutory Auditors of the Company,**

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force) and considering the recommendations of the Audit Committee, consent of the Members of the Company be and is hereby accorded to appoint, M/s.R K Jagetiya & Co., Chartered Accountants, (Firm Registration Number: 146264W) as the Statutory Auditors of the Company in place of M/s R. A. Singh and Associates, Chartered Accountants (Firm Registration No: 110271W) who have resigned from their Office as Statutory Auditors of the Company, to hold office for a term of 5 years from the conclusion of this 75th Annual General Meeting (“AGM”) till the conclusion of 80th AGM of the Company on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to file all necessary forms with the Registrar of Companies and to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed necessary for giving effect to the above Resolution.”

- 4) **To approve related party transaction for the financial year 2023-24 in this regard, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule no 15 of the Companies (Meeting of Board and its Powers) Rules 2014 and on the recommendation of Audit Committee, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into a contract(s)/ arrangement(s)/ transaction(s) with M/s. Metagame Ventures Private Limited a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Obligations and Disclosure Requirements Regulations, 2015 (LODR) by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 6% on the total sales made by M/s. Metagame Ventures Private Limited till the AGM of the financial year 2023-24, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 189 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule no 16 of the Companies (Meeting of Board and its Powers) Rules 2014, Mr. Rahul Dugar, Director of the Company be and is hereby authorized to do the necessary entries in the Register of contracts or arrangements in which directors are interested and authenticate them.”

- 5) **To approve related party transaction in respect to holding of office or place of profit in the Company by Mr. Mudit Bafna, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-**

“RESOLVED THAT pursuant to Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (“Act”) (including any statutory modification(s) or re-enactments thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to appoint Mr. Mudit Bafna, son of Mr. Kunal Bafna, CFO and Whole-time Director and Mrs. Bharati Bafna, Director of the Company to hold an office or place of profit in the Company as Management Trainee of the Company w.e.f. 01st July, 2023 and to pay him the monthly stipend not exceeding Rs. 21,500/- per month and he will be entitled to other perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules and policies of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or a committee thereof be and is hereby authorized to finalise and decide the change in designation and/or revision in remuneration payable to Mr. Mudit| Bafna from time to time in accordance with the Company's policy on performance measurement and appraisal and such other relevant policies.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

- 6) **To approve requests received from Mrs. Ketaki Mazumdar, a person belonging to the Promoter Group of the Company reclassifying her shares, along with the shares belonging to her late husband, Mr. Ronojoy Mazumdar, and late brother-in-law, Mr. Sujoy Mazumdar from 'Promoter Group' to 'Public Category' and to pass, with or without modifications, the following resolution as an Ordinary Resolution:-**

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the approval of the BSE Limited, the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to reclassify the following person(s) from “Promoter Group” category to “Public” category:

Name of the Promoter Group	No. of Shares held	Percentage of the total equity capital of the Company (%)
Mrs. Ketaki Mazumdar	75,811	5.07
Late Mr. Ronojoy Mazumdar	34,320	2.29
Late Mr. Sujoy Mazumdar	15,575	1.04
Total	1,25,706	8.40

RESOLVED FURTHER THAT the above-mentioned Applicants do not hold more than ten percent of the paid-up equity share capital of the Company.

RESOLVED FURTHER THAT in supersession of any provision, their special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholder’s agreements, if any, stand

withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of SEBI (LODR) Regulations, 2015 post reclassification from “Promoter Group” to “Public”.

RESOLVED FURTHER THAT on approval of the BSE LTD upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT any Directors of the Company be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited or any other Authority (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be.”

**By order of the Board of Directors
for Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than Forty Eight (48) hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. During the period beginning 24 hrs before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing of the intention to inspect is given to the Company.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the AGM, is annexed hereto.
3. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
5. Documents in respect of items referred to in the accompanying Notice are available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
6. Members holding shares in physical form are requested to notify/send:
 - Any change in their address/mandate/bank details;
 - Particulars of their bank account, in case the same have not been sent earlier;

- Quote their Folio numbers in all correspondences; and
 - Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company's Registrar and Transfer Agent, Link Intime India Private Limited, Mumbai at the earliest but not later than September 23, 2023.
7. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India with regards to the Director seeking re-appointment at this AGM is given as an Annexure to this Notice.
 8. Electronic copy of Annual Report for the financial year 2022-23 and Notice calling the 75th AGM of the Company inter alia indicating the process and manner of Remote E-voting is also being sent to all Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2022-23 and Notice of the 75th AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 9. Members / Proxies are requested to bring the Attendance Slip(s) duly filled in and copies of the Annual Report at the AGM.
 10. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
 11. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

Link Intime India Private Limited
C 101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Tel No. +91 22 49186270,
Fax No. +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in
 12. The Securities and Exchange Board of India ("SEBI") has mandated submission of Income Tax Permanent Account Number ("PAN") by every

participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.

13. Instructions and other information for E-voting are as under:

The remote e-voting period begins on September 27, 2023 at 09:00 A.M. and ends on September 29, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2023.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

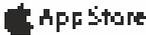
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which</p>

is available under 'IDeAS' section , this will prompt Existing IDeAS user can visit the e Services website of NSDL Viz. <https://eservices.nSDL.com> either on a Personal Computer or on a mobile. On the e Services home page click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

2. If you are 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/IdeasDirectReg.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 i.e. NSDL and you will be redirected to eVoting website of NSDL for casting your vote|during the remote e-Voting period.
4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for

	<p>seamless voting experience.</p> <p align="center">  </p> <p align="center">   </p> <p align="center">   </p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. 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. 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) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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. NSDL and CDSL.

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
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

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125351 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details / Passward?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) Physical User Rest Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting.nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e mail to sonalkotharics@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details / Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to The Managing Director of NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories / company for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to accounts@jainexgroup.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**By order of the Board of Directors
For Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

**ANNEXURE TO THE NOTICE
Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)**

ITEM NO. 3

The Chairman informed the members that M/s. R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) the existing statutory auditor of the Company, who were appointed for a period of 5 years from the conclusion of 74th Annual General Meeting till the conclusion of 79th Annual General Meeting have resigned from the office of Statutory Auditors of the Company thereby creating casual vacancy in the office of the Auditors. The Company has received written consent along with a certificate from M/s. R K Jagetiya & Co., Chartered Accountants mentioning that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

The appointment of M/s. R K Jagetiya & Co., Chartered Accountants in place of existing Statutory Auditors of the Company requires the approval of Members in general meeting by way of Ordinary Resolution.

Therefore the Board recommends to pass Resolution by way of Ordinary Resolution to appoint M/s. R K Jagetiya & Co., Chartered Accountants as the Statutory Auditors of the Company in place of M/s. R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) to hold office for a term of 5 years from the conclusion of this 75th Annual General Meeting ("AGM") till the conclusion of 80th AGM at such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors in consultation with the Auditors.

ITEM NO. 4

To ensure stability supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with M/s. Metagame Ventures Private Limited, which is a related party within the meaning of Section 2(76) of the Act by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 6% on the total sales made by M/s. Metagame Ventures Private Limited till the AGM of the financial year 2023-24.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial

statements of the Company. Accordingly, transaction(s) entered into with M/s. Metagame Ventures Private Limited falls within the purview of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with M/s. Metagame Ventures Private Limited till AGM of the financial year 2023-24. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with M/s. Metagame Ventures Private Limited are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	M/s. Metagame Ventures Private Limited
2	Name of the Director or KMP who is related	Mr. Mohanlal Zumberlal Kothari
3	Nature of Relationship	Mr. Kshitij Kothari is Director of M/s. Metagame Ventures Private Limited. Mr. Kshitij Kothari is son of Mr. Mohanlal Zumberlal Kothari, Managing Director of Jainex Aamcol Limited.
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract / Agreement by the Company with M/s. Metagame Ventures Private Limited by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 6% on the total sales made by M/s. Metagame Ventures Private Limited till AGM of the financial year 2023-24.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	The said contract(s)/arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 4 of this Notice as an Ordinary Resolution.

ITEM NO. 5

Pursuant to recommendation of the Nomination and Remuneration Committee provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (“Act”) (including any statutory modification(s) or re-enactments thereof for the time being in force), The Board of Directors of the Company at its Meeting held on June 30, 2023 had approved the appointment of Mr. Mudit Bafna as Management Trainee of the Company subject to approval of the Members of the Company by way of Ordinary Resolution. The Details of salary and other terms and conditions of salary payable from the Company are given below:

Salary includes basic salary, HRA and other allowances: Rs. 21,500/- per month and he will be entitled to other perquisites including company’s contribution to provident fund, bonus and leave travel concession in accordance with the rules and policies of the Company.

Except Mr. Kunal Bafna and Mrs. Bharti Bafna and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are concerned or interested in the nature of, financial or otherwise with respect to Agenda Item No 5, except to the extent of their shareholding in the Company. Mr. Mudit Bafna does not hold shares in the Company.

Item No. 6

The Company had received request letter dated 08th August, 2023 from Mrs. Ketaki Mazumdar for reclassifying her shares, along with shares belonging to her late husband, Mr. Ronojoy Mazumdar, and late brother-in-law, Mr. Sujoy Mazumdar from 'Promoter Group' to 'Public Category' under regulation 31A of the (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) Following are the details of their shareholding:-

Name of the Promoter Group	No. of shares held	Percentage of the total equity capital of the Company (%)
Mrs. Ketaki Mazumdar	75,811	5.07
Late Mr. Ronojoy Mazumdar	34,320	2.29
Late Mr. Sujoy Mazumdar	15,575	1.04
Total	1,25,706	8.40

Based on the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the Listing Regulations, the aforesaid Outgoing Promoters seeking reclassification have confirmed that–

- i) They, together with persons acting in concert with them, do not hold more than ten per cent of the total voting rights in the Company; The Outgoing Promoters hold 8.40% per cent of the total shareholding in the Company.
- ii) They do not exercise control over the affairs of the Company whether directly or indirectly;
- iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements and any special rights as on the date of this resolution, stands superseded;
- iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;
- v) They do not act as a Key Managerial Person in the Company;
- vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;
- vii) They are not fugitive economic offenders.

Further, the aforesaid Outgoing Promoters have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A (4) of the Listing Regulations.

In view of the provisions of Regulation 31A of the Listing Regulations and on satisfaction of the conditions specified in Regulation 31A (3)(b) of Listing Regulations and compliance of Regulation 31A (4) of Listing Regulations, the said requests for reclassification were considered, and approved by the Board of Directors at its meeting held on 12th August, 2023.

In accordance with Regulation 31A of the Listing Regulations, the reclassification of status of a shareholder from 'Promoter Group' category to 'Public', inter alia, requires approval of shareholders of the Company by way of an Ordinary Resolution, in which the Outgoing Promoters and persons related to the Outgoing Promoters will not vote to approve the resolution Accordingly, the Board recommends the resolution proposed in Item No.6 of the Notice for the approval of members by way of an Ordinary Resolution.

Upon receipt of approval of the shareholders, an application in this regard shall be submitted to the stock exchanges' for their approval.

None of the Directors or Key Managerial Personnel of your Company including their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 6 of this Notice except as mentioned in the explanatory statement, if any.

**By order of the Board of Directors
for Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

ANNEXURE TO NOTICE

Information Required Under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India in respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under:

Name of the Director	Mr. Rahul Dugar
Director Identification Number	00013704
Date of Birth	10/11/1968 (54 Years)
Date of appointment	31/07/2003
Qualification	B.Com
Expertise in Specific Functional Area	31 years experience in the field of Marketing and Administration.
Directorship held in other listed companies (As on March 31, 2023)	None
Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on March 31, 2023)	None
Shareholding of Directors (As on March 31, 2023)	NIL
Relationship between Directors inter-se	Brother-in-law of Mr. Kunal Bafna, Whole Time Director of the Company and Brother of Mrs. Bharti Bafna, Director of the Company

Route map for venue of the AGM

L-3, MIDC Industrial Area,

P.O. Chikalhana, Aurangabad - 431006



DIRECTORS' REPORT**DEAR MEMBERS,**

Your Directors have pleasure in presenting the 75th Annual Report on the affairs of the Company together with the Audited Statement of Accounts of Jainex Aamcol Limited (the "Company"), for the financial year ended 31st March, 2023. A summary of the financial results is given below:-

1. FINANCIAL PERFORMANCE

The financial performance of the company for the Financial Year 2022-23 in comparison to the previous financial year 2021-22 are summarized below:

(Amount in Lacs)

PARTICULARS	2022-23	2021-22
Turnover	2023.96	1876.69
Other Income	10.69	14.40
Total Revenue	2034.65	1891.09
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	1722.24	1515.36
Interest	(43.24)	(54.57)
Depreciation	(93.21)	(112.23)
Profit/(Loss) before Extra-ordinary items & Taxes	175.96	208.93
Exceptional items	0	0
Extraordinary items	0	0
Profit/(Loss) before Taxes	175.96	208.93
Current Tax	61.96	36.48
Earlier Year	0	0
Deferred Tax	(11.44)	62.52
MAT Credit Carried Forward	0	-34.88
Profit/(Loss) after tax	125.44	144.81

2. STATE OF COMPANY'S AFFAIRS

During the year under review, there was increase in the turnover of the Company as compared with the previous year i.e. from Rs. 1876.69 Lakhs to

Rs. 2023.96 Lakhs.

The Company has reported Net Profit of Rs. 125.44 Lakhs against Net profit of Rs. 144.83 Lakhs in the previous year.

3. TRANSFER TO RESERVES

The Company has earned profits during the financial year 2022-23, but the Board of Directors of your Company, have decided not to transfer any amount to the Reserves for the year under review.

4. SHARE CAPITAL

The Paid up Share capital as on March 31, 2023 was Rs. 1,49,93,940/-. During the year under review, the Company has not issued any shares with differential rights as to dividend, voting or otherwise or convertible debentures.

5. DIVIDEND

To conserve the funds for future business growth, your Directors have not recommended any dividend on equity shares in respect of the financial year 2022-23.

6. PUBLIC DEPOSITS

Your Company has not been accepting any deposits from the public and hence there are neither unpaid / unclaimed deposits nor any default in repayment thereof.

7. SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, your Company has no Subsidiary or Joint Venture Companies. However, the Company is an Associate Company of Jainex Foods Private Limited.

8. BOARD MEETINGS

During the year under review, 6 (Six) Board Meetings were held on 01st April, 2022; 30th May, 2022; 07th June, 2022; 12th August, 2022; 11th November, 2022 and 13th February, 2023.

9. COMMITTEES OF THE BOARD OF DIRECTORS

During the year under review, all recommendations made by the Audit

Committee/Nomination & Remuneration Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the Financial Position of the Company have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

11. EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014, a copy of Annual Return of the Company in Form MGT-7 for the financial year ended March 31, 2023 is hosted on the Company's website viz. <https://www.jainexaamcol.com>.

12. LOAN FROM BODY CORPORATE

Particulars of loan from Body Corporate are provided in Note No. 13 and Note No. 16 of the financial statements.

13. LOAN FROM DIRECTORS

Particulars of loan from Directors of the Company are provided in Note No. 13 of the financial statements.

14. PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GURANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the Financial Year under review, the Company has not provided any loans and not made any investment, neither given any guarantee nor provided any security.

15. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT & FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of activities in which the Company operates, energy consumption is in accordance to the normal business practices and does not require any specific installations. In its regular course of business, the Company is always vigilant to conserve the resources and continuously implements measures required to save energy.

The Company has adopted new technologies and corrective measures to cope up with the current market situations. In the course of its operations, processes are formed and implemented to achieve operational efficiencies which provide maintaining product quality and cost control.

The Company had Foreign Exchange earnings / outgo during the year under review.

The Foreign Exchange earned in terms of actual inflows during the financial year 2022-23 is Rs. 295.95 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2022-23 is Rs. 31.39 Lakhs.

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as “**Annexure A**” which forms part of this report.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for reappointment at the AGM. Mr. Rahul Dugar, Director, being longest in the office, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and he being eligible has offered himself for re-appointment. The Board of Directors recommends his re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.
2. The Company had appointed Ms. Reena Gavle (Membership No: A34439) as a whole-time Company Secretary and Compliance Officer of the Company on 19th November, 2021. However, she has resigned from the post on 07th June, 2022 due to some other commitments.
3. The Company has appointed Ms. Sonam Dubey (Membership No: A57121) as a whole-time Company Secretary and Compliance Officer of the Company on 07th June, 2022.
4. During the year under review, Mrs. Bharti Bafna, who was eligible to retire by rotation, was re-appointed as a Director at the 74th Annual General Meeting held on September 30, 2022.

5. The members of the Company has re-appointed Mr. Mohanlal Zumbarlal Kothari as Managing Director of the Company for a period of 3 (Three) years with effect from 01st April, 2022 to 31st March, 2025 at the 74th Annual General Meeting held on September 30, 2022.
6. The members of the Company has re-appointed Mr. Kunal Bafna, (DIN: 00902536) as Whole-time Director of the Company for a period of 3 (Three) years with effect from October 8, 2022 to October 7, 2025 at the 74th Annual General Meeting held on September 30, 2022.
7. The Company has received individual declaration from all the Independent Director(s) of the Company under section 149(7) of the Companies Act, 2013 in respect of meeting the criteria of independence provided under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are disqualified for appointment under Section 164 of the Companies Act, 2013.

8. It is with profound sorrow that we acknowledge the passing of our esteemed former Managing Director, the late Mr. Ronojoy Mazumdar on 20/07/2023. His visionary leadership, dedication, and enduring contributions have left an indelible mark on our company. We extend our heartfelt condolences to his family and friends. While we mourn this loss, we are committed to carrying forward his legacy, embodying the values and ideals that guided his remarkable tenure.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:-

- a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2023 and of the profit and loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that they have prepared the annual accounts for the financial year ended March 31, 2023 on a going concern basis;
- e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

18. EXPANSION OF BUSINESS

The Company through its Board of Directors and management is taking extra efforts to reach at higher level by setting a benchmark. The Company also wishes to explore its business in future by keeping in view the dynamism of global market.

19. AUDITORS

M/s. R. A. Singh & Associates, Chartered Accountants, Mumbai, was appointed as Statutory Auditors for a term of 5 years from F.Y. 2022-23 to F.Y. 2026-27 by the members at the 74th AGM of the Company held on September 30, 2022.

However, M/s. R. A. Singh & Associates, Chartered Accountants has resigned as Statutory Auditors of the Company, w.e.f. 03rd August, 2023 due to personal reasons. The Board of Directors of the Company has appointed M/s. R K Jagetiya & Co., Chartered Accountant (Firm Registration No.146264W) as the Statutory Auditors of the Company, subject to the approval of the Members of the Company at the upcoming 75th Annual General Meeting to be held on 30th September, 2023. They have confirmed that they are not disqualified from being appointed as Statutory Auditors of the Company.

20. AUDITOR'S REPORT

The notes on financial statements referred to in the Auditors Report are self explanatory. The Auditors' Report does not contain any qualification. However, the Auditors in their Report have mentioned their observation and the same have been laid down below along with Directors' comments:

SR. No.	Auditors' Observation in the auditors' report	Directors' comments on the observations of the auditors mentioned in the auditors' report												
1.	<p>"Details of dues set out herein below in respect of customs duty which has not been deposited as at March 31, 2023 by the company with the appropriate authorities on account of disputes.</p> <table border="1"> <thead> <tr> <th align="center">Name of Statute</th> <th align="center">Nature of Dues</th> <th align="center">Amount in Lacs</th> <th align="center">Amount in Rs. Lacs paid under protest</th> <th align="center">Period to which the amount relates</th> <th align="center">Forum where disputes is pending</th> </tr> </thead> <tbody> <tr> <td align="center">Customs</td> <td align="center">Customs Duty</td> <td align="center">7.14</td> <td align="center">2.00</td> <td align="center">2008 - 2009</td> <td align="center">Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.</td> </tr> </tbody> </table>	Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum where disputes is pending	Customs	Customs Duty	7.14	2.00	2008 - 2009	Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.	<p>Show Cause Notice was issued wrongly by the assessing authority for Special Additional Duty which was already paid; demand for basic custom duty can't be raised now being time barred as advised by company's counsel does not find any merit.</p>
Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum where disputes is pending									
Customs	Customs Duty	7.14	2.00	2008 - 2009	Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.									

21. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Company has appointed M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretary, bearing Membership No. 8276 and Certificate of Practice No. 2871 to conduct Secretarial Audit of the Company for the financial year 2022-23 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as "Annexure B" (Form MR-3). The Secretarial Audit Report contains following observations in their Audit Report:-

1. The Company has partially complied with Regulation 46 of SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.

Board's Reply:-

The Board ensures in future to make good the non compliances occurred during the period under review.

22. DEMATERIALIZATION

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the members to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

23. LISTING OF SHARES

The Company's equity shares continue to be listed on The Bombay Stock Exchange Ltd (BSE).

24. UNCLAIMED AND UNPAID DIVIDENDS

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

25. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

During the financial year 2022-23 under review, all contracts / arrangements / transactions entered by the Company entered by the Company were in ordinary course of business and at arm's length basis. The Company had not entered into material related party transactions which could have had a potential conflict with the interests of the Company and hence, enclosing of Form AOC-2 is not required. Particulars of Related Party Transactions of the Company are provided in Note No. 30 of the financial statements.

26. MANAGEMENT DISCUSSION AND ANALYSIS

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

27. NOMINATION AND REMUNERATION POLICY

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration

Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel is annexed to this Report as “**Annexure C**”.

28. COMMITTEES OF BOARD

Following are the committees which are constituted by the Company:

A. AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

NAME	DESIGNATION	CATEGORY
Mr. Hitesh Mulraj Popat	Chairman	Independent/Non-Executive Director
Mr. Sunil Sampatraj Parakh	Member	Independent/Non-Executive Director
Mr. Kunal Bafna	Member	Executive Director & CFO

B. NOMINATION AND REMUNERATION COMMITTEE

The company has reconstituted Nomination and Remuneration Committee comprising of the following Members:

NAME	DESIGNATION	CATEGORY
Mr. Hitesh Mulraj Popat	Chairman	Independent/Non-Executive Director
Mr. Sunil Sampatraj Parakh	Member	Independent/Non-Executive Director
Mr. Sachindra Misra	Member	Independent/Non-Executive Director

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel and the same has been uploaded on company's website. Nomination & Remuneration Policy is annexed to this report in “**ANNEXURE C**”.

C. ANTI-SEXUAL HARASSMENT COMMITTEE AND RELATED DISCLOSURE.

The Board of Directors having an Anti-Sexual Harassment Committee comprising of following members.

NAME	DESIGNATION	CATEGORY
Mrs. Bharati Bafna	Chairperson	Executive Director
Ms. S L Chavan	Member	Employee
Ms. S M Ghadshe	Member	Employee

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) of the Company are covered under this Policy.

The following is a summary of Sexual Harassment complaints received and disposed off during the year:

Sr. No.	No. of Complaints received	No. of Complaints disposed off
Nil	Nil	Nil

D. STAKEHOLDER RELATIONSHIP COMMITTEE

The Board of directors of the company has constituted Stakeholder Relationship Committee in its meeting held on 13th February, 2023 comprising of the following Members:

NAME	DESIGNATION	CATEGORY
Mr. Hitesh Mulraj Popat	Chairman	Independent/Non-Executive Director
Mr. Murli Dhar Motwani	Member	Independent/Non-Executive Director
Mr. Sachindra Misra	Member	Independent/Non-Executive Director

NOTE: The Company has dissolved its CSR Committee as the Company is not required to constitute the same.

29. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on Monday, February 13, 2023, inter-alia, to discuss:

- I. Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- II. Evaluation of performance of the Chairman of the Company, taking into view of Executive and Non-Executive Directors.
- III. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

30. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

31. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The provisions of this policy are in line with the provisions of the Section 177(9) of the Act. The Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns.

32. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses were observed.

33. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During financial year under review, the Company has not transferred any amount to Investor Education and Protection Fund (IEPF).

34. COST AUDITORS

The appointment of Cost Auditor is not applicable to the Company as per Companies Act, 2013.

35. MAINTAINENCE OF COST RECORDS AS SPECIFIED UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013

Central Government has not prescribed the maintenance of cost records

under section 148(1) of the Companies Act, 2013 for any of the products/services dealt by the Company. Accordingly, maintenance of such accounts and records is not applicable to the Company.

36. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided under “**Annexure D**”, which is annexed to this Report.

None of the employees of the Company were in receipt of monthly or yearly remuneration in excess of the limits specified under the Companies Act, 2013 and Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

37. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

M/s. Sonal Kothari & Associates, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with section as “**Annexure E**”.

38. SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings and such systems are adequate and operating effectively.

39. ACCOUNTING STANDARDS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. The transition was carried out from IGAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to IND AS.

40. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

41. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant/ material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

42. CORPORATE GOVERNANCE

The Company is not required to comply with the provisions of Regulation 17 to Regulation 27 and clause (b) to clause (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V as mentioned in Regulations 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into force with effect from 01st December, 2015 as the Paid-up Share Capital of the Company is less than Rs.10,00,00,000 (Rupees Ten Crores Only) and the Net Worth of the Company is also less than Rs. 25,00,00,000 (Rupees Twenty Five Crores Only) based on the Annual Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

43. CORPORATE SOCIAL RESPONSIBILITY

During the Financial Year under review, the provisions of section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to the company.

44. PERFORMANCE EVALUATION

The Company has devised a policy for evaluation of Performance of the Board of Directors, its Committees and individual Directors ("Policy"). The evaluation involves assessment of performance individually of each of the Board Members and of the entire Board of Directors and its Committees.

The performance evaluation criteria of the entire Board of Directors inter alia comprised of the following key areas:

- i. the role of a Board Members is clearly defined and understood;
- ii. the Board has ensured that the organization's accomplishments and challenges are communicated to Members and Stakeholders;
- iii. the spread of talent within the Board reflect the Company's needs;

- iv. all Board Members bring valuable skill and experience to the Company;
- v. the composition of the Board is sufficient to carry out the work required of it;
- vi. the matters relating to the Company are discussed in a structured manner;
- vii. the Board knows and understand the Company's mission, vision and strategy; the Board's Meeting agenda clearly reflects strategic plan or priorities;
- viii. the Board papers contain the correct amount and type of information;
- ix. all Board Members participate in important Board discussions;
- x. the Board knows and keep abreast of trends and issues affecting the market in which the Company competes
- xi. the Board understands the business it is governing;
- xii. the Board Members actively engage in networking for the benefit of the Company;
- xiii. the Board Members have sufficient financial skills to ensure that the Board can discharge its governance responsibilities;
- xiv. the Company have relevant internal reporting and compliance systems;
- xv. the Board Members are aware of their risk assessment duties as Directors;
- xvi. there is a clear understanding of the Company's business risk;
- xvii. the Board encourages Directors to pursue opportunities for personal development;
- xviii. the Board have a succession plan in place for the Directors, KMP and Senior Management Personnel;
- xix. responsibilities have been effectively delegated amongst the Executive Directors, KMP and Senior Management Personnel;
- xx. There is good communication between the Board and KMP.

The evaluation framework for assessing the performance of Committee(s) of Board of Directors inter-alia comprised of the following key areas:

- I. the Committees have been constituted in compliance with the requirement of Listing Regulations and the Companies Act, 2013 read with the Rules there under;
- ii. the role/terms of reference of the Committee Members is clearly defined and understood;
- iii. the composition of the Committee is sufficient to carry out the work required of it;
- iv. the Committee knows and understands the Company's mission, vision and strategy;
- v. the Committee's Meetings are properly conducted and agenda papers contain the correct amount and type of information;
- vi. all Committee Members participate in discussion making;
- vii. the Committee Members have sufficient skills to ensure efficient discharge of responsibilities;

- viii. There is good communication between the Committees and the Board.
- ix. the Committee has relevant internal reporting and compliance systems;

The performance evaluation process of individual Directors inter alia comprised of the following key areas:

- ii. uphold ethical standards of integrity and probity;
- iii. act objectively and constructively while exercising their duties;
- iv. exercise their responsibilities in a bona fide manner in the interest of the Company;
- v. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- vi. assist the Company in implementing the best corporate governance practices;
- vii. strive to attend all Meetings of the Board of Directors and of the Board committees of which they are members;
- viii. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and Shareholder's interest;
- ix. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk Management are robust and defensible;
- x. strive to safeguard the interests of all stakeholders, particularly the minority shareholders;
- xi. balance the conflicting interest of the stakeholders;
- xii. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts;
- xiii. keep themselves well informed about the Company and the external environment in which it operates;
- xiv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- xv. strive to attend the general Meetings of the Company;
- xvi. acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xvii. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- xviii. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xix. report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- xx. maintain confidentiality of information such as commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;

- xxi. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc;
- xxii. they express concerns about the running of the Company or a proposed action and ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the Minutes of the Board Meeting;
- xxiii. develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior Management of the Company;
- xxiv. fairly contribute towards proper functioning of Board or Committees of the Board.

The evaluation framework for assessing the performance of Independent Directors inter-alia comprised of the following key areas:

- i. satisfy the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Regulations;
- ii. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk Management, resources, key appointments and standards of conduct;
- iii. bring an objective view in the evaluation of the performance of Board and Management;
- iv. actively scrutinize the performance of Management in Meeting agreed goals and objectives and monitor the reporting of performance;
- v. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- vi. contribute to determine appointment and remuneration of executive Directors, Key Managerial Personnel (KMP) and senior Management;
- vii. exercise objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.

In terms of the Policy, a process of evaluation was undertaken by the Board for its own performance and that of its Committees and individual Directors. The evaluation process focused on various aspects of the functioning of the Board and Committees. Separate exercise was carried out to evaluate the performance of individual Directors on specified parameters.

The outcome of evaluation process was shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan for the identified areas.

45. INDEPENDENT DIRECTORS

In accordance with Section 149 (7) of the Companies Act, 2013, and Regulation 16(1)(b) of the Listing Regulations, as amended, each Independent Director of the Company has provided a written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Independent Directors fulfill the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Listing Regulations and are independent from Management.

46. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
4. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and any one-time settlement with any Bank or Financial Institution during the year under review.

47. ACKNOWLEDGEMENTS

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to your Company by its Shareholders, their employees, regulatory authorities and its bankers. Your Directors would also like to place on record their appreciation for the efforts put in by employees of the Company during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Jainex Aamcol Limited

Place: Aurangabad
Date: 12/08/2023

Kunal Bafna
Whole-time Director
DIN: 00902536

Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305

ANNEXURES "A"

INFORMATION REQUIRED U/S 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014.

(A) CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

In past few years, the Company has taken several steps to conserve energy through its "Sustainability" initiatives. The Company continues its endeavor to improve energy conservation and utilization. Steps taken to conserve energy include:

- At its Plants, the Company has carried out various actions to optimize energy consumption and reduce losses.
- Some of these measures include recovering waste heat.
- Energy efficient machines are been installed in order to optimize use of power.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

The Company has always been conscious of the need for conservation of energy. Energy conservation measures have been implemented at all its plants.

- Water wastage and compressed Air Wastages was avoided which resulted in energy saving.
- Avoided wastages of electrical energy by close monitoring of fixed energy consumption such as Air conditioners, fans, tube lights, street lights etc.
- All fluorescent tubes and bulbs were replaced by Light Emitting Diode (LED) Light in the entire plant premises.

(iii) The capital investment on energy conservation equipments :

The Energy Conservation Equipments are procured on need base. There was no significant capital investment made for Energy Conservation Equipments during the year under review.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATIONS

(i) The efforts made towards technology absorption:

The company had originally started manufacturing Hobs in collaboration with Messer. KlingelInberg Verzahn technic, Gmbh of Germany and the collaboration

ended in 1981. During the period of collaboration the company successfully absorbed the technology and since beginning, the company is continuing the manufacture of Gear Hobs and it is also keeping abreast with the latest technology development abroad.

(ii) The Benefits derived like product improvement, cost reduction, product development or import substitution:

Due to the continuous efforts made by the Company towards technology absorption, the Company has derived various benefits like:

- Increased Customer satisfaction and salability
- Improved Brand name and Goodwill
- Cost Reduction through Quality and Productivity

(iii) In case of imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):

- (a) The details of technology imported : NIL;
- (b) The year of import : Not Applicable;
- (c) Whether the technology been fully absorbed : Not Applicable;
- (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof : Not Applicable

(iv)The expenditure incurred on Research & Development (R & D) : Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the financial year 2022-23 is Rs. 295.95 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2022-23 is Rs. 31.39 Lakhs.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305**

ANNEXURE “B”

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
**The Members,
Jainex Aamcol Limited
L-3, MIDC Industrial Area
P.O. Chikalthana
Aurangabad – 431006**

Dear Sir,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Jainex Aamcol Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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, We hereby report that in our opinion, the Company has, during the financial year ended March 31, 2023, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure ‘I’** for the financial year ended on March 31, 2023.

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations

made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, now known as SEBI (Share based employees Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period), and;

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- b. Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; and
- c. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

We 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.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act,

Excise & Customs Acts, we have relied on the Reports given by the Statutory Auditors of the Company.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has partially complied with Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.

We 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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We 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.

This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

**M/s. Ramesh Chandra Bagdi & Associates
(Company Secretaries)**

**Date: 12/08/2023
Place: Indore
UDIN: F008276E000764988**

**Ramesh Chandra Bagdi
(Proprietor)
CP No.: 2871
Membership No.: 8276
Peer review No: 1560/2021**

Annexure I

To,
The Members,
Jainex Aamcol Limited
L-3, MIDC Industrial Area
P.O. Chikalthana
Aurangabad – 431006

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report 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.

M/s. Ramesh Chandra Bagdi & Associates
(Company Secretaries)

Date: 12/08/2023
Place: Indore
UDIN: F008276E000764988

Ramesh Chandra Bagdi
(Proprietor)
CP No.: 2871
Membership No.: 8276
Peer review No: 1560/2021

ANNEXURE “C”

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel (KMP)**” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole- time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.

- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

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

TERM / TENURE

a) Managing Director/Whole-time Director:

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

b) Independent Director:

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

No Independent Director shall hold office for more than two consecutive terms of up to maximum of Five (5) years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

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

POLICY FOR REMUNERATION TO DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/Commission etc. to be paid to Managing Director / Whole time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.
- 2) Remuneration to Non-Executive / Independent Directors:
 - a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b) All the remuneration of the Non- Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non- Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

ANNEXURE “D”**MANAGEMENT REMUNERATION & PARTICULARS OF EMPLOYEES WITH RELATED DISCLOSURE (details with respect to financial year 2022-23)**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

1.	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the Financial year; (Median Salary : 30,955)	Mr. M Z Kothari – Rs. 28,86,451/- p.a. Ratio to median remuneration – 7.70: 1 Mr. Kunal Bafna - Whole Time Director/ Chief Financial Officer - Rs. 9,00,000/- p.a. Ratio to median remuneration – 2.42: 1 Other Directors of the Company are not being paid any remuneration.
2.	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	There is an increase of 4% in the remuneration of Managing Director. Gross remuneration of Managing Director is increased by Rs. 1,05,205 p.a. higher marginal increase in remuneration is due to increase in production/sales achieved during current fiscal. There is no increase in the remuneration of Whole Time Director/ Chief Financial Officer.
3.	the percentage increase in the median remuneration of Employees in the financial; year	As on 31-03-2022 -93 permanent staff /worker monthly salary of Rs. 26,80,379/-, Average Rs. 29,230/- As on 31-03-2023,94 permanent staff /worker monthly salary of Rs. 28,43,530/-, Average Rs. 30,955/- There was increase of Rs. 1,725/- i.e.5.90%.
4.	the number of Permanent Employees on the rolls of the Company;	As on 31-3-2023 there are 94 Employees permanent on the roll of the Company.
5.	average percentile increase already made in the Salaries of Employees other than the	Salary increase of 10% on an average While Managing director's remuneration is increased by 4% p.a. due to marginal increase in

	Managerial Personnel in the last financial year and its comparison with the percentile increased in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	production / sales achieved during current fiscal and WTD – CFO's remuneration is not increased during the period under review.
6.	The key parameters for any variable component of remuneration availed by the Directors;	It will depend on the Financial outcomes and profitability of the Company, Risk factors and regulatory guidelines and the variable pay shall not exceed 50 % of the fixed pay in a particular year.
7.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is affirmed that the remuneration is as per the remuneration policy adopted by the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

ANNEXURE - E**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)
(i) of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015)**

To,
The Members of
JAINEX AAMCOL LIMITED
L-3, MIDC Industrial Area
P.O. Chikalthana
Aurangabad – 431006

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JAINEX AAMCOL LIMITED having CIN L74999MH1947PLC005695 and having registered office at L-3, MIDC Industrial Area P.O. Chikalthana Aurangabad – 431006 (hereinafter referred to as 'the Company'), produced before me 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 of Director	DIN	Date of appointment in Company
1	Mr. Rahul Dugar	00013704	31-07-2003
2	Mr. Kunal Bafna	00902536	10-10-2013
3	Mr. Mohanlal Zumbarlal Kothari	01486305	01-04-2007
4	Mr. Hitesh Mulraj Popat	00407897	27-03-2015
5	Mr. Sunil Sampatraj Parakh	01111159	27-03-2015
6	Mrs. Bharati Bafna	01089137	30-06-2021
7	Mr. Sachindra Misra	08943363	30-06-2021
8	Mr. Murli Dhar Motwani	09264470	03-08-2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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: Thane

Date: 12/08/2023

For Sonal Kothari & Associates

Sonal Shah

Proprietor

ACS: 24216

COP No.: 8769

UDIN: A024216E000765341

Peer Review No: 2069/2022

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY REVIEW

Operational Overview

Jainex Aamcol Limited is a leading manufacturer of gear hobs and special cutting tools, inspection tools & precision accessories under the brand “Aamcol” and is a part of Jainex Group. Jainex Group is a conglomerate with offices in all the leading cities of India. Jainex Group deals with steel, gear cutting tools, pneumatic brake systems for railways, and has a turnover of US\$ 20 million.

The Company has been catering to a wide range of customers including automobile industries, industrial and special gearbox manufacturers, machine tool manufacturers, and many others. The Company’s product range includes Various Hobs for different applications such as Spur / Helical Gears, Chain Sprocket & Timer Pulleys, Worm Gears, Cutters, and other Inspection Tools & Precision Accessories. By producing international quality products, the company has not only saved country's foreign exchange but also generated it by exporting its products.

The objective of this report is to convey the Management’s perspective on the external environment and market, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities, and internal control systems and their adequacy in the Company during the Financial Year 2022-23. This should be read in conjunction with the Company’s financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. The Company continued its strategic focus on enhancing process efficiency, product quality and customer connect. With an emphasis on manpower training, automation and product innovation, the Company strengthened its positioning in the marketplace.

Productivity Enhancement

The Company undertook an array of measures for productivity enhancement like retrofitting/ reconditioning and automation, improvement in use of high-speed cutting tools and cycle time improvement to improve productivity.

Safety Measures

Being a safety conscious organization, the Company imbibes safety across various functions of the entire plant operation. In order to protect the health of workforce at the shop floor level, it curtails the use of hazardous material inside the plant premises.

ECONOMIC OVERVIEW

Global Economy

Due to the COVID-19 pandemic, the global Gear Hobbing Machine market size is estimated to be worth US\$ 665.3 million in 2022 and is forecast to a readjusted size of US\$ 776 million by 2028 with a CAGR of 2.6% during the forecast period 2022-2028. Fully considering the economic change by this health crisis, Vertical Gear Hobbing Machine accounting for % of the Gear Hobbing Machine global market in 2021, is projected to value US\$ million by 2028, growing at a revised % CAGR from 2022 to 2028. While Automobile segment is altered to an % CAGR throughout this forecast period.

Globally, the gear hobbing machine industry market is not that concentrated as the manufacturing technology of gear hobbing machine is relatively matures than some high-tech equipment. But some enterprises, like Gleason, Liebherr, CHMTI, Mitsubishi Heavy Industries and EMAG are well-known for the wonderful performance of their hobbing machine and related services. At the same time, Europe and USA are remarkable in the global gear hobbing machine industry because of their technology status of gear hobbing machine.

The consumption volume of gear hobbing machine is related to downstream industries and global economy. As there will always be some uncertain in the global economy in the following years, the growth rate of gear hobbing machine industry may not keep that fast. But it is surely forecasted that the market of gear hobbing machine is still promising.

The product average price declined in the past few years due to the technology development, the average price will keep the trend in the few future years due to increasing mature manufacturing technology and lowering cost of raw materials.

Although the market competition of gear hobbing machine is fierce globally, there are many enterprises can obtain considerable profit from the manufacturing and marketing of gear hobbing machine and that is the reason that we believe there will also be enterprises enter this market. But it is suggested that enterprises those have plans to enter this industry have careful analysis of this market and the advantages or disadvantages of themselves.

Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22. India is the third-largest unicorn

base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by Price water house Coopers.

INDUSTRY OVERVIEW

Domestic Auto-Components Industry

India's auto component industry is an important sector driving macroeconomic growth and employment. The auto components industry accounted for 2.3% of India's GDP and provided direct employment to 1.5 million people. By 2026, the automobile component sector will contribute 5-7% of India's GDP. From FY16 - FY22, the industry registered a CAGR of 6.35% and was valued at US\$ 56.50 billion in FY22. Due to the high development prospects in all vehicle industry segments, the auto component sector is expected to see double-digit growth in FY22. The industry is expected to reach US\$ 200 billion by FY26.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry accounts for 7.1% of India's Gross Domestic Product (GDP) and employs as many as 5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favorable destination for investment.

The Government of India's Automotive Mission Plan (AMP) 2006-2026 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion.

In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion). In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). In February 2022, the government has received investment proposals worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore (US\$ 31.08 billion).

Government has come out with Automotive Mission Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country's GDP will rise to over 12%.
- Around 65 million incremental numbers of direct and indirect jobs will be created.
- End of life Policy will be implemented for old vehicles.

Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D. As per ACMA forecasts, automobile component export from India is expected to reach US\$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at ~4-5% by 2026.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

Opportunities, Threat and Mitigation Strategies:

Being a manufacturer of components for end-user industries, the Company is prone to market vagaries with rapid technological development and unique economic cycles. In addition, the regulatory and macroeconomic environments have a direct impact on the business. The Company has been quick to respond to any market challenges, thus making smart come backs. The Company has in place a robust mechanism to preempt merging risks and take meaningful corrective actions in a timely manner. Some of the key risks that may emerge are enlisted below, with the corresponding mitigation measures that can be adopted by the Company.

Product Risks:

Risk: The Company supplies to leading brands which have strict norms and insist on adherence to compliance with quality and technical standards for auto components used as raw materials. The Company has to ensure superior precision and quality, as the product quality directly impacts the reputation and profitability.

Mitigation: The Company invests in maintenance and up gradation of its manufacturing facilities and in employee

Financial Risks:

Risk: The Company is exposed to changes in foreign exchange rates, interest rates, credit availability and liquidity.

Mitigation: Our Company is currently having a large pool of customer base and has planned to diversify its base and is working accordingly. Our Company is not only working towards client diversification but also business diversification.

skill development. It also follows various quality and productivity enhancing initiatives to maintain competitiveness. Regular feedback from clients aids in mitigating product quality risk. Adequate product liability insurance is also in place to safeguard the interests of the Company.

Market risks:

Risks: The Company derives most of its revenue from few large customers. Any glitch in the customer relations with them will have an adverse impact on the Company's revenues pass-through clauses enables the Company in ensuring timely, regular and adequate supply of raw materials.

Mitigation: Our Company is currently having a large pool of customer base and has planned to diversify its base and is working accordingly. Our Company is not only working towards client diversification but also business diversification.

Technology Risks:

Risk: The Company supplies to reputed OEMs that are abreast with market changes on the technology front. These marquee players are constantly on the look-out for quality supplies with superior efficiency. The Company is challenged to promptly respond to the evolving demands and also needs to be prepared to face the risk of technological obsolescence.

Mitigation: Our Company is well focused on modernization and technology up gradation and has been a forerunner in terms of adding new and advanced gears to the industry.

Regulatory Risks:

Risk: The Company is exposed to changes in laws, regulations, policies and other Governmental actions including those affecting environmental matters, employee welfare, safety, wastage emissions.

Mitigation: The Company has a dedicated compliance team which the Company has in place adequate hedging mechanisms and closely monitors macro policy changes to foresee any likely movements in interest rates.

Raw Material Risks:

Risks: Input costs being a primary cost for the Company, they have a significant impact on the financials of the organisation.

Mitigation: Robust procurement policy, expertise in inventory management, understanding of price fluctuation and long-lasting relationships with suppliers including foresees any regulatory changes and developments in laws that govern it and its clients. It takes course corrections in a timely fashion to avoid any such major disruption.

Segment wise or Product-wise Performance

The Company's segment-wise performance for the financial year 2022-23 is as under:

(Amt. in Lakhs)

Sl. No.	Segment	Performance
1	Gear Hobs	1415.31
2	Milling Cutters	352.44
3	Spline Gauges	152.06

Internal Control Systems and their Adequacy

The Company is committed to good corporate governance practices and has well-defined systems and processes covering all the corporate functions and units. It also has an Internal Audit Process to provide reasonable assurance regarding the effectiveness and efficiency of operations, safe-guarding of assets, reliability of financial records and reports and compliance with applicable laws and regulations. The Company has an elaborate system of identifying key business risks and taking mitigating steps.

In order to be future-ready, the Company is focused on creating an organizational culture which is built on a strong foundation of agility and innovation.

Well-documented policies and procedures enable the Company to strictly adhere to all applicable procedures, laws, rules and statutes. Any variance from budgetary allocations are promptly reported and corrected to ensure strict compliance.

The Audit Committee of the Board oversees the Audit function through regular reviews of audit findings and monitoring corrective actions taken on the same.

Discussion on Financial Performance With Respect to Operational Performance

During the financial year 2022-23 under review, there was increase in the turnover of the Company as compared with the previous year i.e. from Rs. 1876.69 Lakhs to Rs. 2023.96 Lakhs. The Company has reported Net Profit of Rs. 124.44 Lakhs against Net Profit of Rs. 144.83 Lakhs in the previous year.

SUPPORT SYSTEMS

The Company is constantly focusing on enhancing its process efficiency, product quality and customer connect. The Company believes that the employees are not

a resource but the most valuable assets of the Company and will play a key role in its future growth.

Planned efforts are made to develop and retain talent. The Company provides growth opportunities to internal talent by assigning them higher responsibilities with suitable exposure and training. The Company undertakes various training and development programmes regularly in order to upgrade its human resources and keep them abreast of the changing requirements.

Cautionary Statement

Statements in this Management Discussion and Analysis and Directors' Report describing the Company's objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon significant changes in political and economic environment, economic conditions, government policies and other incidental factors, environmental standards, tax laws, litigation and labour relations. Readers are cautioned not to place undue reliance on these forward-looking statements.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Place: Aurangabad
Date: 12/08/2023**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumarlal Kothari
Managing Director
DIN: 01486305**

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
JAINEX AAMCOL LIMITED**

**I. REPORT ON AUDIT OF THE STANDALONE IND AS FINANCIALS
STATEMENTS**

1. Opinion

- a) We have audited the accompanying standalone financial statements of Jainex Aamcol Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, 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 notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
- b) 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 as amended ("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 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 total comprehensive income (comprising profit and other comprehensive income), Changes in its equity and its Cash Flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

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

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No	Key Audit Matters	How Audit addressed the key matters
1.	<u>Actuarial valuation, provisions of arrears and funding of Gratuity under Defined Benefit Plan.</u> The company's Employees Gratuity Fund Scheme is managed by the LIC of India as defined benefit plan. The present value of obligations based on past experience and actual valuation done by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements. No actuarial valuation is done by the management since they are of the view that the company has made provision at actuals which in their view is adequate vis-à-vis the actuarial valuation, if would have been taken.	1. We have performed procedure to ensure that the provision for gratuity is adequately made upto the financial year under audit as per the computation made by the company under the Payment of Gratuity Act as amended from time to time read with the computation of gratuity provided by LIC.
2.	<u>Actuarial valuation and funding of leave salary.</u> The company has provided for the actual leave encashment liability as per company's rules at the balance sheet date based on permissible	2. In absence of actuarial valuation, the provision made in the accounts for gratuity as mentioned above is whether adequate or not; could not be compared/measured by us. 3. We however, assessed the disclosures in accordance with IND AS 19.
		1. We have performed procedure to ensure that the provision for leave salary (encashment) is adequately made up to the financial year under audit as per the actual computations made as

accumulated leave balance of the employees at last salary drawn. Since leave encashment liability at actual as per company's rules is fully provided, no actuarial valuation is done by the management. However, provision / payment is made for leave encashment during the year and unpaid, accrued, provided and unfunded liability till the year end is Rs. 21.01 lakhs.

per company's rules for payment of leave salary at actuals and therefore no actuarial valuation is done by the management. In absence of actuarial valuation, we could not compare/measure whether provision is adequate or not.

3. Impairment of Assets.

a) Impairment of assets has been recognized and losses wherever applicable has been charged to Profit & Loss account.

As on each balance sheet date, the carrying amount of assets is tested for impairment so as to determine; the provision for impairment loss, if any, required, or the reversal, if any, required or impairment has been recognized in previous year.

4. Recognition of Tax Credits.

a) Deferred Tax Liability of Rs. 22.39 lakhs
Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per applicable tax rates and laws.
Deferred tax is recognized, subject

2. The unpaid/unfunded liability at the year end is of Rs. 21.01 lakhs up to FY 2023.

3. We assessed the disclosures in accordance with IND AS 19.

1. Our audit procedures included company's accounting policies with respect to impairment in accordance with IND AS 36 "Impairment of Assets".

2. We performed test of controls over impairment process through inspection of evidence of performance of these controls.

3. We have inspected the plant including the impaired assets along with concerned technical engineer and have also obtained the management's assessments on impairment.

4. We accordingly assessed the disclosures in accordance with IND AS 36 "Impairment of Assets".

1. Our audit procedures included company's accounting policies with respect to recognition of tax credits / debits in accordance with IND AS 12 "Income Taxes"

2. We performed test of controls over recognition of tax credits/debits

to the consideration of prudence in through inspection of evidence of respect of deferred tax liability on performance of these controls. timing differences, being the difference between taxable income and accounting income that originates in one period and capable of reversal in one or more subsequent periods.

b) **Minimum Alternate Tax (MAT) credits / entitlements.**

The company has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 37.02 lakhs as at 31st March, 2023.

5. **Non Provision of Custom Duty.**

The company had imported a CNC machine in FY 2007-08 on which custom authorities demanded and raised, after a show cause notice (SCN), an additional custom duty of Rs. 7.14 lakhs. The company filed an appeal before appellate authority who remanded the case to the concerned officer in view of issue of wrong SCN on 03.05.2018. The said matter is still pending for hearing.

3. We evaluated the tax positions by comparing it with prior years and past precedents.

4. We discussed the future business plans and financial projections with the company.

5. We assessed the management's long term financial projections and the key assumptions used in the projections by comparing it to approved business plans and projections.

6. We assessed the disclosures in accordance with IND AS 12 "Income Taxes".

1. Our audit procedures included company's accounting policies with respect to non-provision of custom duty in view of order of appellate authority. However, to admit appeal before appellate authority, a deposit of Rs. 2.00 lakhs was paid.

2. We performed the test of verification in the matter through inspection of evidence of performance of these controls.

3. In case of adverse order in the matter, the gross block, net block and depreciation till balance sheet date will change with decrease in profit on account of pro-rata/required charge of depreciation till balance sheet date, and consequential changes in tax, deposits and retained earnings.

6. **Confirmation of Balances.**

a) Trade Receivables

Letters for confirmations of balances of trade receivables were sent to customers but responses have not come before the conclusion of audit. Hence, no impact for any difference has been considered.

b) Trade Payables

Similarly, confirmation of balances of sundry creditors were not sent as external evidence and therefore the balances are as per books of accounts.

c) Unsecured Loans

Confirmation in respect of unsecured loans have been obtained, checked, verified and found correct.

4. Management's and Board of Directors' Responsibilities for Standalone Financial Statements.

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards (Ind AS) specified under section 133 of the Act. The management and the Board of Directors of the company are responsible for 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and Board of Directors are 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 the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process of the Company.

5. Other Information, such as “Information Other than the Financial Statements and Auditor’s Report thereon.

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report along with its annexures and financial highlights included in company's annual report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

6. Auditor’s Responsibilities for the Audit of the Standalone Financial Statements.

A. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- i) 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.

- ii) 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)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 disclosure in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and the content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities of which we are the independent auditors and whose financial information we have audited, to express an opinion on the standalone financial statements.

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 the 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 for 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.

Other Matter

Our opinion on the standalone financial statements and financial information certified by the management, and our report on Other Legal and Regulatory Requirements below, is not modified being the only statutory auditor of the company which has no branch or branch auditors.

7. Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"),, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure" A" a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
2. A) As required by Section 143(3) of the Act, we report that:
 - i) 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.
 - ii) 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 and records.
 - iii) The Standalone Balance Sheet, the Standalone Statement of Profit & Loss including the statement of other comprehensive income, Standalone statement of changes in equity and the Standalone cash flow statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion the aforesaid standalone financial statements comply with Accounting Standards read with Ind AS specified under section 133 of the Act.
 - v) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

vi) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this Report.

B) 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 explanation given to us:

- i) The Company has disclosed the impact of pending litigations as at 31 March, 2023 on its financial position in its standalone financial statements – Refer Note 30(9) to the standalone financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- iv) a) The management has represented that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no fund 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
b) The management has represented, that to the best of its knowledge and belief, as disclosed in the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“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 (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
c) Based on such audit procedures as we 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 (a) and (b) contain any material misstatement.
- v) The Company has neither declared nor paid any dividend during the year.
- vi) As proviso to Rule (3) (1) of the Companies (Accounts) Rules, 2014 (as

amended), which provides for books of accounts to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning 01st April 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

**for R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN110271W**

(Peer Review process complete, Peer Review Report awaited)

**R. A. SINGH
(PROPRIETOR)
Membership No: 014098
UDIN: - 23014098BGSZPD9399
Place: Mumbai
Dated: - 30th May, 2023**

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE TO THE FINANCIALS STATEMENTS OF JAINEX AAMCOL LIMITED FOR THE YEAR ENDED 31.03.2023.

Referred to in paragraph 7(1) under “Report on Other Legal and Regulatory Requirements” in the Independent Auditors report to the members of the Jainex Aamcol Limited on the standalone financial statement as of and for the year ended 31 March 2023.

In terms of information and explanation sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

(i) In respect of Company’s Property, Plant and Equipment and Intangible Assets:

- (a) (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No major discrepancies were noticed on such verification.
- (c) On the basis of our examination of the records of the company, the title deed of immovable leasehold property is held in the name of the company as at the balance sheet date.
- (d) On the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
- (e) On the basis of our examination of the records of the company, there have not been any proceedings pending or initiated against the company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management. In our opinion frequency of verification, coverage and procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, 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) On the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to

companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a),(b),(c),(d),(e) and (f) of the Order are not applicable to the Company.

- (iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- (v) The Company had carried forward unsecured loans received from three related parties viz. a body corporate as a shareholder, a director cum shareholder, and a firm in which a director and his relatives are interested as earlier stipulation of bank and squared up during the year. Unsecured loans received from a director/shareholder, a body corporate and shareholder and a firm in which directors and their relatives are partners are not covered under the definition of deposits as defined in the Acceptance of Deposit Rules 2014 as amended from time to time. During the year, the company has not accepted any deposits from public and does not have any unclaimed deposits as at March 31, 2023.
- (vi) As informed to us and on the basis of our examination of the records of the Company, the Central government has not prescribed the maintenance of cost records under section 148(1) of Companies Act, 2013 for the products manufactured by it and/or services provided. Accordingly reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
 - (a) In our opinion, the company has generally, been regular in depositing undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it with appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues in arrears as at 31st March, 2023 for a period of six months from the date they became payable.
 - (c) Details of dues set out herein below in respect of customs duty which has not been deposited as at 31st March, 2023 by the company with the appropriate authorities on account of disputes.

Sr. No.	Name of Statute	Nature of Dues	Amount in Rs. lacs	Amount in Rs. lacs paid under protest	Period to which the amount relates	Forum where disputes is pending
1.	Customs	Customs Duty	7.14	2.00	2008-2009	Customs and Excise Tribunal, Mumbai - Case is heard and matter is reverted back to the concerned

						assessing authority to re-look a fresh and the matter is still pending for order.
2.	Income Tax Act, 1961	Income Tax	1.76	-	2017-2018	The company's income tax assessment was accepted u/s. 143(1) in normal course, however erroneously credit for TDS was not given which after application for rectification was given, accepted and the refund due a per return was received. On scrutiny assessment u/s. 143(3) the order was passed without any enhancement in income but in the computation TDS credit was again not given and therefore the demand as shown in the table was raised which is under rectification.

(viii) There were no transactions previously unrecorded as 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) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(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 not taken any fresh term loan during the year and the outstanding term loan carried forward from previous year being GECL working capital term loan was used for the purpose for which it was taken over. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable for the year.

(d) On an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis, prima facie, have been used during the year for long-term purposes by the Company.

(e) The company does not have any subsidiaries, associates, or joint

ventures. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable.

- (x) (a) The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Accordingly, reporting on clause 3(x)(a) of the Order is not applicable.
 - (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year. Accordingly, reporting on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon audit procedures performed according to the information and explanation given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
 - (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi) (c) of the order is not applicable to the company.
- (xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, and based on our examination of the records of the company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanation provided to us and our audit procedures, in our opinion, the company has an 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 till date, in determining the nature, timing and extent of our audit procedure.
- (xv) In our opinion during the year the company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the clause (xv) of the Order is not applicable to the company.
- (xvi) (a) In our opinion, the company is not required to be registered under 45-IA of the Reserve Bank of India Act. Hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and hence the reporting under clause 3 (xviii) is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the 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) The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**for R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN110271W**

(Peer Review process complete, Peer Review Report awaited)

**R. A. SINGH
(PROPRIETOR)
Membership No: 014098
UDIN: - 23014098BGSZPD9399
Place: Mumbai
Dated: - 30th May, 2023**

ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7(2)(A)(vi) under “Report on Other Legal and Regulatory Requirements” section of the Independent Auditor's Report of even date to the members of the Jainex Aamcol Ltd on Standalone financial statements for the year ended 31 March, 2023)

Opinion

1. We have audited the internal financial controls with reference to financial statements of Jainex Aamcol Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respect, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria| established by the Company considering the essential components of intrnal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls.

2. The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and standards on Auditing, prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, 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 standalone financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements.

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone 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 (iii) 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements.

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**for R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN110271W
(Peer Review process complete, Peer Review Report awaited)**

**R. A. SINGH
(PROPRIETOR)
Membership No: 014098
UDIN: - 23014098BGSZPD9399
Place: Mumbai
Dated: - 30th May, 2023**

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Balance Sheet as at March 31, 2023

PARTICULARS	Note No.	As at 31st March, 23	As at 31st March, 22
		‘Rs. in Lakhs’	‘Rs. in Lakhs’
ASSETS			
<u>Non-Current Assets</u>			
(a) Property, Plant and Equipment	2	357.17	452.80
(b) Intangible Assets	3	0.91	1.15
(c) <u>Financial Assets</u>			
(i) Others	4	71.48	81.23
(d) Deffered Tax Assets (Net)	5	0.00	0.00
<u>Total Non-Current Assets</u>		429.56	535.18
<u>Current Assets</u>			
(a) Inventories	6	541.90	491.15
(b) Financial Assets			
(i) Trade Receivables	7	479.48	488.27
(ii) Cash and Cash Equivalents	8	1.31	18.02
(iii) Other Bank Balances	9	0.15	0.15
(c) Other Assets	10	32.00	15.98
<u>Total Non-Current Assets</u>		1054.84	1013.57
<u>Total Non-Current Assets</u>		1484.40	1548.74
EQUITY AND LIABILITY			
<u>Equity</u>			
(a) Equity Share Capital	11	149.94	149.94
(b) Other Equity	12	490.12	364.68
<u>Total Non-Current Assets</u>		640.06	514.62
<u>Liabilities</u>			
<u>Non-Current Liabilities</u>			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	13	110.03	188.73
(ii) Others	14	0.00	0.00
(b) Provisions	15	0.00	3.90
(c) Deffered Tax Liabilities (Net)	5	22.38	33.82
<u>Total Non-Current Liabilities</u>		132.41	226.45

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Balance Sheet as at March 31, 2023 (Cond.)

PARTICULARS	Note No.	As at 31st March, 23	As at 31st March, 22
		‘Rs. in Lakhs’	‘Rs. in Lakhs’
<u>Current Liabilities</u>			
(a) Financial Liabilities			
i Borrowings	16	348.10	373.02
ii Trade Payables	17		
(a) Dues of micro and small enterprises		2.02	2.59
(b) Dues of creditors other than micro and small enterprises		234.28	307.72
iii. Other Financial Liabilities	18	236.29 0.00	310.32 0.00
(b) Other Liabilities	19	39.99	35.16
(c) Provisions	20	87.54	79.26
(d) Current Tax Liabilities (net)	21	0.00	9.92
<u>Total Current Liabilities</u>		711.93	807.67
<u>Total Liabilities</u>		844.34	1034.12
<u>Total Equity and Liabilities</u>		1484.40	1548.74

Notes to the Financial Statements - Note Nos. 1 to 30

The accompanying notes form an integral part of Standalone financial statements.

As per our report of even date attached

**For R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS**

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

(R.A.SINGH)
PROPRIETOR
Membership No. : 014098
Firm Regn. No.: 110271 W
(Peer Review process complete, Peer Review Report awaited)

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 30th May, 2023

(Sonam Dubey)
Company Secretary
(ACS 57121)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Statement of Profit & Loss for the year ended March 31, 2023

PARTICULARS		Note No.	As at 31st March, 23 'Rs. in Lakhs'	As at 31st March, 22 'Rs. in Lakhs'
	TOTAL INCOME			
I	Revenue from Operations	22	2023.96	1876.69
II	Other Income	23	10.69	14.40
III	Total Income (I+II)		2034.65	1891.09
IV	Expenses			
	Cost of Materials Consumed	24	524.11	446.98
	Change in Inventories of Work-in Progress and Finished Goods	25	-9.54	6.54
	Employees Benefits Expenses	26	625.51	542.73
	Finance Costs	27	43.24	54.57
	Depreciation and Amortization Expense	28	93.21	112.23
	Other Expenses	29	582.16	519.11
	Total Expenses		1858.69	1682.16
V	Profit/(Loss) before Exceptional Items and Tax		175.96	208.94
VI	Exceptional / Extraordinary Items (net)		0.00	0.00
VII	Profit/(Loss) before Tax (V-VI)		175.96	208.94
VIII	Tax Expense:			
	Current Tax		61.96	36.48
	Tax for earlier year		0.00	0.00
	Deferred Tax Credit(-)/Debit(+)		-11.44	62.52
	MAT Credit Carried forward		0.00	-34.88
			50.52	64.12
IX	Profit/(Loss) for the year (VII-VIII) from continuing operations		125.44	144.81
X	Profit/(Loss) for the year from discontinuing operations		0.00	0.00
XI	Tax from discontinuing operations		0.00	0.00
XII	Profit/(Loss) for the year from discontinuing operations after tax		0.00	0.00
XIII	Other Comprehensive Income/(loss)			
A.	Item that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0.00	0.00
	(ii) Income tax effect on above		0.00	0.00
B.	Item that may be reclassified to profit or loss:			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0.00	0.00
	(ii) Income tax effect on above		0.00	0.00
	Total Other Comprehensive Income/(Loss) for the year (A+B)		0.00	0.00
XIV	Total Comprehensive Income/(Loss) for the period comprising profit/ (loss) and other Comprehensive Income (IX+XII+XIII)		125.44	144.83
XV	Earnings/(Loss) per equity share (of ` 10 each) from continuing operations as there is no discontinued operation		8.38	9.68
	Basic and Diluted (in ` per share)		8.38	9.68
	Notes to the Financial Statements - Note Nos. 1 to 30			
	The accompanying notes form an integral part of the Standalone financial statements.			

As per our report of even date attached

For R. A. SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

(R.A.SINGH)

PROPRIETOR

Membership No. : 014098

Firm Regn. No.: 110271 W

Place :- Mumbai

Dated :- 30th May, 2023

(M. Z. Kothari)

Managing Director

(DIN : 01486305)

(Kunal Bafna)

Chief Financial Officer

& Whole-time Director

(DIN : 00902536)

(Rahul Dugar)

Director

(DIN : 00013704)

(Sonam Dubey)

Company Secretary

(ACS 57121)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Statement of Change in Equity for the year ended March 31, 2023

A Equity Share Capital

	No. of Shares	Amount in 'In Lakhs'
Balance as at April 1, 2021	1496338	14.96
Issued during the year	0	0
Balance as at March 31, 2022	1496338	14.96
Issued during the year	0	0
Balance as at March 31, 2023	1496338	14.96

B Other Equity

Particulars	Reserves and Surplus				Amount in 'In Lakhs'		
	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Retained Earnings	Total Reserve other than OCI	Item of other comprehensive item	Total
	(a)	(b)	(c)	(d)	(e)= (a to d)	(f)*	(g)= (e + f)
Balance as at April 1, 2021	15.00	38.97	240.00	-42.26	251.71	-31.86	219.85
Profit/(Loss) for the year FY 2022				144.83	144.83		144.83
Other Comprehensive Income/(loss) for FY 22							
Balance as at March 31, 2022	15.00	38.97	240.00	102.57	396.54	-31.86	364.68
Profit/(Loss) for the year FY 2023				125.44	125.44		125.44
Transfer from Other Comprehensive Income				-31.86	-31.86	31.86	0.00
Balance as at March 31, 2023	15.00	38.97	240.00	196.15	490.12	00	490.12

Notes to the Financial Statements - Note Nos. 1 to 30
The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For R. A. SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

(R.A.SINGH)
PROPRIETOR
Membership No. : 014098
Firm Regn. No.: 110271 W

Place :- Mumbai
Dated :- 30th May, 2023

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

(Rahul Dugar)
Director
(DIN : 00013704)

(Sonam Dubey)
Company Secretary
(ACS 57121)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Cash Flow Statement for the year ended 31st March, 2023

Sr. No.	PARTICULARS	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
A.	Cash flow from operating activities		
1	Net Profit / (Loss) before extraordinary items and tax	175.96	208.94
	<u>Adjustments for:</u>		
	Depreciation and amortisation	92.03	112.22
	Impairment in respect of Other Property and Plant & Equipment	1.19	0.00
	Balances written back	(3.90)	0.00
	(Profit)/Loss on sale of Assets	(4.85)	0.00
	Finance costs	43.24	54.57
	Interest income	(0.43)	(0.27)
2	Operating profit / (loss) before working capital changes	303.24	375.46
	<u>Changes in working capital:</u>		
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	50.75	149.77
	Trade receivables	(8.79)	109.94
	Financial assets - Loans		
	Other current assets	16.02	2.73
	Non current - Loans	(9.76)	34.95
		48.22	297.39
	<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
	Trade payables	(74.02)	110.72
	Non current liabilities provisions	0.00	0.00
	Other Financial Liabilities	(0.00)	(0.56)
	Other Current Liabilities	4.83	(26.64)
	Current Provisions	8.28	(16.20)
	Current tax liabilities (net)	(9.92)	9.56
		(70.83)	76.88
	Cash flow from extraordinary items	0.00	0.00
	Cash generated from operations	119.05	220.51
	Net income tax (paid) / refunds (including MAT effect)	(61.96)	(1.60)
3	Net cash flow from / (used in) operating activities (A)	122.23	153.35
B.	Cash flow from investing activities		
	Capital expenditure on fixed assets, including capital advances	(0.45)	(11.66)
	Proceeds from sale of fixed assets	7.94	0.00
	Interest received	0.43	0.27
	Cash flow from extraordinary items	0.00	0.00
	Net cash flow from / (used in) investing activities (B)	7.92	(11.39)

Cash Flow Statement for the year ended 31st March, 2023

Sr. No.	PARTICULARS	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
C.	Cash flow from financing activities		
	Proceeds from long-term borrowings (TLs/Usl)	(78.70)	(49.47)
	Net increase / (decrease) in working capital borrowings	(24.91)	(33.60)
	Proceeds from other short-term borrowings	0.00	0.00
	Finance cost	(43.24)	(54.57)
	Net cash flow from / (used in) financing activities (C)	(146.85)	(137.64)
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(16.71)	4.32
	Cash and cash equivalents at the beginning of the year	18.17	13.85
	Cash and cash equivalents at the end of the year (Refer Note 8+9)	1.46	18.17
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents as per Balance Sheet (Refer Note 8 + 9)	1.46	18.17
	* Comprises:		
a)	Cash on hand	0.75	0.47
b)	Balances with banks		
	(i) In current accounts	0.56	17.55
	(ii) In earmarked accounts	0.15	0.15
		1.46	18.17
<p>Note: Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015</p> <p>Notes to the Financial Statements - Note Nos. 1 to 30</p> <p>The accompanying notes form an integral part of the Standalone financial statements.</p>			

As per our report of even date attached

**For R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS**

**(R.A.SINGH)
PROPRIETOR**

**Membership No. : 014098
Firm Regn. No.: 110271 W**

**Place :- Mumbai
Dated :- 30th May, 2023**

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

(Rahul Dugar)
Director
(DIN : 00013704)

(Sonam Dubey)
Company Secretary
(ACS 57121)

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr.No	Particulars
1	<p><u>COMPANY INFORMATION</u></p> <p>Jainex Aamcol Limited ("the company") is a public limited company having its Registered Office in Aurangabad, Maharashtra, India, shifted from Mumbai to Aurangabad during the year. The company is listed on the Bombay Stock Exchange (BSE). The company has a manufacturing unit in Aurangabad, Maharashtra for manufacture of Gear Cutting Tools viz. gear hobs , miling cutters and spline guages. The functional and presentation currency of the company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the company operates. As on 31st March, 2023 , Jainex Foods Pvt Ltd owns 38.62% of the equity shares of the company, and has the ability to influence the company's operations. The financial statements for the year ended March 31, 2023 were approved by the Board of Directors on May 30, 2023.</p>
2	<p><u>SIGNIFICANT ACCOUNTING POLICIES</u></p>
2.01	<p><u>ACCOUITING CONVENTION</u></p> <p>"The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.</p>
a)	<p><u>Statement of compliances</u></p> <p>The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS")prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other relevant provisons of the Act.</p>
b)	<p><u>Basis of preparation</u></p> <p>The financial statements have been prepared under the historical cost convention on the basis of going concern and in accordance with generally accepted accounting principles and Ind AS of ICAI as perprovisions of the Companies Act 2013 read with notes appearing in financial statements.</p>
c)	<p><u>USE OF ESTIMATES AND ACCOUNTING JUDGEMENTS</u></p>
(i)	<p><u>Use of estimates</u></p> <p>The preparation of the financial statements require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates, are recognised in the</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr. No	Particulars
	periods in which the results are known / materialised.
(ii)	<p><u>Impairment (IND. AS 36)</u> "Impairment of assets has been recognized and losses, where ever applicable; has been charged to Profit & Loss account.</p> <p>As of each balance sheet date, the carrying amount of assets is tested for impairment so as to determine -</p> <p>i. the provision for impairment loss, if any, required, or ii. the reversal, if any, required or impairment has been recognized in previous year.</p>
(iii)	<p><u>Useful life of property, plant and equipment and intangible assets :- (IND. AS 16)</u> The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each balance sheet date. The re-assessment may result in change in depreciation and amortization expense in future periods.</p>
(iv)	<p><u>Taxes on Income and evaluation of Deferred Tax Assets :- (IND AS 12)</u> Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per applicable tax rates and laws.</p> <p>Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originates in one period and capable of reversal in one or more subsequent periods as described in relevant Note to financial statements.</p>
(v)	<p><u>Provisions , contingent liabilities and contingent assets (IND AS 37)</u></p> <p>a) <u>Provisions</u> The provisions are recognised and measured by using a substantial degree of estimation.</p> <p>Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.</p> <p><u>Constructive obligation is an obligation that derives from an entity's actions where:</u></p> <p>(i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr. No	Particulars
	<p>(ii) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.</p> <p>b) <u>Contingent liabilities</u> Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p> <p>c) <u>Contingent assets</u> Contingent assets are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p>
(vi)	<p>Fair value measurements of financial instruments (IND AS 32) The company has no financial instruments / investments hence fair value measurement is not applicable.</p>
(vii)	<p>Employee Benefits and Retirement obligations (IND AS 19)</p> <p>a) Defined Contribution Plan The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid / payable under the schemes are recognised during the year in which the employee renders the related services.</p> <p>b) Defined Benefit Plan / Long Term Compensated Absences. The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on past experience and actual valuation done by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements. Since the valuation by LIC is based on their vast experience at actuals, no actuarial valuation is done by the management.</p> <p>c) Compensated Absences The company has provided for the actual leave encashment liability at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn as per company rules. Since leave encashment liability at actual is fully provided, no actuarial valuation is done by the management.</p>
2.02	<p>Property, plant and equipment (IND AS 16) Tangible and intangible property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes all direct costs and expenditure incurred to bring the asset to its working condition and location for its intended use. Related trial run expenses (net of revenue), borrowing cost during construction/irrection period and commissioning are capitalised where</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr. No	Particulars
	ever and whenever applicable. The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognized in the statement of profit and loss.
2.03	<p>Depreciation and amortization of property, plant and equipment and intangible assets</p> <p>a) Depreciation is provided under straight line method (SLM) to the extent depreciable based on the useful life of most of the assets as prescribed in Schedule II of the Companies Act, 2013</p> <p>b) Depreciation on additions is provided on pro-rata basis from the date of intended use. Depreciation on deletions is provided on pro-rata basis till the date of its effective use.</p> <p>c) No depreciation has been provided on fixed assets where written down value has reached to 5% of the original cost and also on fixed assets not put to use.</p>
2.04	<p>Leases (IND AS 17)</p> <p>a) The company's '95 years Leasehold Land at MIDC Aurangabad was acquired on annual economic rent of Rupee One in 1974.</p> <p>b) The company has taken a CNC hob re sharpening (Luren Taiwan make) machine from Marathwada Auto Cluster, Waluj, Aurangabad on annual fixed rent of Rs.12 lakhs for a period of 10 years on interest free refundable deposit vide agreement dated 09/07/2022 with minimum lockin period of 3 years with an option to extend the agreement or buy the said machine at mutually agreed terms.</p>
2.05	<p>a) Financial assets</p> <p>(I) Cash and bank balances Cash and bank balances consist of</p> <p>"(I) Cash and cash equivalents includes cash in hand, balances held with banks which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value . These balances with banks are unrestricted for withdrawal and usage.</p> <p>(ii) Other bank balances which includes balances and deposits with banks that are restricted for withdrawal and usage.</p> <p>(ii) Other financial assets are taken at cost or net realisable value as the case may be.</p>
2.05	<p>b) Financial Liabilities</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr. No	Particulars
	<p>Trade and other payables / liabilities</p> <p>(i) Trade and other payables / liabilities are initially measured at fair value / cost as recorded in the books.</p> <p>(ii) Interest bearing bank loans, overdrafts ,term liabilities and other debts are initially measured at fair value / cost as recorded in the books using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.</p> <p>(iii) The company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.</p>
2.06	<p>Inventories - (IND AS 02)</p> <p>(I) "Inventories of finished goods and scrap are stated at the lower of cost and net realizable value. Cost is ascertained on a weighted average basis in respect of raw materials. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition in respect of work in progress. Net realizable value is the price at which the inventories can be realized in the normal course of business.</p> <p>(ii) Stores and spare parts are carried at lower of cost and net realizable value.</p> <p>(iii) Provisions are made to cover slow moving and obsolete items based on historical experience of utilization on a product category basis, which involves individual businesses considering their product lines and market conditions.</p> <p>(iv) However, based on above, the inventories are valued as under</p> <p>a) Raw materials are valued at cost.</p> <p>b) Work in Progress is valued at raw material cost + overheads.</p> <p>c) Finished Goods are carried at lower of cost or market value which ever is less.</p> <p>d) Stores are valued at cost.</p> <p>e) Tools and Spares are valued at cost .</p> <p>f) Scraps are valued at realisable value</p>
2.07	<p><u>Non-current assets held for sale and discontinued operations</u></p> <p>The company had classified as non current fixed assets held for sale as mentioned in note to financial statements under the head Property, Plant and Equipments in year FY 19 and FY 23 and has written off as impairment under the head depreciation, amortisation, impairment in FY 20 and FY 23 due to obsolescence and thus impaired value of such assets have been considered at</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr. No	Particulars
	net realisable scrap value as other current assets. The company has not discontinued any operations during the year.
2.08	<p>Revenue from operations.</p> <p>(I) Sales and other operational income</p> <p>Revenue from sale of goods is recognised when the company has ownership recognized over the term of the borrowings in the statement of profit and no longer retains control over the goods sold. The amount of revenue can be measured reliably. It is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports, sale delivery is completed on issuance of bill of lading / air way bill.</p> <p>(ii) Other income</p> <p>(a) Interest income is accrued on time proportion basis by reference to the principal outstanding and effective interest rate applicable.</p> <p>(b) Other income viz exchange gain / loss , misc. receipts, bad debts recovery etc. are accounted on generally accrual basis except recovery of bad debts, misc receipts which are accounted on receipt basis</p>
2.09	<p>Foreign currency transactions and translations</p> <p>Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are re-translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and re-statement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not re-translated.</p> <p>Assets and liabilities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date and such profit or loss arising on translation of such items has been charged to profit and loss account and no translation reserve has been created as there no such assets or liabilities having impact during the year.</p>
2.10	<p>Borrowing costs (IND AS 23)</p> <p>Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of such assets till such time as the assets are ready for their intended use. Qualifying assets are assets that necessarily require a substantial period of time to get ready for their intended use. All the other borrowing cost is recognized as an expense on accrual basis.</p>

Notes forming part of the Accounts
SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Sr.No	Particulars
2.11	Earnings per share (IND AS 33) 'Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the number of equity shares outstanding during the year.
2.12	Segment reporting (IND AS 108) The company's main product lines are in gear cutting tools viz. gear hobs and milling cutters which contributes over 92% of its revenue. The contribution from the balance operation viz. spline guage is mostly involving common processes and use of the same machineries of main product lines and thus the company's operations is considered as a single segment.
2.13	Change in Accounting Policy (IND AS 8) There is generally no change in accounting policy.

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Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
	NOTE No. [4]		
	Financial Assets :		
	Others - Non-Current		
	Un-secured, considered good		
a	Security Deposits	32.46	9.75
b	Deposit with Custom's Appeal - Capital item	2.00	2.00
c	MAT Credit Entitlements	37.02	69.48
		71.48	81.23
	NOTE No. [5]		
	Deferred Tax Assets (Net)		
	<u>Tax effect on items constituting deferred tax liability</u>		
a)	On difference between book balance and tax balance of fixed assets.	30.28	42.45
	<u>Tax effect on items constituting deferred tax assets</u>		
b)	Leave Encashment	2.56	1.48
	On Employees benefits - Gratuity	0.00	1.80
	On bonus	5.34	5.19
	Unabsorbed depreciation c/f - as per Income Tax	0.00	0.16
		7.90	8.63
	Net Deferred Tax Assets (+) /Liabilities (-) (a-b)	-22.38	-33.82
	NOTE No. [6]		
	Inventories		
a	Raw Materials	382.12	342.23
b	Work-in-Progress	48.69	49.14
c	Finished Goods - Internally Manufactured	63.87	54.19
d	Stores	27.94	31.02
e	Tools & Spares	16.73	12.34
f	Scraps	2.55	2.23
		541.90	491.15
	For mode of valuation refer Note No. 1 - (2.06) of Significant Accounting Policies		

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars							As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
	NOTE No. [7]								
	Financial Assets :								
	Current : Trade Receivables								
	Considered good - unsecured							479.48	487.56
	Credit Impaired - unsecured							0.00	0.71
								479.48	488.27
	Less: Provision for credit impaired							0.00	0.00
								479.48	488.27
	Ageing of trade receivables schedule as at March 31, 2023								
	Outstanding for following periods from due date of payment								
	Particular	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total	
	Undisputed- considered good	231.13	244.48	2.14	0.52	1.18	0.03	479.48	
	Undisputed- credit impaired								
	Disputed- considered good								
	Disputed- credit impaired								
	Total								
	Ageing of trade receivables schedule as at March 31, 2022								
	Outstanding for following periods from due date of payment								
	Particular	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total	
	Undisputed- considered good	254.39	212.22	2.67	7.87	10.41	0.00	487.56	
	Undisputed- credit impaired				0.71			0.71	
	Disputed- considered good								
	Disputed- credit impaired								

Note : No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. No any debts / receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

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Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
	NOTE No. [8]		
	Financial Assets :		
	Current : Cash and Cash Equivalents		
i	Cash on Hand	0.75	0.47
ii	<u>Balances with Banks</u> In Current Accounts	0.56	17.55
		1.31	18.02
	NOTE No. [9]		
	Financial Assets :		
	Current : Other Bank Balance		
	Other Bank Balances		
	In TDR Accounts		
	held as margin against BG/LCs	0.15	0.15
		0.15	0.15
	NOTE No. [10]		
	Current		
	Other Assets		
	<u>Unsecured, considered good</u>		
a	Prepaid Expenses	1.55	0.77
b	<u>Balances with Govt Authorities</u> Balance with GST	6.01	4.12
		6.01	4.12
c	Others including loans and advances / claims	24.44	11.09
		32.00	15.98
	NOTE No. [11]		
	Equity Share Capital		
a)	Authorised		
	Equity Shares of Rs. 10/- each.	300.00	300.00
	Number of shares	3000000	3000000
b)	Issued, Subscribed & Paid up		
	Equity Shares of Rs. 10/- each.	149.63	149.63
	Number of shares	1496338	1496338
	Less : Calls in Arrears from others	0.03	0.03
		149.60	149.60
	Add : <u>Forfeited Shares</u>		
	Equity Shares of Rs. 2.50/- each.	0.34	0.34
	Number of shares	13662.00	13662.00
		149.94	149.94

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'		As at 31.03.2022 'Rs. in Lakhs'	
c)	Reconciliation of number of shares				
	Issued, subscribed and fully paid up outstanding at the beginning of the year	1496338		1496338	
	Add :- Shares issued during the year	0		0	
	Outstanding shares at the year end	1496338		1496338	
d)	Shareholder holding more than 5% of the equity shares at the end of the year:				
		31.03.2023		31.03.2022	
		No. of Shares	% of holding	No. of Shares	% of holding
	1 Jainex Foods Private Ltd	577956	38.62%	577956	38.62%
	2 Bharti Bafna	287200	19.19%	212700	14.21%
	3 Kunal Bafna	94700	6.33%	94700	6.33%
	4 Ketaki Mazumdar	76941	5.14%	0	0.00%
		1036797	69.29%	885356	59.17%
e)	Details of promoters' sharaholding % in the company is as below:				
		22-23	21-22		
		% held	% held	No. of Ordinary Shares	No. of Ordinary Shares
	<u>Name of promoter</u>				
	Bhagat Singh Dugar	2.23	4.18	33347	62597
	<u>Name of promoter group</u>				
	Bharti Bafna	19.19	14.21	287200	212700
	Kunal Bafna	6.33	6.33	94700	94700
	Ketaki Mazumdar	5.14	3.92	76911	58720
	Nandita Dugar	0.00	1.64	0	24500
	Rahul Dugar	0.00	1.39	0	20750
	Ronojoy Mazumdar	2.29	3.58	34320	53495
	S.Mazumdar	1.04	1.04	15575	15575
	Pravin Chimanlal Vora	0.00	0.00	10	10
	Jainex Foods Private Ltd	38.62	38.62	577956	577956
		74.85	74.92	1120019	1121003

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
f)	<u>Equity shares movement during the 5 years preceding March 31, 2022</u>		
i.	Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	0	0
ii.	Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	0	0
iii.	Aggregate number and class of shares bought back	0	0
		0	0
g)	Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date.	0	0
g)	<u>Terms/rights attached to equity shares</u> The Company has only one class of shares capital, i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share held.		
	<u>NOTE No. [12]</u>		
	<u>Other Equity</u>		
a)	<u>Capital Reserve</u> As per last Balance Sheet	15.00	15.00
b)	<u>Capital Redemption Reserve</u> As per last Balance Sheet	38.97	38.97
c)	<u>Share Premium Account</u> As per last Balance Sheet (On Preferential Allotment in FY 13)	240.00	240.00
d)	<u>Retained Earnings</u> As per last Balance Sheet	102.57	-42.26
	Add :- Profit for the year	125.44	144.83
		-31.86	0.00
		196.15	102.57
e)	<u>Other Comprehensive Income (OCI)</u> As per last Balance Sheet	-31.86	-31.86
		31.86	0.00
		0.00	-31.86
	Total Other Equity	490.12	364.68

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
	Nature and purpose of reserves:		
a)	Capital Reserve Capital Reserve represents central subsidy received from central government in respect of its Aurangabad unit/project set up in 1976.		
b)	Capital Redemption Reserve Capital Redemption Reserve created out of profits represents amount on account of redemption of preference shares with requisite approval.		
c)	Share Premium Account Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.		
d)	Retained Earnings Retained earnings are the profits that the Company has earned till the balance sheet date, less any transfers to general reserve, dividends or other distributions paid to shareholders and transfer of negative balance from OCI during the year. Retained earnings is a free reserve available to the Company.		
e)	Other Comprehensive Income (OCI) Negative balance carried forward from earlier years representing arrears of employees gratuity on applicability of Ind AS until FY 18 has been transferred to Retained Earnings during the year.		
	NOTE No. [13]		
	Financial Liabilities :		
	Borrowings - Non Current		
a	Tem Loans from Banks (secured)		
1	GECL from ICICI Bank	6.52	22.18
2	Vehicle Loan from ICICI Bank	2.51	3.30
	Total a	9.03	25.48
	Loans from related parties (Unsecured) total b	101.00	163.25
	(total a+b)	110.03	188.73

Notes forming part of the Financial Statements (Contd.)

Nature of Security and terms of repayment for Long Term secured borrowings:		
	Nature of Security	Terms of Repayments - as per bank sanction
1	GECL from Bank of India	
	Term Loan (GECL) of ₹ 22.18 Lacs (Previous Year of ₹ 37.83 Lacs)	Repayable in 36 monthly Instalments starting from June 2021 with moratorium of 12 months. Last Instalment due on June, 2024.
	Prime security	
	Above Term Loan (GECL) is secured by hypothecation of Stocks and Book Debts and is collaterally secured by Equitable Mortgage of Land and Building situated at L/3,Chikhalthana, MIDC Indl Estate, Aurangabad.	Rate of interest on above Term Loan is 8.25% p.a. (previous year 8.25% p.a.).
2	Vehicle Loan from ICICI Bank	
	Term Loan (GECL) of ₹ 3.26 Lacs (Previous Year of ₹ 4.49 Lacs)	Repayable in 60 monthly Instalments of Rs. 9191 starting from 10.09.2021. Last Instalment due on 10.08.2026.
	Security	
	Above Vehicle Loan is secured by hypothecation of Maruti ECO bearing registration No. MH20 FU-8783	Rate of interest is 8.50 % p.a.(previous year 8.50%)

Sr. No.	Particulars	As at 31.03.2023 ‘Rs. in Lakhs’	As at 31.03.2022 ‘Rs. in Lakhs’
	NOTE No. [14]		
	Other Financial Liabilities :		
	Others - Non-Current	0.00	0.00
		0.00	0.00
	NOTE No. [15]		
	Provisions - Non-Current		
	Claims of Ex-employees	0.00	3.90

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'	
(a)	NOTE No. [16] Financial Liabilities : Borrowings - Current Loans repayable on demand <u>From Banks (Secured)</u>			
	Overdraft Account with ICICI Bank As per Note 13 (2)	235.51	209.01	
		235.51	209.01	
	Security	Other terms		
i)	Prime Security : Hypothecation of entire Stocks and Book Debts	Rate of interest Repo + 3.25% p.a.		
ii)	Collateral Security : Equitable Mortgage of Land and Building situated at L/3, Chikhalthana, MIDC Indl Estate, Aurangabad.			
iii)	Two recourse cheques in favour of ICICI Bank.			
(b)	Current Maturities of Long-Term Borrowings From Banks (Secured)			
	Securities Term Loan (GECL) from ICICI Bank As per Note 13 (1)	15.66	15.66	
	Car Loan from ICICI Bank As per Note 13 (2)	0.75	0.75	
		16.41	16.41	
(c)	Loans & Advances from related parties (Unsecured)			
	i) Principal Repayment	82.71	121.16	
	ii) Interest accrued and due	13.47	26.44	
	Interest accrued and due	96.18	147.60	
		348.10	373.01	
(a)	NOTE No. [17] Financial Liabilities : 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.	2.02	2.59	
	(b)	Current - Trade Payables Other than Acceptances For Materials/Goods	127.50	216.92
		For Expenses	106.78	90.80
		234.28	307.72	
	Ageing of trade payables schedule as at March 31, 2023			

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2023 'Rs. in Lakhs'	As at 31.03.2022 'Rs. in Lakhs'
	Outstanding for following periods from due date of payment		
	Particular	Not due	Less than 1 year
		1-2 years	2-3 years
		More than 3 years	Total
	Undisputed dues - MSME	2.02	0.00
	Undisputed dues - others	161.30	72.45
	Disputed dues - MSME		0.52
	Disputed dues - others		
	Ageing of trade receivables schedule as at March 31,2022		
	Outstanding for following periods from due date of payment		
	Particular	Not due	Less than 1 year
		1-2 years	2-3 years
		More than 3 years	Total
	Undisputed dues - MSME	2.59	0.00
	Undisputed dues - others	229.74	77.98
	Disputed dues - MSME		0.00
	Disputed dues - others		0.00
	NOTE No. [18]		
	Other Financial Liabilities :		
	Interest accrued but not due to Bank of India	0.00	0.00
		0.00	0.00
	NOTE No. [19]		
	Other Liabilities		
a	Statutory dues	36.36	32.19
b	Advance/ Credit balance of customers	3.63	2.97
		39.99	35.16
	NOTE No. [20]		
	Current Liabilities :		
	Provisions		
a	Provision for Employee Benefits		
1	Salary & Reimbursements	64.73	62.22
2	Contribution to PF	1.80	1.76
3	Leave Encashment	21.01	15.28
		87.54	79.26
	NOTE No. [21]		
	Current Tax Liabilities (net)		
	Income Tax	0.00	9.92
		0.00	9.92

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars				For the year ended on 31.03.2023	For the year ended on 31.03.2022
					'Rs. in Lakhs'	'Rs. in Lakhs'
	NOTE No. [22]					
	Revenue from operations					
a)	Sale of Products	Sales	Returns	Net		
	Gear Hobs	1436.46	21.15	1415.31	1415.31	1270.97
	Milling Cutters	357.93	5.49	352.45	352.44	336.55
	Spline Gauges	155.71	3.65	152.05	152.06	162.79
		1950.10	30.29	1919.81		
					1919.81	1770.31
	Total Sales				1919.81	1770.31
b)	Other Operative Revenues					
	Job Work Charges				61.97	52.77
	Scrap /Misc. Sales				41.09	46.90
	Export incentive / MEIS				1.09	6.71
					104.15	106.38
	Total (a+ b)				2023.96	1876.69
	includes export				299.57	302.40
	NOTE No. [23]					
	Other Income					
	Income Tax Refund				0.11	0.00
	Misc. Receipts/write-off(net)				1.44	10.19
	Misc Income Impaired Assets				0.80	0.00
	Interest Received				0.43	0.27
	Exchange Gain on Export (net)				2.38	1.43
	Exchange Gain on Import (net)				0.68	0.63
	Profit on sales of assets				4.85	0.41
	Bad debts recovered				0.00	1.47
					10.69	14.40
	NOTE No. [24]					
	Cost of Raw Material Consumed					
	Inventory at the beginning of the year				342.23	198.29
	Add : Purchase (net of GST, returns and freight)				564.00	590.92
					906.23	789.21
	Less : Inventory at the end of the year				382.12	342.23
					524.11	446.98
a)	Details of Raw Material Consumption	21.23	21.22			
	Import	Qty. in Kgs.	Qty. in Kgs.			
		105	227	4.32	10.96	
		0.36%	0.80%	0.82%	2.45%	
b)	Indigenous/ Local purchase	29120	28258	519.79	436.02	
		99.64%	99.20%	99.18%	97.55%	
		29225	28485	524.11	446.98	
		100.00%	100.00%	100.00%	100.00%	

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2023 'Rs. in Lakhs'	For the year ended on 31.03.2022 'Rs. in Lakhs'
	NOTE No. [25]		
	Changes in Inventories		
a	<u>Inventories at the end of the year:</u>		
	Finished Goods	63.87	54.19
	Work-in-Progress	48.69	49.14
	Scrap	2.54	2.23
		115.10	105.56
b	<u>Inventories at the beginning of the year:</u>		
	Finished Goods	54.19	79.82
	Work-in-Progress	49.14	29.65
	Scrap	2.23	2.62
		105.56	112.09
	Net (Increase)/Decrease	-9.54	6.53
	NOTE No. [26]		
	Employees Benefits Expenses		
a	Salaries, Wages & Allowances (*)	558.42	490.00
b	Contribution to Provident and Other Funds	21.63	21.07
c	Gratuity Fund Contribution	14.56	8.15
d	Staff Welfare Expenses	30.90	23.51
		625.51	542.73
	(*)		
	Includes Remuneration to Whole Time Directors	37.86	36.81
	NOTE No. [27]		
	Finance Cost		
a)	Interest expense on:		
	Borrowings from Bank (WC + TL)	22.01	19.63
	Borrowings from Others	18.78	29.62
		40.79	49.25
b)	Other borrowing costs	2.45	5.32
		43.24	54.57
	NOTE No. [28]		
	Depreciation, amortisation, impairment and obsolescence		
	Depreciation	92.02	112.23
	Impairment	1.19	0.00
		93.21	112.23

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2023 'Rs. in Lakhs'	For the year ended on 31.03.2022 'Rs. in Lakhs'	
a	NOTE No. [29]			
	<u>Other Expenses</u>			
	<u>Manufacturing Expenses</u>			
	Consumption of Stores etc.	52.38	50.10	
	Consumption/Write off of Tools and Spares	17.06	14.35	
	Consumption of Packing Materials	11.98	12.91	
	Labour Charges (Mfg.)	76.22	83.72	
	Power and Fuel	76.50	67.88	
	Repairs and Maintenance - Buildings	5.72	0.62	
	Repairs and Maintenance - Machinery	70.79	61.98	
	Repairs and Maintenance - Others	6.71	4.59	
		317.36	296.15	
	b	<u>Administrative & Other Expenses</u>		
		Travelling and Conveyance	31.45	18.09
		Sales Commission	112.47	98.66
Consignment Expenses		24.48	24.67	
Legal and Professional		39.12	32.04	
Miscellaneous Expenses		57.28	49.50	
		264.80	222.96	
	582.16	519.11		
Total (a+b)				
1	NOTE No. [30] - Additional information			
	<u>Contingent liabilities</u>			
	<u>(To the extent not provided for)</u>			
	(i) Claims against the company not acknowledged as debt	0.00	0.00	
	(ii) Letters of credits opened awaiting shipment / delivery.	0.00	0.00	
	(iii) Guarantees	0.00	0.00	
	2	<u>Commitments</u>		
		(i) Commitment pending on capital accounts - net of advance	31.96	0.00
		(ii) Uncalled liability on shares and other investments partly paid	0.00	0.00
		(iii) Other commitments (specify nature)	0.00	0.00
(iv) Non provision of impaired credit (Doubtful debt)	0.00	0.71		
	31.96	0.71		

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	FY 2022-23 'Rs. in Lakhs'	FY 2021-22 'Rs. in Lakhs'
3	<u>Payment to Auditors</u>		
	a) Statutory Auditor	0.75	0.75
	b) Tax Auditor	0.50	0.50
	i) Tax Audit Fees	0.15	0.15
	ii) Taxation & Other Matters	0.65	0.65
	iii) Banking Matters	0.28	0.12
	iv) GST		
		1.68	1.52
4	<u>Value of Imports</u>		
	i. Raw Materials;	14.03	5.33
	ii. Components and Spare Parts;	23.48	4.90
		37.51	10.23
5	<u>Expenditure in Foreign Currency</u>		
	Travelling	3.78	0.00
	Commission	3.89	10.20
	Exhibition Expenses	0.00	0.00
	Books and Periodicals	0.00	0.00
	spares for Plant & Machinery (SMS)	23.72	29.91
6	<u>Earning in Foreign Exchange</u>		
	Export of goods	295.95	302.40
7	<u>Earning per Share (EPS) - Basic & Diluted - computed as per IND AS 33</u>		
	(i) Profit after tax		
	(ii) Number of shares fully paid up (net of forfeiture)	125.44	144.83
	(iii) Nominal value of equity shares (in Rs.)	1496338	1496338
	(iv) Basic earning per share (in Rs.)	10.00	10.00
	(v) Diluted earning per share (in Rs.)	8.38	9.68
		8.38	9.68
8	<u>The Disclosure on "Employee Benefits" as per Ind AS 19 and the Companies (Accounting Standards) Rules, 2006.</u>		
	a) <u>Defined Contribution Plan</u>		
	The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid/payable under the schemes are recognised during the year in which the employee renders the related services.		

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2022-23 'Rs. in Lakhs'	FY 2021-22 'Rs. in Lakhs'
	Employer's Contribution to state governed Provident Fund	6.38	6.10
	Employer's Contribution to state governed Pension Schemes	13.43	13.24
	Employer's Contribution to state governed Employees State Insurance Scheme.	0.83	1.00
		20.64	20.34
	b) <u>Defined Benefit Plan/ Long Term Compensated Absences.</u>		
	The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on past experience and actual valuation done by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements . Since the valuation by LIC is based on their vast experience and at actuals, no actuarial valuation was taken by the management.		
	The amount of obligation as at the year end is determined as per actual valuation done by LIC under the Company's Employees Group Gratuity Scheme maintained with LIC Aurangabad under their master policy no. 66567 and policy no.703000405.		
	i) <u>Value of obligation as at 1st April 2022</u>	115.78	107.07
	Interest Cost	8.12	5.75
	Current Service Cost	9.11	8.91
	Actual Losses/(Gains) additional provision	4.70	-1.37
	Bene t paid	2.11	4.57
	<u>Value of obligation as at 31st March 2023</u>	135.60	115.79
	ii) <u>Fair value of Assets</u>		
	(a) <u>with LIC</u>		
	Plan Assets at beginning of period	107.73	57.93
	Expected return on Plan Assets	8.12	5.75
	Actual Company Contribution	26.66	48.63
	Bene ts paid	-2.11	-4.57
	<u>Net Asset at the end of period</u>	140.40	107.74
	(b) Bank balance in Gratuity trust account	1.12	1.12
	Total fair value of assets	141.52	108.86
	iii Excess/(Short) payments (i -ii) (provided but not funded pertains to PY)	5.92	(6.93)

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2022-23 'Rs. in Lakhs'	FY 2021-22 'Rs. in Lakhs'
	<p>c) Compensated Absences The company has provided for the actual leave encashment liability as per company rules at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial valuation is done by the management. However, provision made for leave encashment during the year and unpaid liability at year end are as under. (provided but not funded pertains to PY) Unpaid Liability (non funded) under leave encashment till year end.</p>	<p>9.84</p>	<p>5.70</p>
		21.01	15.28
9	<p>Amounts not provided for</p> <p>a) Import against LC (DA/DP) for purchase of raw materials.</p>	<p>0.00</p>	<p>0.00</p>
	<p>c) On account of additional custom duty demand of Rs. 7,13,812/- on a CNC machine imported in FY 07 - 08 and contested in appeal before the Customs, Excise and Service Tax Appellate Tribunal at Mumbai against which an amount of Rs. 2,00,000/- was deposited to admit the appeal. The custom authorities issued SCN (show cause notice) in the said matter demanding the said amount as CVD instead of basic custom duty. The matter came up in hearing before Tribunal, at Mumbai on 3rd May 2018. The counsel for the company represented and argued that the issue of SCN was bad in law as it did not pertain to issue under SCN / dispute. The Hon'ble Tribunal had remanded back the matter to the concerned authority but no fresh notice of hearing has been issued till date.</p> <p>In case of adverse order in the matter, the gross block, net block and depreciation till balance sheet date will change with decrease in profit on account of pro-rata/required charge of depreciation till balance sheet date, and consequential changes in tax, deposits and retained earnings.</p>	<p>0.00</p>	<p>0.00</p>
		7.14	7.14
10	<p>Disclosure as required by Clause 32 of listing Agreement. Amount of Loans / Advances in nature of loans outstanding from Subsidiaries and Associates during the year</p>		
	Subsidiaries :	NIL	NIL
	Associates :	NIL	NIL
	Key Management Personnel :	NIL	NIL
	Relatives of Key Management Personnel :	NIL	NIL

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2022-23 'Rs. in Lakhs'	FY 2021-22 'Rs. in Lakhs'																																																																																																
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	Key Management Personnel : Mr. M. Z. Kothari (Managing Director) Mr. Kunal Bafna (Whole Time Director and CFO) Ms. Sonam Dubey (Company Secretary) Ms. Reena Gawle (Company Secretary)																																																																																																		
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Notes forming part of the Accounts (Contd.)

12 Financial Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
a) Current Ratio (No. of times)	Current Assets	Current Liabilities	1.48	1.25	18.40%	
b) Debt-Equity Ratio (No. of times)	Total Borrowings including unsecured loans	Average Shareholders Equity	0.79	1.27	-37.80%	Debt equity ratio has improved due to repayment of loans out of profits during the year and improvement in networth
c) Debt Service Coverage Ratio (No. of times)	Profit before interest on long term debt, depreciation, tax and exceptional items	Total interest on long term debt together with principal repayments of long-term debt excluding unsecured loans during the period and cash flow on settlement of derivatives contracts related to borrowings	14.17	37.21	-61.92%	Debt Service Coverage Ratio has decreased due to lower profit arising out of increase in input and other costs.
d) Return on Equity Ratio (%)	Profit after tax	Average equity (Equity share capital + other equity)	21.73%	32.75%	-33.66%	Ratio has decreased due to lower profit arising out of increase in input and other costs.
e) Inventory turnover Ratio (No of times)	Cost of goods sold	Average inventory	1.00	1.09	-8.26%	
f) Trade Receivables turnover Ratio (No. of times)	Revenue from operations	Average Trade Receivable	4.18	4.33	- 0.03	
g) Trade payables turnover ratio (No. of times)	Cost of material purchased + other expenses	Average Trade Payable	6.48	6.48	0.00%	
h) Net capital turnover ratio (No. of times)	Revenue from operations	Average Working Capital i.e. average current assets-average current liabilities	4.90	6.42	-23.68%	
i) Net profit ratio (%)	Profit after tax	Revenue from operations	6.20%	7.72%	-19.69%	
j) Return on Capital employed (%)	Earnings before interest and taxes - other Income	Average Capital Employed = (Total Assets-Current liabilities)	29.71%	40.42%	-26.49%	Ratio has decreased due to lower profit arising out of increase in input and other costs.
k) Return on investment (%)	Other Income (excluding dividend)	Average Cash, Cash equivalents and other marketable securities	NA	NA	NA	

Notes forming part of the Financial Statements (Contd.)**NOTE No. [30] - Additional information (Contd.)**

Sr. No	Particulars
13	<p data-bbox="157 220 554 244">Additional regulatory information</p> <ul style="list-style-type: none"><li data-bbox="157 248 1036 328">a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.<li data-bbox="157 360 1036 408">b) The Company has utilised the funds towards the purposes for which the said loans were raised.<li data-bbox="157 440 1036 488">c) Statements and reports as and when required at timely intervals have been submitted to the bank and are in agreement with the books of accounts.<li data-bbox="157 520 1036 568">d) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.<li data-bbox="157 600 1036 647">e) The Company has not entered into any type of transactions with companies struck off.<li data-bbox="157 679 1036 759">f) The Company does not have any pending charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.<li data-bbox="157 791 1036 871">g) The Company is in compliance with number of layers of companies as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.<li data-bbox="157 903 1036 951">h) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.<li data-bbox="157 983 1036 1062">i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:<ul style="list-style-type: none"><li data-bbox="157 1078 1036 1158">(i) 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<li data-bbox="157 1158 1036 1206">(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.<li data-bbox="157 1238 1036 1318">j) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:<ul style="list-style-type: none"><li data-bbox="157 1334 1036 1414">(i) 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<li data-bbox="157 1414 1036 1461">(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes forming part of the Financial Statements (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No	Particulars
	<p>k) Title deeds of immovable property are held in the name of the Company.</p> <p>l) The Company has not revalued its Property, Plant and Equipment for the current year.</p> <p>m) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.</p> <p>n) The Company has not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.</p> <p>o) The Company is not covered under section 135 of the Companies Act regarding CSR activities.</p> <p>p) There has been no capital work in progress for the current year of the company.</p> <p>q) There are no Intangible assets under development in the current year.</p>
14	The company had a qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013.
15	<p>Confirmation of Balances</p> <p>Request confirmations of balances trade receivables were sent to customers but responses have not come before the conclusion of audit hence no impact of differences has been considered. Similarly, confirmation of sundry creditors were not sent as external evidence and balances as per books has been relied upon. Confirmation in respect fo unsecured loans have been obtained, checked, verified and found correct.</p>
16	<p>Figures for previous year have been rearranged/regrouped wherever necessary.</p> <p>Notes to the Financial Statements - Note Nos. 1 to 30 The accompanying notes form an integral part of the Standalone financial statements. As per our report of even date attached</p>

Notes forming part of the Financial Statements (Contd.)
NOTE No. [30] - Additional information (Contd.)

As per our report of even date attached

For R. A. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(R.A.SINGH)
PROPRIETOR
Membership No. : 014098
Firm Regn. No.: 110271 W
(Peer Review process complete, Peer Review Report awaited)

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

(Rahul Dugar)
Director
(DIN : 00013704)

Place :- Mumbai
Dated :- 30th May, 2023

(Sonam Dubey)
Company Secretary
(ACS 57121)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

Regd. Office: L-3, MIDC Industrial Area P.O. Chikalhana
Aurangabad - 431006.

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member: _____

Registered Address: _____

E-mail Id: _____

Folio No. / Client Id: _____

DP ID : _____

I/We, being the Member(s) of _____ shares of the above mentioned company, hereby appoint:

1. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

2. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

3. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventy Fifth Annual General Meeting of the Company, to be held on Saturday, September 30, 2023 at 12.00 P.M. at L-3, MIDC Industrial Area P.O. Chikalthana Aurangabad - 431006; and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
Ordinary Business :	
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Re-appointment of Mr. Rahul Dugar (DIN: 00013704) as a Director retiring by rotation.
Special Business :	
3.	Appointment of M/s. R K Jagetiya & Co., Chartered Accountants (Firm Registration No: 146264W) as Statutory Auditors of the Company
4.	To approve related party transaction for the financial year 2023-24.
5.	To approve related party transaction in respect of holding of office or place of profit in the Company by Mr. Mudit Bafna.
6.	To approve requests received from Mrs. Ketaki Mazumdar, a person belonging to the Promoter Group of the Company reclassifying her shares, along with shares belonging to her late husband, Mr. Ronojoy Mazumdar, and late brother-in-law, Mr. Sujoy Mazumdar from 'Promoter Group' to 'Public Category'

Signed this _____ day of _____, 2023

Signature of the Shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp

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

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

**Regd. Office: L-3, MIDC Industrial Area P.O. Chikalthana
Aurangabad - 431006.**

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

SEVENTY-FIFTH ANNUAL GENERAL MEETING – SATURDAY, SEPTEMBER 30, 2023 AT 12.00 P.M

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Sr. No.

Name and address of the Shareholder	
Joint holder(s)	
Regd. Folio/DP ID & Client ID	
Number of Shares	

I certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Seventy-Fifth Annual General Meeting of the Company being held on Saturday, September 30, 2023 at 12.00 P.M. at L-3, MIDC Industrial Area P.O. Chikalthana Aurangabad - 431006.

Name of the Shareholder(s)/Proxy(s)

Signature of the
Shareholder(s)/Proxy(s)
(In Block Letters)

Note: Shareholder/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance of the venue of the meeting.

ELECTRONIC VOTING PARTICULARS

E-Voting Event Number [EVEN]	USER ID	PASSWORD/PIN
125351		

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

**Regd. Office: L-3, MIDC Industrial Area P.O. Chikalhana
Aurangabad - 431006.**

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

Sr. No	Particulars	Remarks
1.	Name of the first Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity

JAINEX AAMCOL LIMITED ANNUAL REPORT 2022-23

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Seventy-Fifth Annual General Meeting (AGM) of the Company to be held on Saturday, September 30, 2023 at 12.00 P.M. in respect of business as stated in the Notice conveying my/our assent or dissent to the said resolutions by placing the tick (✓) mark in the appropriate boxes given below:

Sr. No.	Item	No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.				
2.	Re-appointment of Mr. Rahul Dugar (DIN: 00013704) as a Director retiring by rotation.				
3.	Appointment of M/s. R K Jagetiya & Co., Chartered Accountants (Firm Registration No:146264W) as Statutory Auditors of the Company.				
4.	To approve related party transaction for the financial year 2023-24.				
5.	To approve related party transaction in respect to hold office or place of profit in the Company by Mr. Mudit Bafna				
6.	To approve requests received from Mrs. Ketaki Mazumdar, a person belonging to the Promoter Group of the Company reclassifying her shares, along with shares belonging to her late husband, Mr. Ronojoy Mazumdar, and late brother-in-law, Mr. Sujoy Mazumdar from 'Promoter Group' to 'Public Category				

Place:

Date: 12/08/2023

Signature of the Shareholder

If Undelivered please return to :

JAINEX AAMCOL LIMITED

CIN : L74999MH1947PLC005695

L-3, MIDC Industrial Area

P.O. Chikalthana

Aurangabad - 431006