

**2021**



**73<sup>rd</sup>**



**ANNUAL REPORT**

**JAINEX AAMCOL LIMITED**



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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

**Mr. Kunal Bafna** : Whole Time Director & Chief Financial Officer

**Mr. Mohanlal Zumbarlal Kothari** : Managing Director

**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

**STATUTORY AUDITORS**

M/s. P. M. Bhargava & Co.

Chartered Accountants.

Firm Registration No. 145087W

**BANKERS**

Bank of India, C P Tank Branch, Mumbai

**REGISTERED OFFICE**

405 & 406, Sharda Chambers,

15, Sir Vitthaldas Thackersey Marg,

New Marine Lines, Mumbai-400020

CIN: L74999MH1947PLC005695

Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254

Email: [accounts@jainexgroup.com](mailto:accounts@jainexgroup.com)

Website: [www.jainexaamcol.com](http://www.jainexaamcol.com)

**REGISTRAR & TRANSFER AGENT**

Link Intime India Pvt. Ltd.

C-101, 247 Park,

L.B.S.Marg, Vikhroli (West),

Mumbai - 400083.

# **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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## **NOTICE**

Notice is hereby given that the 73<sup>rd</sup> Annual General Meeting of the Members of Jainex Aamcol Limited will be held on Thursday, 30<sup>th</sup> September, 2021 at 11.00 A.M. at the registered office of the Company at 405 & 406, Sharda Chambers, 15 Sir Vitthalidas Thackersey Marg, New Marine Lines, Mumbai – 400020 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 31<sup>st</sup> March, 2021 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) Confirmation of Mr. Sachindra Misra (DIN: 08943363) as an Independent Non-Executive Director 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 149, 152 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities Exchange and Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mr. Sachindra Misra (DIN: 08943363), who was appointed as an Additional Director of the Company by the Board of Directors designated as Independent Director w.e.f. 30<sup>th</sup> June, 2021 in terms of the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company designated as Non-Executive Independent Director, not subject to retirement by rotation, to hold office for a term of 5 (Five) consecutive years w.e.f. 30<sup>th</sup> June, 2021.”

- 4) Confirmation of Mr. Murli Dhar Motwani (DIN: 09264470) as an Independent Non-Executive Director 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 149, 152 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities Exchange And Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mr. Murli Dhar Motwani (DIN: 09264470), who was appointed as an Additional Director of the Company by the Board of Directors designated as Independent Director w.e.f. 03<sup>rd</sup> August, 2021 in terms of the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a

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notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company designated as Non-Executive Independent Director, not subject to retirement by rotation, to hold office for a term of 5 (Five) consecutive years w.e.f. 03<sup>rd</sup> August, 2021.”

- 5) Confirmation of Mrs. Bharati Bafna (DIN: 01089137) as an Executive Director 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 149, 152 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities Exchange And Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mrs. Bharti Bafna (DIN: 01089137), who was appointed as an Additional Director of the Company by the Board of Directors designated as Executive Director w.e.f. 30<sup>th</sup> June, 2021 in terms of the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company designated as Executive Director.”

- 6) To approve related party transaction for the financial year 2021-22 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 @ 4% plus incentives @ 4% on the total sales made by M/s. Metagame Ventures Private Limited during the financial year 2021-22, 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.”

- 7) To approve creation Charge/ Mortgage on the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 and in this regard, to pass, with or without modifications, the following resolution as **Special Resolution**:-

“**RESOLVED THAT** in supersession of the Resolution passed through Postal Ballot by the shareholders of the Company on 30<sup>th</sup> May, 2011, the consent of the Members of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in

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force) and any other provisions of Articles of Association of the Company, to the Board of Directors of the Company ("the Board") or any Committee thereof, to create charge, hypothecation, mortgage, pledge in addition to existing charges, mortgages, hypothecation created by the Company on any moveable/immoveable properties of the Company where so ever situated, both present and future on the whole or substantially the whole of the Company in favour of any Banks, Financial Institutions, Body Corporate, Trustee for the Holders for the Debentures/ Bonds/ Other Instruments/ Securities which may be issued to and subscribed by all or any of the Financial Institutions/ Banks/ Insurance Companies other Investing agencies or any of the person(s)/bodies corporate by way of Private Placement or otherwise to secure Rupee/Foreign Currency loans, debentures, bonds or other instruments (hereinafter collectively referred to as "Loans") on such terms and conditions and covenants as the Board or the committee thereof may deem fit., provided that the total amount of loan together with interest thereon at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, expenses and all other moneys payable by the Company to the aforesaid parties or any of them under the agreements/ arrangements entered into /to be entered into by the Company in respect of the said loan shall not at any time exceed the limit of Rs. 20 Crores (Rupees Twenty Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted and approved by the board of directors) be and are hereby authorised to finalize and execute with the lenders the requisite agreements, documents, deeds and writings for borrowings and /or creating the aforesaid mortgages and or charges / hypothecation etc., and to do all such other acts, deeds, and things and to take all such steps as may be required or considered necessary or incidental thereto for giving effect to the above Resolution."

- 8) To consider and approve borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 and in this regard, to pass, with or without modifications, the following resolution as **Special Resolution**:-

**"RESOLVED THAT** in supersession of the Resolution passed through Postal Ballot by the shareholders of the Company on 30<sup>th</sup> May, 2011 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rule made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby accords its consent to the Board of Directors for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up share capital and free reserves and securities premium of the Company that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 20 crores (Rupees Twenty Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted and approved by the board of directors) be and are hereby authorised to finalize and execute with the lenders the requisite agreements, documents, deeds and writings for borrowings and to do all such other acts, deeds, and things and to take all such steps as may be required or considered necessary or incidental thereto for giving effect to the above Resolution."

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- 9) To consider and approve limits of Loans/Guarantees/Securities to be given and/or Investments to be made by the Company pursuant to Section 186 of the Companies Act, 2013 and in this regard, to pass, with or without modifications, the following resolution as **Special Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and subject to such approval(s), consent(s), permission(s) and sanction(s) of appropriate authorities as may be necessary and subject to such condition(s) and modification(s) as may be prescribed and imposed by such authorities by granting such approval(s), permission(s) and sanction(s), the consent of the Members be and is hereby accorded to make loan(s) to any person or body corporate through various means including deposits, commercial papers, bonds, and debentures or in any other manner and/or give guarantee/ provide security in connection with loan to any body corporate or person and/or acquire by way of subscription, purchase or otherwise the securities of any body-corporate up to a limit which ( including the loans, guarantees, securities and investments already made) shall not exceed Rs. 20 crores (Rupees Twenty Crores Only), notwithstanding that the aggregate of the loans notwithstanding so far made or to be made and/ or guarantees so far given or to be given and/or securities so far provided or to provide and/or securities so far acquired or to be acquired may exceed the limit of sixty percent of aggregate of paid up Share Capital and Free Reserves and Securities Premium Account or one hundred percent of the Free Reserves and Securities Premium, whichever is more.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all the matters arising out of and incidental thereto and to sign and execute all deeds, application, documents and writings that may be required, on behalf the Company and also to delegate all or any of the above powers to the Committee of the Directors or the Managing Director and CEO or Chief Financial Officer of the Company and generally to do all acts, deeds, matters and things that will be necessary, proper, expedient or incidental for the purpose of giving effect to aforesaid resolution and matters related thereto.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things to settle any question, difficulty or doubt that may arise in this regard and to give such direction as may be necessary, desirable or expedient for giving effect to this resolution and matters related thereto and its decision shall be final and binding”

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

**MOHANLAL ZUMBARLAL KOTHARI  
Managing Director  
DIN: 01486305**

**Place: Mumbai**

**Date: 03<sup>rd</sup> August, 2021**

**Registered Office:**

405 & 406, Sharda Chambers, 15,  
Sir Vitthaldas Thackersey Marg,  
New Marine Lines, Mumbai-400020  
CIN: L74999MH1947PLC005695  
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254  
Email: [accounts@jainexgroup.com](mailto:accounts@jainexgroup.com)  
Website: [www.jainexaamcol.com](http://www.jainexaamcol.com)



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## 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, 2021.
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 2020-21 and Notice calling the 73<sup>rd</sup> 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

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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 2020-21 and Notice of the 73<sup>rd</sup> 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](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://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, 2021 at 09:00 A.M. and ends on September 29, 2021 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, 2021, 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, 2021.**

**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
<b>Individual Shareholders holding securities in demat mode with NSDL.</b>	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

	
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<p>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</p>

**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.

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**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**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 101456 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/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address 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
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period now you are ready for e-Voting as the Voting page opens.
3. 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.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. 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](mailto:sonalkotharics@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to The Managing Director of NSDL at [evoting@nsdl.co.in](mailto: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](mailto: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.**

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto: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: Mumbai  
Date: 03<sup>rd</sup> August, 2021**

**MOHANLAL ZUMBARLAL KOTHARI  
Managing Director  
DIN: 01486305**

**Registered Office:**

405 & 406, Sharda Chambers, 15,  
Sir Vitthaladas Thackersey Marg,  
New Marine Lines, Mumbai-400020  
CIN: L74999MH1947PLC005695  
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254  
Email: [accounts@jainexgroup.com](mailto:accounts@jainexgroup.com)  
Website: [www.jainexaamcol.com](http://www.jainexaamcol.com)



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

**ITEM NO. 3**

Mr. Sachindra Misra (DIN: 08943363) who has been appointed as an Additional Director of the Company in terms of the provisions of Section 161 of the Companies Act, 2013 w.e.f. 30<sup>th</sup> June, 2021 holds office upto the date of this Annual General Meeting.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Sachindra Misra for the office of Independent Director of the Company.

The Company has received declaration from Mr. Sachindra Misra that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under Securities Exchange and Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the stock exchanges. Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act and has given his consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mr. Sachindra Misra, is a man of integrity and possesses relevant expertise and experience and is eligible for the position of an independent director of the Company and fulfills the conditions specified by the Companies Act, 2013 and the Rules framed thereunder and the Listing Agreement with the Stock Exchanges. The Board considers that his association as Director will be beneficial and in the best interest of the Company.

His brief resume, the nature of his expertise in specific areas, names of companies in which he hold directorship, committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the Ordinary Resolution for your approval.

He is not related to any of the directors or key managerial personnel (including relatives of the directors and key managerial personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the directors and Key Managerial Personnel) other than Mr. Sachindra Misra himself is in any way concerned or interested, in the Resolution set out under Item No. 3.

**ITEM NO. 4**

Mr. Murli Dhar Motwani (DIN: 09264470) who has been appointed as an Additional Director of the Company in terms of the provisions of Section 161 of the Companies Act, 2013 w.e.f. 03<sup>rd</sup> August, 2021 holds office upto the date of this Annual General Meeting.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Murli Dhar Motwani for the office of Independent Director of the Company.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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The Company has received declaration from Mr. Murli Dhar Motwani that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under Securities Exchange and Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the stock exchanges. Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act and has given his consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mr. Murli Dhar Motwani, is a man of integrity and possesses relevant expertise and experience and is eligible for the position of an independent director of the Company and fulfills the conditions specified by the Companies Act, 2013 and the Rules framed thereunder and the Listing Agreement with the Stock Exchanges. The Board considers that his association as Director will be beneficial and in the best interest of the Company.

His brief resume, the nature of his expertise in specific areas, names of companies in which he hold directorship, committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the Ordinary Resolution for your approval.

He is not related to any of the directors or key managerial personnel (including relatives of the directors and key managerial personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the directors and Key Managerial Personnel) other than Mr. Murli Dhar Motwani himself is in any way concerned or interested, in the Resolution set out under Item No. 4.

### **ITEM NO. 5**

Mrs. Bharati Bafna (DIN: 01089137) who has been appointed as an Additional Director of the Company in terms of the provisions of Section 161 of the Companies Act, 2013 w.e.f. 30<sup>th</sup> June, 2021 holds office upto the date of this Annual General Meeting.

The Company has received declaration from Mrs. Bharati Bafna that she meets the criteria as prescribed under Section 149 of the Companies Act, 2013 and also under Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges. Further, she has also confirmed that she is not disqualified from being appointed as Director under Section 164 of the said Act and has given her consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mrs. Bharati Bafna, is a woman of integrity and possesses relevant expertise and experience and is eligible for the position of Director of the Company and fulfills the conditions specified by the Companies Act, 2013 and the Rules framed thereunder and the Listing Agreement with the Stock Exchanges. The Board considers that her association as Director will be beneficial and in the best interest of the Company.

Her brief resume, the nature of her expertise in specific areas, names of companies in which he hold directorship, committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the Ordinary Resolution for your approval.

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

None of the Directors or Key Managerial Personnel of the Company (including relatives of the directors and Key Managerial Personnel) other than Mr. Rahul Dugar, Mr. Kunal Bafna and Mrs. Bharati Bafna herself is in any way concerned or interested, in the Resolution set out under Item No. 5.

### **ITEM NO. 6**

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 @ 4% plus incentives @ 4% on the total sales made by M/s. Metagame Ventures Private Limited during the financial year 2021-22.

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 in the financial year 2021-22. 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 Zumbarlal 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 Zumbarlal 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 @ 4% plus incentives @ 4% on the total sales made by M/s. Metagame Ventures Private Limited during the financial year 2021-22.
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

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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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. 6 of this Notice as an Ordinary Resolution.

### **ITEM NO. 7**

The Company in the ordinary course of its business is availing various credit facilities from banks. It is required to create charge on its assets and properties by way of mortgage, hypothecation, lien, and pledge etc in favour of the bank to secure the credit facilities sanctioned by the bank and to continue to avail financial assistance. Further, upon occurrence of default, if any, under the relevant loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, movable and immovable, including the right of sale/ disposal thereof. Pursuant to Section 180(1)(a) of the Companies Act, 2013, the consent of the Members of the Company is, therefore, sought by passing special resolution, for creation of charge in compliance of terms stipulated by the lending institution that will have right, in the event of default to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking 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. 7 of this Notice as Special Resolution.

### **ITEM NO. 8**

The Company, in the ordinary course of its business may be required to borrow monies by way of term loan, working capital facilities, inter corporate deposits etc. The Board of Directors of the Company are authorized to borrow monies not exceeding aggregate of the paid-up share capital and free reserves and securities premium of the Company. The business operations of the Company, however, would necessitate borrowing monies beyond the above limits; therefore the consent of the Members of the Company is sought for borrowing monies upto a limit not exceeding Rs. 20 Crores.

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. 8 of this Notice as Special Resolution.

### **ITEM NO. 9**

Pursuant to Section 186 of the Companies Act, 2013, the Board of Directors of the Company has been permitted to make loans, give guarantees, provide securities to any person or other Body Corporate and make an Investments in securities by way of subscription, purchase or otherwise the securities of any Body Corporate to the extent of Sixty Percent of the Paid-up Share Capital and Free Reserves and Securities Premium Account or One Hundred Percent of its Free Reserves and Securities Premium Account, whichever is higher.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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However prior approval of the Members is required by way of Special Resolution where the aggregate of Loans and Investments made, Guarantees given and Securities provided exceed the aforesaid limits.

The Board of Directors are seeking consent in terms of Section 186 of the Companies Act, 2013 of the Members of the Company by way of Special Resolution to the extent of Rs. 20 Crores (Rupees Twenty Crores only) over and above the following limit namely (i) Sixty Percent of the aggregate of its Paid-up Share Capital and Free Reserves and Security Premium Account or (ii) One Hundred Percent of its Free Reserves and Securities Premium Account, whichever is higher.

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. 9 of this Notice as Special Resolution.

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

**MOHANLAL ZUMBARLAL KOTHARI  
Managing Director  
DIN: 01486305**

**Place: Mumbai  
Date: 03<sup>rd</sup> August, 2021**

**Registered Office:**

405 & 406, Sharda Chambers, 15,  
Sir Vitthaldas Thackersey Marg,  
New Marine Lines, Mumbai-400020  
CIN: L74999MH1947PLC005695  
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254  
Email: [accounts@jainexgroup.com](mailto:accounts@jainexgroup.com)  
Website: [www.jainexaamcol.com](http://www.jainexaamcol.com)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## 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:

<b>Name of the Director</b>	Mr. Rahul Dugar	Mrs. Bharati Bafna
<b>Director Identification Number</b>	00013704	01089137
<b>Date of Birth</b>	10/11/1968 (52 Years)	20/03/1971 (50 Years)
<b>Date of appointment</b>	31/07/2003	30/06/2021
<b>Qualification</b>	B.Com	Diploma in Textile Design
<b>Expertise in Specific Functional Area</b>	29 years experience in the field of Marketing and Administration.	22 years of experience in the field of Administration.
<b>Directorship held in other listed companies (As on March 31, 2021)</b>	None	None
<b>Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on March 31, 2021)</b>	None	None
<b>Shareholding of Directors (As on March 31, 2021)</b>	20,750 Equity shares	2,12,700 Equity shares
<b>Relationship between Directors inter-se</b>	Brother-in-law of Mr. Kunal Bafna, Whole Time Director of the Company	Wife of Mr. Kunal Bafna, Whole Time Director of the Company and sister of Mr. Rahul Dugar, Director of the Company.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

<b>Name of the Director</b>	Mr. Sachindra Misra	Mr. Murlidhar Motwani
<b>Director Identification Number</b>	08943363	09264470
<b>Date of Birth</b>	22/09/1965 (55 Years)	23/01/1963
<b>Date of appointment</b>	30/06/2021	03/08/2021
<b>Qualification</b>	Chartered Accountant	Master of Commerce
<b>Expertise in Specific Functional Area</b>	Mr. Sachindra Misra has more than 32 years of experience in the field of audit of various private and public sector Companies and banks, he has experience of providing consultancy to companies, large industrial and infrastructure projects etc.	Mr. Murli Dhar Motwani is an Entrepreneur and has more than 35 years of experience in the field of garment manufacturing, exports and marketing.
<b>Directorship held in other listed companies (As on March 31, 2021)</b>	Nil	Nil
<b>Chairmanships/Memberships of the Committees of the Board of Directors of other companies (As on March 31, 2021)</b>	Nil	Nil
<b>Shareholding of Directors (As on March 31, 2021)</b>	Nil	Nil

## Route map for venue of the AGM

405 & 406, Sharda Chambers, 15,  
Sir Vitthalidas Thackersey Marg,  
New Marine Lines, Mumbai-400020





# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in presenting the 73<sup>rd</sup> 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 31<sup>st</sup> March, 2021. A summary of the financial results is given below:-

### 1. FINANCIAL PERFORMANCE

The financial performance of the company for the Financial Year 2020-21 in comparison to the previous financial year 2019-20 are summarized below:

PARTICULARS	(Amount in Rs)	
	2020-21	2019-20
Turnover	12,00,02,107	13,66,79,396
Other Income	2,02,895	5,62,250
<b>Total Revenue</b>	<b>12,02,05,002</b>	<b>13,72,41,646</b>
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	1,66,23,675	1,00,38,504
Interest	(45,18,306)	(57,03,202)
Depreciation	(1,13,69,060)	(1,17,56,212)
<b>Profit/(Loss) before Extra-ordinary items &amp; Taxes</b>	<b>7,36,309</b>	<b>(74,20,910)</b>
Exceptional items	0	0
Extraordinary items	0	0
<b>Profit/(Loss) before Taxes</b>	<b>7,36,309</b>	<b>(74,20,910)</b>
Current Tax	1736	(7,12,512)
Earlier Year	0	14,037
Deferred Tax	-4,22,792	(37,47,920)
<b>Profit/(Loss) after tax</b>	<b>11,57,365</b>	<b>(29,74,515)</b>

### 2. STATE OF COMPANY'S AFFAIRS

During the year under review, there was decrease in the turnover of the Company as compared with the previous year i.e. from Rs. 13,66,79,396/- to Rs. 12,00,02,107/-.

The Company has reported Net Profit of Rs. 11,57,365/- against Net Loss of Rs. 29,74,515/- in the previous year.

### 3. TRANSFER TO RESERVES

The Company has earned profit during the financial year 2020-21, but the Board of Directors of your company, has 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<sup>st</sup>, 2021 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 2020-21.

## **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/Associate/Joint Venture Companies. However the Company is an Associate Company of Jainex Foods Private Limited.

## **8. BOARD MEETINGS**

During the year under review, 4 (Four) Board Meetings were held on 30<sup>th</sup> June, 2020; 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020 and 12<sup>th</sup> February, 2021.

## **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**

The impact of Covid-19 on the automotive industry has been severe in the first quarter of the current fiscal. The demand revival in the second quarter was robust, partly because of the pent-up demand, and partly on account of the preference for individual mobility. The pace of demand for the full year was dependent upon a number of factors such as the containment of the pandemic, general economic revival and various measures taken by Government. The Corona virus Pandemic is having a deep Impact on Indian businesses and has already caused an unprecedented collapse in economic activities. Due to weak domestic consumption and consumer sentiment, there can be delay in Investment which further adds pressure on growth. The substantive economic package announced by Prime Minister recently could revive the downturn to a great extent. The Covid-19 impact remains a serious concern for governments and businesses. The Company has implemented Standard Operating Procedures of social distancing, workplace sanitization and employee health monitoring, and these are being followed strictly across all its manufacturing locations and its registered office. Company has also taken various Initiatives focusing on

safeguarding workforce health. Further Company is also taking effective steps to control cost in all quarters and assess how profitability, loans, revolving credit and cash flows can support ongoing operations in a low revenue environment.

### **11. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2021 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as “**Annexure A**”.

### **12. LOAN FROM BODY CORPORATE**

Particulars of loan from Body Corporate are provided in Note No. 30 of the financial statements.

### **13. LOAN FROM DIRECTORS**

Particulars of loan from Directors of the Company are provided in Note No. 30 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 2020-21 is Rs. 145.92 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2020-21 is Rs. 17.71 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 B**” 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 re-appointment at the AGM. Mr. Rahul Dugar (DIN: 00013704), 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. Mr. Sachindra Misra was appointed as an Additional Director of the Company at the Board Meeting held on 30<sup>th</sup> June, 2021. The Board of Directors recommends his appointment as Non-Executive Independent Director of the Company and the matter is being placed for seeking approval of Members at the ensuing Annual General Meeting of the Company.
3. Mrs. Bharati Bafna was appointed as an Additional Director of the Company at the Board Meeting held on 30<sup>th</sup> June, 2021. The Board of Directors recommends her appointment as an Executive Director of the Company and the matter is being placed for seeking approval of Members at the ensuing Annual General Meeting of the Company.
4. Mr. Bhagat Singh Dugar, Director of the Company had tendered his resignation as Director from the Company effective from 30<sup>th</sup> June, 2021.

The Board appreciated the assistance and guidance rendered by Mr. Bhagat Singh Dugar during his tenure as a Director of the Company.

5. Ms. Manju Jain, Non-Executive Independent Director of the Company had tendered her resignation as Non-Executive Independent Director from the Company effective from 30<sup>th</sup> June, 2021.

The Board appreciated the assistance and guidance rendered by Ms. Manju Jain during her tenure as Non-Executive Independent Director of the Company.

6. Mr. Vinit Ramgopal Kejriwal, Non-Executive Independent Director of the Company had tendered his resignation as Non-Executive Independent Director from the Company effective from 30<sup>th</sup> June, 2021.

The Board appreciated the assistances and guidance rendered by Mr. Vinit Ramgopal Kejriwal during his tenure as Non-Executive Independent Director of the Company.

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.

## **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<sup>st</sup>, 2021, 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<sup>st</sup>, 2021 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<sup>st</sup>, 2021 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. P.M. Bhargava & Co., Chartered Accountants, Mumbai, was appointed as Statutory Auditors for a term of 5 years from FY 2017-18 to FY 2021-22 by the members at the 69<sup>th</sup> AGM of the Company held on September 28<sup>th</sup>, 2017. They have confirmed that they are not disqualified from continuing 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:

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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<sup>st</sup>, 2021 by the company with the appropriate authorities on account of disputes.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of Statute</th> <th style="text-align: center;">Nature of Dues</th> <th style="text-align: center;">Amount in Lacs</th> <th style="text-align: center;">Amount in Rs. Lacs paid under protest</th> <th style="text-align: center;">Period to which the amount relates</th> <th style="text-align: center;">Forum were disputes is pending</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Customs</td> <td style="text-align: center;">Customs Duty</td> <td style="text-align: center;">7.14</td> <td style="text-align: center;">2.00</td> <td style="text-align: center;">2008-2009</td> <td style="text-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 were 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 were 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 2020-21 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as “Annexure C” (Form MR-3). The Secretarial Audit Report contains following observations in their Audit Report:-

1. *The Company being a listed company does not have a qualified Company Secretary as the whole-time Compliance officer as required under Regulation 6 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.*

2. *The Company has not complied with Chapter III - Regulation 7(3) i.e. Compliance Certificate – signed by Compliance Officer and Authorised Representative of Share Transfer Agent (STA) for the half year ended 31<sup>st</sup> March, 2021.*
3. *The Company has not complied with Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.*
4. *The Company has not complied with Regulation 47 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in all quarters during the financial year ended 31<sup>st</sup> March, 2021 with respect to publishing of Notice of Board Meeting in news paper and providing clipping of the published material to the Stock exchange.*

### **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**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. 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 D”.

## 28. COMMITTEES OF BOARD

Following are the committees which are constituted or re-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 is having a Nomination and Remuneration Committee comprising of the following Members:

NAME	DESIGNATION	CATEGORY
Mr. Sunil Sampatraj Parakh	Chairman	Independent/Non-Executive Director
Mr. Hitesh Mulraj Popat	Member	Independent/Non-Executive Director
Mr. Vinit Ramgopal Kejriwal	Member	Independent/Non-Executive Director

\*Mr. Vinit Ramgopal Kejriwal, Non-Executive Independent Director of the Company had tendered his resignation as Non-Executive Independent Director from the Company effective from 30<sup>th</sup> June, 2021. Mr. Sachindra Misra was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company at the Board Meeting held on 30<sup>th</sup> June, 2021.

Consequent to the resignation of Mr. Vinit Kejriwal and appointment of Mr. Sachindra Misra the Board of Directors in its Meeting held on 30<sup>th</sup> June, 2021 has reconstituted the Nomination and Remuneration Committee comprising of the following Members:

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



## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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 D".

### 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
Ms. Manju Jain	Chairperson	Independent/Non-Executive Director
Ms. S L Chavan	Member	Employee
Ms. S R Kamble	Member	Employee

\*Ms. Manju Jain, Non-Executive Independent Director of the Company had tendered her resignation as Non-Executive Independent Director from the Company effective from 30<sup>th</sup> June, 2021. Mrs. Bharati Bafna was appointed as an Additional Director, designated as Executive Director of the Company at the Board Meeting held on 30<sup>th</sup> June, 2021.

Consequent to the resignation of Ms. Manju Jain and appointment of Mrs. Bharati Bafna the Board of Directors in its Meeting held on 30<sup>th</sup> June, 2021 has reconstituted the Anti-Sexual Harassment Committee comprising of the following Members:

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

**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 Friday, February 12, 2021, 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 E**”, 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 F**”.

**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 01<sup>st</sup> 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<sup>st</sup>, 2021.

## 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;

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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- 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

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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.

### **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**

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

**Rahul Dugar  
Director  
DIN: 00013704**

**Place: Mumbai  
Date: 30<sup>th</sup> June, 2021**

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

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## ANNEXURE "A"

### FORM NO. MGT – 9 ANNEXURE "A" EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2021

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

#### I. REGISTRATION AND OTHER DETAILS:

<b>CIN</b>	L74999MH1947PLC005695
<b>Registration Date</b>	15/04/1947
<b>Name of the Company</b>	JAINEX AAMCOL LIMITED
<b>Category / Sub-Category of the Company</b>	PUBLIC COMPANY/LIMITED BY SHARES
<b>Address of the Registered Office and Contact Details</b>	405 & 406, Sharda Chambers, 15 Sir Vitthaladas Thackersey Marg, New Marine Lines, Mumbai – 400020.
<b>Whether Listed Company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the Company</b>
1.	Gear Hobs and Cutting tools	*2593	100%

\*NIC Code of 2008 is taken into consideration.

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

<b>Sr. No</b>	<b>Name &amp; Address Of The Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% Of Shares Held</b>	<b>Applicable Section</b>
	-	-	-	-	-



## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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

#### (i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	4,90,922	53,125	5,44,047	36.36	4,90,922	53,125	5,44,047	36.36	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5,77,956	-	5,77,956	38.62	5,77,956	-	5,77,956	38.62	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>10,68,878</b>	<b>53,125</b>	<b>11,22,003</b>	<b>74.98</b>	<b>10,68,878</b>	<b>53,125</b>	<b>11,22,003</b>	<b>74.98</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>10,68,878</b>	<b>53,125</b>	<b>11,22,003</b>	<b>74.98</b>	<b>10,68,878</b>	<b>53,125</b>	<b>11,22,003</b>	<b>74.98</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	21,950	21,950	1.47	-	21,950	21,950	1.47	
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	1,50,000	-	1,50,000	10.03	1,50,000	-	1,50,000	10.03	
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

funds									
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>1,50,000</b>	<b>21,950</b>	<b>1,71,950</b>	<b>11.49</b>	<b>1,50,000</b>	<b>21,950</b>	<b>1,71,950</b>	<b>11.49</b>	<b>0</b>
<b>2. Non-institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	3,485	1,550	5,035	0.34	3,486	1,550	5,036	0.34	-
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	18,625	63,120	81,745	5.46	18,924	62,820	81,744	5.46	
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	1,15,355	-	1,15,355	7.71	1,15,355	-	1,15,355	7.71	
<b>c) Non Residents</b>									
i) Non Resident Indians	200	-	200	0.01	200	-	200	0.01	-
ii) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iv) Clearing Members	-	-	-	-	-	-	-	-	-
v) Trusts	-	-	-	-	-	-	-	-	-
vi) Hindu Undivided Families	50	-	50	0.003	50	-	50	0.003	-
vii) Foreign Bodies	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):</b>	<b>1,37,715</b>	<b>64,670</b>	<b>2,02,385</b>	<b>13.53</b>	<b>1,38,015</b>	<b>64,370</b>	<b>2,02,385</b>	<b>13.53</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2,87,715</b>	<b>86,620</b>	<b>3,74,335</b>	<b>25.02</b>	<b>2,88,015</b>	<b>86,320</b>	<b>3,74,335</b>	<b>25.02</b>	<b>0</b>
C.Shares held by Custodian for GDRS & ADRS	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>13,56,593</b>	<b>1,39,745</b>	<b>14,96,338</b>	<b>100</b>	<b>13,56,893</b>	<b>1,39,445</b>	<b>14,96,338</b>	<b>100</b>	<b>0</b>

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

### (ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
Jainex Foods Private Ltd	5,77,956	38.62	0	5,77,956	38.62	0	0
Bhagat Singh Dugar	62,597	4.18	0	62,597	4.18	0	0
Bharati Bafna	2,12,700	14.21	0	2,12,700	14.21	0	0
Rahul Dugar	20,750	1.39	0	20,750	1.39	0	0
Ketaki Mazumdar	59,720	3.99	0	59,720	3.99	0	0
Ronojoy Mazumdar	53,495	3.58	0	53,495	3.58	0	0
Pravin Chimanlal Vora	10	0	0	10	0	0	0
Nandita Dugar	24,500	1.64	0	24,500	1.64	0	0
Sujoy Mazumdar	15,575	1.04	0	15,575	1.04	0	0
Kunal Bafna	94,700	6.33	0	94,700	6.33	0	0
<b>Total</b>	<b>11,22,003</b>	<b>74.98</b>	<b>0</b>	<b>11,22,003</b>	<b>74.98</b>	<b>0</b>	<b>0</b>

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year)		Shareholding at end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	11,22,003	74.98	-	-
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus /sweat equity etc)	No change	No change		
<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>11,22,003</b>	<b>74.98</b>

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

Sl. No.	Shareholder's Names	Shareholding at the beginning of the year		Shareholding at end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	PURUSHOTTAM DAMODARLAL SINGI				
	<b>At the beginning of the year</b>	<b>60,163</b>	<b>4.02</b>		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>60,163</b>	<b>4.02</b>
2	PUSHPA GARG				
	<b>At the beginning of the year</b>	<b>44,046</b>	<b>2.94</b>		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>44,046</b>	<b>2.94</b>
3	GENERAL INSURANCE CORPN. OF INDIA				
	<b>At the beginning of the year</b>	<b>37,125</b>	<b>2.48</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>37,125</b>	<b>2.48</b>
4	ORIENTAL INSURANCE COMPANY LIMITED				
	<b>At the beginning of the year</b>	<b>30,120</b>	<b>2.01</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>30,120</b>	<b>2.01</b>
5	NEW INDIA ASSURANCE CO. LTD				

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

	<b>At the beginning of the year</b>	<b>27,585</b>	<b>1.84</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>27,585</b>	<b>1.84</b>
6	NATIONAL INSURANCE CO. LTD				
	<b>At the beginning of the year</b>	<b>27,585</b>	<b>1.84</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>27,585</b>	<b>1.84</b>
7	UNITED INDIA INSURANCE COMPANY LTD.				
	<b>At the beginning of the year</b>	<b>27,585</b>	<b>1.84</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>27,585</b>	<b>1.84</b>
8	THE SICOM LIMITED				
	<b>At the beginning of the year</b>	<b>21,950</b>	<b>1.47</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>21,950</b>	<b>1.47</b>
9	SHRIKANT GOPALDAS MANTRI				
	<b>At the beginning of the year</b>	<b>11,146</b>	<b>0.74</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>11,146</b>	<b>0.74</b>
10	KANKARIA SECURITIES PVT. LTD.				
	<b>At the beginning of the year</b>	<b>3,485</b>	<b>0.23</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	<b>At the end of the year</b>	-	-	<b>3,485</b>	<b>0.23</b>

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(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	BHAGAT SINGH DUGAR				
	<b>At the beginning of the year</b>	<b>62,597</b>	<b>4.18</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	Nil	Nil		
	<b>At the end of the year</b>	-	-	<b>62,597</b>	<b>4.18</b>
2.	RAHUL DUGAR				
	<b>At the beginning of the year</b>	<b>20,750</b>	<b>1.38</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease				
	<b>At the end of the year</b>	-	-	<b>20,750</b>	<b>1.38</b>
3.	MOHANLAL ZUMBARLAL KOTHARI				
	<b>At the beginning of the year</b>	<b>Nil</b>	<b>Nil</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	<b>At the end of the year</b>	-	-	<b>Nil</b>	<b>Nil</b>
4.	KUNAL BAFNA				
	<b>At the beginning of the year</b>	<b>94,700</b>	<b>6.33</b>	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease				
	<b>At the end of the year</b>	-	-	<b>94,700</b>	<b>6.33</b>

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5.	HITESH POPAT				
	<b>At the beginning of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>-</b>	<b>-</b>
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>
6.	SUNIL PARAKH				
	<b>At the beginning of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>-</b>	<b>-</b>
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>
7.	VINIT KEJRIWAL				
	<b>At the beginning of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>-</b>	<b>-</b>
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>
8.	MANJU JAIN				
	<b>At the beginning of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>-</b>	<b>-</b>
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	-	-		
	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	<b>Nil</b>

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### V. INDEBTEDNESS

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

(Rs. In Lacs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
- Term Loans	-	-	-	-
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	214.57	-	-	214.57
- Unsecured Loans	-	416.55	-	416.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>214.57</b>	<b>416.55</b>	<b>-</b>	<b>631.12</b>
Change in Indebtedness during the financial year	-	-	-	-
<b>• Addition</b>				
- Term Loans	47.13	-	-	47.13
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	-	-	-	-
- Unsecured Loans	-	6.85	-	6.85
- Interest accrued but not due	-	-	-	-
<b>• Reduction</b>				
- Term Loans	-	-	-	-
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	-39.73	-	-	-39.73
- Unsecured Loans	-	-	-	-
- Interest due but not paid	-	-	-	-
<b>Net Change</b>	<b>7.40</b>	<b>6.85</b>	<b>-</b>	<b>14.25</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
- Term Loans	47.13	-	-	47.13
- Vehicle Loans	-	-	-	-
- Working Capital Facilities	174.84	-	-	174.84
- Unsecured Loans	-	423.40	-	423.40
-ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>221.97</b>	<b>423.40</b>	<b>-</b>	<b>645.37</b>



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### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (In Rs.)

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

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		M Z Kothari		
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961  (b) Value of Perquisites u/s 17(2) Income Tax Act  (c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	16,41,986	-	<b>16,41,986</b>
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit -others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>16,41,986</b>	-	<b>16,41,986</b>
	Ceiling as per the Act			

#### B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Bhagat Dugar	Rahul Dugar	Hitesh Popat	Sunil Parakh	Vinit Kejriwal	Manju Jain	Total Amt
1.	Independent Directors	-	-	-	-	-	-	-
	Fee for attending Board / Committee Meetings							
	Commission	-	-	-	-	-	-	-
	Others, please specify							
	<b>Total (1)</b>	-	-	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-	-	-
	Fee for attending Board / Committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-	-	-
	Total Managerial	-	-	-	-	-	-	-

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

	Remuneration							
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary (CS)	CFO	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act (c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	<b>Kunal Bafna</b>  5,00,000	-	-	<b>5,00,000</b>
2.	Stock Option		-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission -as % of profit -others, specify	-			
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	5,00,000	-	-	<b>5,00,000</b>
	Ceiling as per the Act				

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act): None

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR JAINEX AAMCOL LIMITED

Mohanlal Zumberlal Kothari  
Managing Director  
DIN: 01486305

Rahul Dugar  
Director  
DIN: 00013704

Place: Mumbai  
Date: 30<sup>th</sup> June, 2021

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

## ANNEXURES "B"

### 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. Klingelberg 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 2020-21 is Rs. 145.92 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2020-21 is Rs. 17.71 Lakhs.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
FOR JAINEX AAMCOL LIMITED**

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

**Rahul Dugar  
Director  
DIN: 00013704**

**Place: Mumbai  
Date: 30<sup>th</sup> June, 2021**

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

**ANNEXURE "C"**

**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, 2021**

To,  
**The Members,**  
**Jainex Aamcol Limited**  
405 & 406, Sharda Chambers,  
15 Sir VitthaladasThackersey Marg,  
New Marine Lines  
Mumbai- 400020.

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, 2021, 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, 2021, according to the provisions of:

- (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;

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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- (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 being a listed company does not have a qualified Company Secretary as the whole-time Compliance officer as required under Regulation 6 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.*

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

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2. *The Company has not complied with Chapter III - Regulation 7(3) i.e. Compliance Certificate – signed by Compliance Officer and Authorised Representative of Share Transfer Agent (STA) for the half year ended 31<sup>st</sup> March, 2021.*
3. *The Company has not complied with Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.*
4. *The Company has not complied with Regulation 47 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in all quarters during the financial year ended 31<sup>st</sup> March, 2021 with respect to publishing of Notice of Board Meeting in news paper and providing clipping of the published material to the Stock exchange.*

### **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: 30<sup>th</sup> June, 2021  
Place: Mumbai  
UDIN: F008276C000557517**

**Ramesh Chandra Bagdi  
(Proprietor)  
CP No.: 2871  
Membership No.: 8276**

(On the letterhead of PCS)

**Annexure I**

To,  
**The Members,**  
**Jainex Aamcol Limited**  
405 & 406, Sharda Chambers,  
15 Sir Vitthaldas Thackersey Marg,  
New Marine Lines (E)  
Mumbai – 400002.

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: 30<sup>th</sup> June, 2021**

**Ramesh Chandra Bagdi**  
**(Proprietor)**



Place: Mumbai  
UDIN: F008276C000557517

CP No.: 2871  
Membership No.: 8276

## ANNEXURE “D”

### 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:**

# **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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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.

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## ANNEXURE “E”

### MANAGEMENT REMUNERATION & PARTICULARS OF EMPLOYEES WITH RELATED DISCLOSURE (details with respect to financial year 2020-21)

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 : 26,230)	Mr. M Z Kothari – Rs. 16,41,986/- p.a. Ratio to median remuneration - 5.22: 1 Mr. Kunal Bafna - Whole Time Director/ Chief Financial Officer - Rs. 5,00,000/- p.a. Ratio to median remuneration – 1.59: 1 Other Directors of the Company are not being paid any remuneration. DUE TO COVID 19 NO SALARY FOR APRIL AND MAY AS WELL VOLUNTARY REDUCTION
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;	Due to COVID 19, there is no increase in the remuneration of Managing Director and Whole Time Director/ Chief Financial Officer. Gross remuneration of Managing Director is decreased by Rs 4,32,675/- and of Whole Time Director/ Chief Financial Officer is decreased by Rs.2,80,000/- due to voluntary sacrifices offered by both of them.
3.	the percentage increase in the median remuneration of Employees in the financial; year	As on 31-03-2020,95 permanent staff /worker monthly salary of Rs. 21,31,677/-, Average Rs. 22,438/- As on 31-03-2021 -94 permanent staff /worker monthly salary of Rs. 23,84,794/-, Average Rs. 26,230/- There was increase of Rs. 3,792/- i.e.16.90%. Due to COVID 19 during lockdown period only basic salary was paid.
4.	the number of Permanent Employees on the rolls of the Company;	As on 31-3-2021 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 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;	Salary increase of 10% on an average While Managing director’s remuneration is decreased during the period under review by 20.85% and WTD – CFO ‘s remuneration is decreased during the period under review by 35.90 %

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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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**

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

**Rahul Dugar  
Director  
DIN: 00013704**

**Place: Mumbai  
Date: 30<sup>th</sup> June, 2021**

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

## ANNEXURE - F

### 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

405 & 406, Sharda Chambers,

15 Sir Vitthaldas Thackersey Marg,

New Marine Lines, Mumbai – 400020

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 405 & 406, Sharda Chambers, 15 Sir Vitthaldas Thackersey Marg, New Marine Lines, Mumbai – 400020 (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](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 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. Bhagat Singh Dugar	00013082	30-07-1999
2.	Mr. Rahul Dugar	00013704	31-07-2003
3.	Mr. Kunal Bafna	00902536	10-10-2013
4.	Mr. Mohanlal Zumberlal Kothari	01486305	01-04-2007

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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5.	Mr. Hitesh Mulraj Popat	00407897	27-03-2015
6.	Mr. Sunil Sampatraj Parakh	01111159	27-03-2015
7.	Mr. Vinit Ramgopal Kejriwal	01254554	27-03-2015
8.	Ms. Manju Jain	01332762	27-03-2015

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: 30<sup>th</sup> June, 2021**

**For Sonal Kothari & Associates**  
**Sonal Shah**  
**Proprietor**  
**ACS: 24216**  
**COP No.: 8769**  
**UDIN: A024216C000557639**



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **COMPANY REVIEW**

#### **Operational Overview**

Jainex Aamcol 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 2020-21. 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 organisation, 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**

Although recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook. Amid exceptional uncertainty, according to the International Monetary Fund ('IMF'), the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies.

The global economy has been under turmoil ever since the first wave of the Covid-19 pandemic at the start of the calendar year 2020. Succeeding waves of Covid-19 infections are leaving the global economy gasping for air when it resurfaces from the depths. Economic activity has normalised faster than anticipated, according to the International Monetary Fund (IMF), with support from government investment and transfers supporting household incomes as in the United States (US) and Europe. However, the global economy continues to reel under the pandemic. The IMF expects the world gross domestic product (GDP) to drop 4.7% in 2020. S&P Global has kept its

global GDP forecast for 2020 relatively unchanged at -4.1%, while raising forecasts for the US and euro zone on the back of a stronger than expected rebound in the third quarter, and for China (where the rebound took place in the second quarter). These improvements have been offset by a lower forecast for India as well as for the United Kingdom (UK) and Japan.

### **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 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 behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report.

During fiscal 2021, the Covid-19 pandemic necessitated a 61-day complete nationwide lockdown followed by an 'unlock' phase characterized by intermittent regional lockdowns and curbs. This, coupled with the effects of a troubled global economy, resulted in the worst ever real GDP contraction on record of 23.9% year-on-year in the first quarter.

### **INDUSTRY OVERVIEW**

#### **Domestic Auto-Components Industry**

India is considered to be the world's 5<sup>th</sup> largest automobile industry. The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 6% over FY 2016 to FY 2020 to reach US\$ 49.3 billion in FY 2020.

Auto-components industry account for 2.3% of India's Gross Domestic Product (GDP) and employs as many as 1.5 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 Indian auto components industry clocked a CAGR of 6% in production over fiscals 2015 to 2020, led by growth in replacement and exports demand. Domestic demand is forecast to log a CAGR of 6-8%, driven by demand from OEM at 7-9%, whereas exports are set to grow at 3-5% over fiscals 2020 to 2024. Auto component exports are projected to rise at 3-5% CAGR between fiscal 2020 and 2024 after seeing a two-year consecutive decline in fiscal 2020 and 2021. As India is moving towards higher global standards in terms of quality and safety measures, this helps players to expand into newer geographies and gives them an edge compared with other low-cost countries. Currently, the penetration of Indian automotive components in major markets is minuscule – comprising a little more than 1% of global exports - indicating considerable scope for domestic manufacturers to expand their exports share in the coming years as they expand to new geographies and widen their product offerings.

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. 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.

Exports to grow at a slightly slower pace in the long term, though 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 2021.

### **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 upgradation of its manufacturing facilities and in employee 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.

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.

#### **Financial Risks:**

Risk: The Company is exposed to changes in foreign exchange rates,

interest rates, credit availability and liquidity.

Mitigation: 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 pass-through clauses enables the Company in ensuring timely, regular and adequate supply of raw materials.

### **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 upgradation 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 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.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

### **Segment wise or Product-wise Performance**

The Company's segment-wise performance for the financial year 2020-21 is as under:

*(Amt. in Rs.)*

<b>Sl. No.</b>	<b>Segment</b>	<b>Performance</b>
1.	Gear Hobs	7,90,98,788
2.	Milling Cutters	2,45,30,083
3.	Spline Gauges	1,11,45,582

### **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 organisational 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.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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 2020-21 under review, there was decrease in the turnover of the Company as compared with the previous year i.e. from Rs. 13,66,79,396/- to Rs. 12,00,02,107/-. The Company has reported Net Profit of Rs. 11,57,365/- against Net Loss of Rs. 29,74,515/- 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,



## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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.



**P.M. BHARGAVA & CO**  
CHARTERED ACCOUNTANTS  
FRN 145087W

**Regd. Office :**  
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E-mail : bhargavapareesh@yahoo.co.in

**Transit Office :**  
156, Nanubhai Desai Road,  
Kanji Mansion, Mumbai - 400 004.  
Cell No.: 98203 26964  
Phone : 6666 8124 /8125

## Independent Auditor's Report

To,  
**The Members of**  
**Jainex Aamcol Limited**  
**Mumbai**

### Report on Audit of the Standalone Ind AS Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of **Jainex Aamcol Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2021**, 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").
2. 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, ("INDAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2021** 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.

#### Basis for Opinion

3. 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.

**Key Audit Matters**

4. 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.	<p><b><u>Actuarial valuation, provisions of arrears and funding of Gratuity under Defined Benefit Plan.</u></b>                      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 subject however to funding and payment of arrears to LIC as reflected in the company's financial statements Note No. 30 item (8)(b)(iii). Since the valuation of gratuity is done by LIC with their vast experience in the field at actuals, hence no third party actuarial valuation is taken as the management is of the view that the company has made provision at actuals which in their view is generally marginally higher than the actuarial valuation if taken.</p>	<p>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 vis-à-vis the computation of gratuity provided by LIC.</p> <p>2. The company is in arrear of Rs. 38.39 lakhs upto FY 2021 for funding to LIC.</p> <p>3. We assessed the disclosures in accordance with INDAS 19.</p>

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

Sr. No.	Key Audit Matters	How Audit addressed the key matters
2.	<p><b><u>Actuarial valuation and funding of leave salary</u></b> 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 last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial valuation is considered necessary by the management. However, provision / payment is made for leave encashment during the year and unpaid liability at year end is Rs. 13.44 lakhs.</p>	<ol style="list-style-type: none"> <li>1. We have performed procedure to ensure that the provision for leave salary (encashment) is adequately made upto the financial year under audit as per the actual computations made as per company rules for payment of leave salary at actuals and therefore no actuarial valuation is considered necessary by the management.</li> <li>2. The unpaid liability at the year end is of Rs. 13.44 lakhs upto FY 2021.</li> <li>3. We assessed the disclosures in accordance with IND AS 19.</li> </ol>
3.	<p><b><u>Impairment of Assets</u></b> Impairment of assets has been recognized and losses where ever applicable has been charged to Profit &amp; Loss account.</p> <p>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.</p>	<ol style="list-style-type: none"> <li>1. Our audit procedures included company's accounting policies with respect to impairment in accordance with IND AS 36 "Impairment of Assets".</li> <li>2. We performed test of controls over impairment process through inspection of evidence of performance of these controls.</li> <li>3. We performed the following tests of details: <ol style="list-style-type: none"> <li>a) We obtained the management's impairment assessment.</li> <li>b) We have obtained and evaluated the technical and performance analysis.</li> </ol> </li> <li>4. We accordingly assessed the disclosures in accordance with IND AS 36 "Impairment of Assets"</li> </ol>

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

Sr. No.	Key Audit Matters	How Audit addressed the key matters
4.	<p><b><u>Recognition of Tax Credits.</u></b>  <b>a) <u>Deferred Tax Assets of Rs. 28.70 lakhs</u></b></p> <p>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 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.</p> <p><b>b) <u>Minimum Alternate Tax (MAT) credits / entitlements.</u></b></p> <p>The company has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 34.60 lakhs as at 31<sup>st</sup> March, 2021.</p>	<ol style="list-style-type: none"> <li>1. Our audit procedures included company's accounting policies with respect to recognition of tax credits/debits in accordance with INDAS 12 "Income Taxes"</li> <li>2. We performed test of controls over recognition of tax credits/debits through inspection of evidence of performance of these controls.</li> <li>3. We involved our tax consultant who evaluated the tax positions by comparing it with prior years and past precedents.</li> <li>4. We discussed the future business plans and financial projections with the company.</li> <li>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.</li> <li>6. We assessed the disclosures in accordance with INDAS 12 "Income Taxes"</li> </ol>
5.	<p><b><u>Company Secretary</u></b></p> <p>The company has no qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013 from 05-08-2019. The company however has been making efforts to appoint a company secretary but has not been able to source the suitable candidate till date due to continuing pandemic. However the company, in the meantime: has engaged the services of qualified professional company secretaries for day to day and periodical statutory compliances under the Companies Act.</p>	<p>We have been explained that company, has been making efforts to appoint a company secretary but is not able to source the suitable candidate till date. However the company, in the meantime: has engaged the services of qualified professional company secretaries for day to day and periodical statutory compliances under the Companies Act.</p>

## **Management's Responsibility for the Standalone Financial Statements**

5. The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements in terms of requirements of section 134(5) of the Act that give a true and fair view of the financial position, financial performance including 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
6. In preparing the standalone financial statements, the management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process of the Company.

## **Other Information, such as "Information Other than the Financial Statements and Auditor's Report thereon**

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report alongwith its annexure 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 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.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

8. 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:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- 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.
- 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.



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

1. Pursuant to the Companies (Auditor's Report) Order, 2016("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. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - c) The Balance Sheet, the Statement of Profit & Loss including the statement of other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this Report.
  - g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements disclose the impact of pending litigations on its financial position in standalone financial statements – Refer Note 30(9) to the standalone financial statements;

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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- (i) The Company does not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- (ii) 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.

**For P. M. BHARGAVA & CO**  
**CHARTERED ACCOUNTANTS**  
**FRN 145087W**

**P. M. BHARGAVA**  
**(PROPRIETOR)**  
**M. No. 100595**

Place : MUMBAI  
Date : 30TH JUNE, 2021  
UDIN: 21100595AAAAAI2526

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph under "Report on Other Legal and Regulatory Requirements" section of our report to the members of the Jainex Aamcol Ltd. of even date)**

**Report on Company's (Auditors Report) Order, 2016 ('the Order') issued by the Central government in terms of Section 143 (11) of the Companies Act, 2013 ('the Act') of JAINEX AAMCOL LIMITED ('the Company')**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that :

**(i) In respect of the Company's Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets other than furniture & fixtures and office equipments.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

**(ii) In respect of the Company's Inventories**

As explained to us, the inventories except goods in transit were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

**(iii) In respect of the Company's Loans granted**

The company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the 'the Act'. Accordingly, clause (iii) of the Order is not applicable to the Company.

**(iv) In respect of the Company's Loans, Investments, Guarantees and Securities**

The company has not granted any loans, made investments, provided guarantees and securities as per the provisions of sections 185 and 186 of the Act. Accordingly, the clause (iv) of the Order is not applicable to the company.

**(v) In respect of Loans/Deposits taken**

The Company has carried forward and additional unsecured loans/deposits received during the year from five related parties viz. a body corporate as a shareholder, another body corporate, two directors cum shareholders and a firm in which two directors are interested having 50% shares in the firm. Unsecured loans received from directors and their relatives and intercorporate loans are not covered under 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, 2021.

**(vi) In respect of Cost Audit**

The Central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the products/services dealt by the company. Accordingly, the clause (vi) of the Order is not applicable to the company.

**(vii) In respect of Statutory Dues**

According to the information and explanation given to us

(a) The company was generally regular in depositing undisputed statutory dues including provident fund (except in 1 month by 5 days) employees state insurance, income tax, customs duty, GST and any other material statutory dues applicable to it with appropriate authorities.

(b) There were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, customs duty, GST and any other material statutory dues in arrears as at 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 by the company with the appropriate authorities on account of disputes.

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
Customs	Custom 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.

There were no dues of income tax and GST which have not been deposited as at 31<sup>st</sup> March, 2021 on account of dispute.

**(vii) In respect of default in repayment of loans or borrowings from banks/financial institutions/debenture holders and government**

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of term loan installments of **Bank of India** during the year.

**(ix) In respect of money raised**

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loan. Accordingly, the clause (ix) of the Order is not applicable to the company.

**(x) In respect of Fraud**

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

**(xi) In respect of Managerial Remuneration**

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act .

**(xii) In respect of Nidhi Companies**

The Company is not a Nidhi Company. Accordingly, the clause (xii) of the Order is not applicable to the company.

**(xiii) In respect of transactions with related parties**

In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, wherever applicable for all the transactions with the related parties and the details of related party transactions have been disclosed in Standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 Related Party Disclosure specified under section 133 of the Act.

**(xiv) In respect of preferential allotments, private placement of shares and convertible debentures**

During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, the clause (xiv) of the Order is not applicable to the company.

**(xv) In respect of non cash transactions under section 192**

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors. Accordingly, the clause (xv) of the Order is not applicable to the company.

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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**(xvi) In respect of registration as NBFC under section 45-IA of RBI Act, 1934**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) of the Order is not applicable to the company.

**For P. M. BHARGAVA & CO  
CHARTERED ACCOUNTANTS  
FRN 145087W**

**P. M. BHARGAVA  
(PROPRIETOR)  
M. No. 100595**

Place : MUMBAI  
Date : 30TH JUNE, 2021  
UDIN: 21100595AAAAAI2526

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph under “Report on Other Legal and Regulatory Requirements” section of our report to the members of the Jainex Aamcol Ltd. of even date)**

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

1. We have audited the internal financial controls over financial reporting of Jainex Aamcol Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

**Auditors' Responsibility**

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

effectively in all material respects.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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



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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P. M. BHARGAVA & CO  
CHARTERED ACCOUNTANTS  
FRN 145087W**

**P. M. BHARGAVA  
(PROPRIETOR)  
M. No. 100595**

Place : MUMBAI  
Date : 30TH JUNE, 2021  
UDIN: 21100595AAAAAI2526

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Balance Sheet as at March 31, 2021

PARTICULARS	Note No.	As at 31st March, 21	As at 31st March, 20
		₹	₹
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
(a) Property, Plant and Equipment	2	55246835	65996753
(b) Intangible Assets	3	203202	302237
(c) <u>Financial Assets</u>			
(i) Others	4	4627874	4557662
(d) Deffered Tax Assets (Net)	5	2869563	2446771
<b><u>Total Non-Current Assets</u></b>		<b>62947474</b>	<b>73303423</b>
<b><u>Current Assets</u></b>			
(a) Inventories	6	34137840	29712863
(b) Financial Assets			
(i) Trade Receivables	7	37833320	29272614
(ii) Cash and Cash Equivalents	8	1370078	699642
(iii) Other Bank Balances	9	15000	15000
(c) Other Current Assets	10	1325291	2097778
<b><u>Total Current Assets</u></b>		<b>74681529</b>	<b>61797897</b>
<b><u>Total Assets</u></b>		<b>137629003</b>	<b>135101320</b>
<b><u>EQUITY AND LIABILITY</u></b>			
<b><u>Equity</u></b>			
(a) Equity Share Capital	11	14993940	14993940
(b) Other Equity	12	21985491	20828126
<b><u>Total Equity</u></b>		<b>36979431</b>	<b>35822066</b>
<b><u>Liabilities</u></b>			
<b><u>Non-Current Liabilities</u></b>			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	13	3375242	0
(ii) Others	14	42340082	41654639
(b) Provisions	15	389897	389897
(c) Deffered Tax Liabilities (Net)	5	0	0
<b><u>Total Non-Current Liabilities</u></b>		<b>46105221</b>	<b>42044536</b>

(Continued...2)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Balance Sheet as at March 31, 2021 (Cond.)

PARTICULARS	Note No.	As at 31st March, 21	As at 31st March,20
		₹	₹
<b><u>Current Liabilities</u></b>			
(a) Financial Liabilities			
i Borrowings	16	17484290	21457086
ii Current Maturities - Long-Term	17	1337921	0
iii Trade Payables	18		
(a) Dues of micro and small enterprises		155064	56344
(b) Dues of creditors other than micro and small enterprises		19805216	21113271
(b) Other Current Liabilities	19	6179719	7788808
(c) Provisions	20	9546044	6819209
(d) Current Tax Liabilities (net)	21	36097	0
<b><u>Total Current Liabilities</u></b>		<b>54544351</b>	<b>57234718</b>
<b><u>Total Liabilities</u></b>		<b>100649572</b>	<b>99279254</b>
<b><u>Total Equity and Liabilities</u></b>		<b>137629003</b>	<b>135101320</b>

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 P. M. BHARGAVA & CO.  
CHARTERED ACCOUNTANTS

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

(P.M.BHARGAVA)  
PROPRIETOR  
Membership No. : 100595  
Firm Regn. No.: 145087W

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

Place :- Mumbai  
Dated :- 30th June,2021

(Rahul Dugar)  
Director  
(DIN : 00013704)

(2)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Statement of Profit & Loss for the year ended March 31, 2021

PARTICULARS		Note No.	As at 31st March, 21	As at 31st March, 20
			₹	₹
	<b>INCOME</b>			
I	Revenue from Operations	22	120002107	136679396
II	Other Income	23	202895	562250
III	Total Income (I+II)		<b>120205002</b>	<b>137241646</b>
	<b>Expenses</b>			
IV	Cost of Materials Consumed	24	27241072	34781995
	Change in Inventories of Work-in Progress and Finished Goods	25	907251	2055035
	Employees Benefits Expenses	26	42127322	46189038
	Finance Costs	27	4518306	5703202
	Depreciation and Amortization Expense	28	11369060	11756212
	Other Expenses	29	33305682	44177074
	<b>Total Expenses</b>		<b>119468693</b>	<b>144662556</b>
V	<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>736309</b>	<b>-7420910</b>
VI	Exceptional Items (net)		0	0
VII	<b>Profit/(Loss) before Tax (V-VI)</b>		<b>736309</b>	<b>-7420910</b>
VIII	<b>Tax Expense:</b>			
	Current Tax		116600	0
	Tax for earlier year		0	14037
	Deferred Tax Credit(-)/Debit(+)		-422792	-3747920
	Mat credit re-instatement/lapse		0	-712512
	MAT Credit Carried forward		-114864	0
			<b>-421056</b>	<b>-4446395</b>
IX	<b>Profit/(Loss) for the year (VII-VIII)</b>		<b>1157365</b>	<b>-2974515</b>
X	<b>Other Comprehensive Income/(loss)</b>			
A.	<b>Item that will not be reclassified to profit or loss</b>			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0	0
	(ii) Income tax effect on above		0	0
B.	<b>Item that may be reclassified to profit or loss:</b>			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0	0
	(ii) Income tax effect on above		0	0
	<b>Total Other Comprehensive Income/(Loss) for the year (A+B)</b>		<b>0</b>	<b>0</b>
XI	<b>Total Comprehensive Income/(Loss) for the period comprising profit/ (loss) and other Comprehensive Income (IX-X)</b>		<b>1157365</b>	<b>-2974515</b>
XII	<b>Earnings/(Loss) per equity share (of ' 10 each) from continuing operations as there is no discontinued operation</b>			
	Basic and Diluted (in per share)		0.77	-1.99
	<b>Notes to the Financial Statements - Note Nos. 1 to 30</b>			
	The accompanying notes form an integral part of the Standalone financial Statements			

As per our report of even date attached

For P. M. BHARGAVA & CO.

CHARTERED ACCOUNTANTS

(P.M.BHARGAVA)

PROPRIETOR

Membership No. : 100595

Firm Regn. No.: 145087W

Place :- Mumbai

Dated :- 30th June, 2021

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

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

(Rahul Dugar)  
Director  
(DIN : 00013704)

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

### Cash Flow Statement for the year ended 31st March, 2021

Sr. No.	PARTICULARS	As at 31.03.2021 ₹	As at 31.03.2020 ₹
<b>A.</b>	<b><u>Cash flow from operating activities</u></b>		
1	Net Profit / (Loss) before extraordinary items and tax	736309	(7420910)
	<u>Adjustments for:</u>		
	Depreciation and amortisation	11369060	11496212
	Impairment in respect of Other Property and Plant & Equipment	0	260000
	Amortisation of share issue expenses and discount on shares	0	0
	(Profit)/Loss on sale of Assets	0	0
	Finance costs	4518306	5703202
	Interest income	(31880)	(869)
2	Operating profit / (loss) before working capital changes	16591795	10037635
	<u>Changes in working capital:</u>		
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	4424977	(1972492)
	Trade receivables	8560706	(13333701)
	Financial assets - Loans		
	Other current assets	(772487)	626828
	Non current - Loans	70212	836069
		12283408	(13843297)
	<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
	Trade payables	(1209336)	(7271304)
	Others	0	0
	Current Long term Borrowing (maturities)	1337921	(17306532)
	Other Current Liabilities	(1609089)	66655
	Current Provisions	2726835	(545048)
	Current tax liabilities (net)	36097	(1727963)
		1282428	(26784192)
	Cash flow from extraordinary items	0	0
	Cash generated from operations	11000980	12940895
	Net income tax (paid) / refunds (Incl. MAT effect)	(1736)	698475
3	<b>Net cash flow from / (used in) operating activities (A)</b>	<b>5589079</b>	<b>(2204785)</b>
<b>B.</b>	<b><u>Cash flow from investing activities</u></b>		
	Capital expenditure on fixed assets, including capital advances	(520106)	(351381)
	Proceeds from sale of fixed assets	0	0
	Interest received	31880	869
	Cash flow from extraordinary items	0	0
	<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(488226)</b>	<b>(350512)</b>

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

### Cash Flow Statement for the year ended 31st March, 2021

Sr. No.	PARTICULARS	As at 31.03.2021 ₹	As at 31.03.2020 ₹
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Proceeds from long-term borrowings (TLs/Usl)	4060685	10973790
	Net increase / (decrease) in working capital borrowings	(3972796)	(3223331)
	Proceeds from other short-term borrowings	0	0
	Finance cost	(4518306)	(5703202)
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(4430417)</b>	<b>2047257</b>
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>670436</b>	<b>(508041)</b>
	Cash and cash equivalents at the beginning of the year	714642	1222683
*	<b>Cash and cash equivalents at the end of the year (Refer Note 8 + 9)</b>	<b>1385078</b>	<b>714642</b>
	<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
	Cash and cash equivalents as per Balance Sheet (Refer Note 8 + 9)	1385078	714642
	* Comprises:		
a)	Cash on hand	31173	31179
b)	Balances with banks		
	(i) In current accounts	1338905	668463
	(ii) In earmarked accounts	15000	15000
		<b>1385078</b>	<b>714642</b>
<b>Notes to the Financial Statements - Note Nos. 1 to 30</b>			
The accompanying notes form an integral part of the Standalone financial Statements			

*As per our report of even date attached*

For **P. M. BHARGAVA & CO.**  
CHARTERED ACCOUNTANTS

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

(P.M.BHARGAVA)  
PROPRIETOR  
Membership No. : 100595  
Firm Regn. No.: 145087W

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

Place :- Mumbai  
Dated :- 30th June,2021

(Rahul Dugar)  
Director  
(DIN : 00013704)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Statement of Change in Equity for the year ended March 31, 2021

### A Equity Share Capital

	No. of Shares	Amount in ₹
<b>Balance as at April 1, 2019</b>	1496338	14993940
Issued during the year	0	0
<b>Balance as at March 31, 2020</b>	1496338	14993940
Issued during the year	0	0
<b>Balance as at March 31, 2021</b>	1496338	14993940

### B Other Equity

Particulars	Reserves and Surplus				Amount in ₹		
	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)
<b>Balance as at April 1, 2019</b>	1500000	3897400	24000000	-2408953	26988447	-3185806	23802641
<b>Profit/(Loss) for the year FY 2019</b>				-2974515	-2974515		-2974515
Other Comprehensive Income/(loss) for FY 19							
<b>Balance as at March 31, 2020</b>	1500000	3897400	24000000	-5383468	24013932	-3185806	20828126
<b>Profit/(Loss) for the year FY 2021</b>				1157365	1157365		1157365
Other Comprehensive Income/(loss) for FY 2021							
<b>Balance as at March 31, 2021</b>	1500000	3897400	24000000	-4226103	25171297	-3185806	21985491

\* Represents arrears of gratuity effect until March 2018 consequent upon IND AS Impact where after effects are given in Profit & Loss Account

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 P. M. BHARGAVA & CO.  
CHARTERED ACCOUNTANTS**

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

**(P.M.BHARGAVA)**  
PROPRIETOR  
Membership No. : 100595  
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**(Kunal Bafna)**  
Chief Financial Officer  
& Whole-time Director  
(DIN : 00902536)

Place :- Mumbai  
Dated :- 30th June,2021

**(Rahul Dugar)**  
Director  
(DIN : 00013704)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### 1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
1	<p><b><u>COMPANY INFORMATION</u></b>                      Jainex Aamcol Limited ("the company") is a public limited company having its Registered Office in Mumbai, Maharashtra, India. 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, milling cutters and spline gauges. 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, 2021, 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, 2021 were approved by the Board of Directors on June 30, 2021.</p>
2	<p><b><u>SIGNIFICANT ACCOUNTING POLICIES</u></b></p>
2.01	<p><b><u>ACCOUNTING CONVENTION</u></b>                      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><b><u>Statement of compliances</u></b>                      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 by MCA vide notification no. G.S.R.404(E) dated 6 April 2016 amending Schedule III (Balance Sheet and Profit and Loss Accounts format) of the Companies Act 2013.</p>
b)	<p><b><u>Basis of preparation</u></b></p>
i)	<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 per provisions of the Companies Act 2013 read with notes appearing in financial statements.</p>
ii)	<p><b><u>Covid Impact</u></b>                      The Company has assessed the impact of COVID-19 pandemic in previous and current year on its financial statements based on the internal and external information upto the date of approval of these financial statements and the Company expects to recover the carrying amounts of its intangible assets, trade receivables and inventories. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements. During the year under audit, the Company availed eligible benefits of moratorium for deferment of interest on working capital loans and also availed eligible Guaranteed Emergency Credit Line (GECL) which are serviced in normal course of business. The company has however no other term loans.</p>



# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
c)	<b><u>USE OF ESTIMATES AND ACCOUNTING JUDGEMENTS</u></b>
(i)	<p><b><u>Use of estimates</u></b>                      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 periods in which the results are known / materialised.</p>
(ii)	<p><b><u>Impairment (IND. AS 36)</u></b>                      Impairment of assets has been recognized and losses, where ever applicable; has been charged to Profit &amp; 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</p> <p>ii. the reversal, if any, required or impairment has been recognized in previous year.</p>
(iii)	<p><b><u>Useful life of property, plant and equipment and intangible assets :- (IND. AS 16)</u></b>                      The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each report period. The re-assessment may result in change in depreciation and amortization expense in future periods.</p>
(iv)	<p><b><u>Taxes on Income and Valuation of Deferred Tax Assets :- (IND AS 12)</u></b>                      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><b><u>Provisions, contingent liabilities and contingent assets (IND AS 37)</u></b></p> <p>a) <b><u>Provisions</u></b>                      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</p>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
	<p>best estimate of the expenditure required to settle the present obligation at the balance sheet date.</p> <p><b><u>Constructive obligation is an obligation that derives from an entity's actions where:</u></b></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> <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>b) <u>Contingent liabilities</u></b> Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p> <p><b>c) <u>Contingent assets</u></b> Contingent assets are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p>
(vi)	<p><b><u>Fair value measurements of financial instruments (IND AS 32)</u></b> The company has no financial instruments / investments hence fair value measurement is not applicable.</p>
(vii)	<p><b><u>Employee Benefits and Retirement obligations (IND AS 19)</u></b></p> <p><b>a) <u>Defined Contribution Plan</u></b> 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>b) <u>Defined Benefit Plan/ Long Term Compensated Absences.</u></b> 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 third party actuarial valuation is taken by the management.</p> <p><b>c) <u>Compensated Absences</u></b> 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. Since leave encashment liability at actual is fully provided, no actuarial valuation is considered necessary by the management.</p>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
2.02	<p><b><u>Property, plant and equipment (INDAS 16)</u></b> 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/irresection period and commissioning are capitalised where 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.</p>
2.03	<p><b><u>Depreciation and amortization of property, plant and equipment and intangible assets</u></b></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><b><u>Leases (INDAS 17)</u></b> The company's '95 years Leasehold Land at MIDC Aurangabad was acquired on annual economic rent of Rupee One in 1974.</p>
2.05	<p><b>a</b></p> <p><b><u>Financial assets</u></b></p> <p><b>(i) <u>Cash and bank balances</u></b> <u>Cash and bank balances consist of</u></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>(iii) Other financial assets are taken at cost or net realisable value as the case may be.</p>
2.05	<p><b>b</b></p> <p><b><u>Financial Liabilities</u></b> <b><u>Trade and other payables / liabilities</u></b></p> <p>(i) Trade and other payables / liabilities are initially measured at fair value / cost as recorded in the books.</p>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
	<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><b><u>Inventories - (IND AS 02)</u></b></p> <p>(i) Inventories are stated at the lower of cost and net realizable value. Cost is ascertained on a weighted average basis. 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. 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><b><u>Non-current assets held for sale and discontinued operations</u></b></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 has written off as impairment under the head depreciation, amortisation, impairment in FY 20 due to obsolescence and thus impaired value of such assets has been considered at net realisable scrap value..</p> <p>The company has not discontinued any operations during the year.</p>
2.08	<p><b><u>Revenue from operations.</u></b></p> <p>(l) <b><u>Sales and other operational income</u></b></p>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
	<p>Revenue from sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership 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) <b><u>Other income</u></b></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><b><u>Foreign currency transactions and translations</u></b></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 (not applicable during the year) 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><b><u>Borrowing costs (INDAS 23)</u></b></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 save and except non provision of interest on certain interest free unsecured loans from promoters / directors / shareholders .</p>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts

### SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
2.11	<p><b><u>Earnings per share (INDAS 33)</u></b> 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.</p>
2.12	<p><b><u>Segment reporting (INDAS 108)</u></b> The company's main product lines are in gear cutting tools viz. gear hobs and milling cutters which contributes over 90% 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.</p>
2.13	<p><b><u>Change in Accounting Policy (INDAS 8)</u></b> There is generally no change in accounting policy.</p>

**Notes forming part of the Financial Statements (Contd.)**

**NOTE No. [ 2 ] - Property, Plant and Equipments**

Sr.No.	Class of assets	Cost				Depreciation For the year	Up to 31.03.2021	Impairment Charged for the year	Net carrying amount	
		Value as at 01.04.2020	Additions	Deductions	As at 31.03.2021				Up to 31.03.2020	Upto 31.03.2021
	<b>Tangible Assets</b>									
	<b>UN-IMPAIRED ASSETS</b>									
I.	Leasehold Land *	178777	0	0	178777	0	178777	0	0	
B.	Factory & Office Building * (Owned)	5603724	0	0	5603724	138956	2742079	0	2722689	
C.	Plant and Equipment (Owned)	231625028	423038	0	232048066	10931714	169885999	0	51230363	
D.	Office Equipment	1346812	27417	0	1374229	35758	1211700	0	162529	
E.	Furnitures & Fixtures	5911305	0	0	5911305	540312	5450768	0	365537	
F.	Vehicles	908563	0	0	908563	863137	863137	0	45426	
G.	Computer	10915946	69651	0	10985597	108141	10157155	0	720301	
		256490155	520106	0	257010261	11270025	190493401	0	55246835	
									65996753	

Sr.No.	Class of assets	Cost				Reclassified	Upto 31.03.2020	Impairment Charged for the year	Net carrying amount	
		Value as at 01.04.2020	Reclassified	Deductions	As at 31.03.2021				Upto 31.03.2020	As at 31.03.2021
II.	<b>IMPAIRED ASSETS (held for sale)</b>									
	Plant and Equipment (Owned)	4035306	0	0	4035306	0	4035306	#	0	
		4035306	0	0	4035306	0	4035306	0	0	
	<b>TOTAL</b>	260525461	520106	0	261045567	11270025	194528707	0	55246835	
	<b>(Previous Year)</b>	260452340	73121	0	260525461	11421321	182847386	0	65996753	

(\*) Please refer Note 1 - (2.02), (2.03) and (2.04) of Significant Accounting Policies.  
 (#) Impairment amounting to Rs. 0 (previous year Rs.260000) has been charged to profit & loss during the year.

**NOTE No. [ 3 ] - Intangible Assets**

Sr.No.	Class of assets	Cost				Depreciation For the year	Upto 31.03.2021	Impairment Charged for the year	Net carrying amount	
		Value as at 01.04.2020	Additions	Deductions	As at 31.03.2021				Upto 31.03.2020	As at 31.03.2021
1	<b>Intangible Assets</b>									
	Computer Software	1786675	0	0	1786675	99035	1484438	0	203202	
		1786675	0	0	1786675	99035	1484438	0	203202	
	<b>(Previous Year)</b>	1508415	278260	0	1786675	74891	1409547	0	302237	

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-2)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
	<b>NOTE No. [ 4 ]</b>		
	<b>Financial Assets :</b>		
	<b>Others - Non-Current</b>		
	Un-secured, considered good		
a	Security Deposits	<b>967659</b>	1012312
b	Deposit with Custom's Appeal - Capital item	<b>200000</b>	200000
c	MAT Credit Entitlements	<b>3460215</b>	3345350
		<b>4627874</b>	4557662
	<b>NOTE No. [ 5 ]</b>		
	<b>Deferred Tax Assets (Net)</b>		
	<u>Tax effect on items constituting deferred tax liability</u>		
a)	On difference between book balance and tax balance of fixed assets.	<b>5853172</b>	7316014
b)	<u>Tax effect on items constituting deferred tax assets</u>		
	Leave Encashment	<b>349368</b>	518258
	On Employees benefits - Gratuity	<b>998190</b>	1522386
	On bonus	<b>661831</b>	683526
	Unabsorbed depreciation c/f - as per Income Tax	<b>6713346</b>	7038615
		<b>8722735</b>	9762785
	<b>Net Deferred Tax Assets (+) /Liabilities (-) (a-b)</b>	<b>2869563</b>	2446771
	<b>NOTE No. [ 6 ]</b>		
	<b>Inventories</b>		
a	Raw Materials	<b>19828703</b>	14360081
b	Work-in-Progress	<b>2965253</b>	3992978
c	Finished Goods - Internally Manufactured	<b>7981500</b>	7425575
d	Stores	<b>2797967</b>	2621025
e	Tools & Spares	<b>302309</b>	615645
f	Scraps	<b>262108</b>	697559
		<b>34137840</b>	29712863
	For mode of valuation refer Note No. 1 - (2.06) of Significant Accounting Policies		



# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-3)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
	<b>NOTE No. [ 7 ]</b>		
	<b>Financial Assets :</b>		
	<b>Current : Trade Receivables</b>		
	<b>Unsecured</b>		
a	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, considered good	2730081	2390723
	Unsecured, considered doubtful	0	0
		2730081	2390723
b	Outstanding for a period less than six months from the date they are due for payment		
	Unsecured, considered good	35103239	26881891
	Unsecured, considered doubtful	0	0
		35103239	26881891
		37833320	29272614
	<b>Note :</b> 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.		
	<b>NOTE No. [ 8 ]</b>		
	<b>Financial Assets :</b>		
	<b>Current : Cash and Cash Equivalents</b>		
i	Balances with Banks In Current Accounts	1338905	668463
ii	Cash on Hand	31173	31179
		1370078	699642
	<b>NOTE No. [ 9 ]</b>		
	<b>Financial Assets :</b>		
	<b>Current : Other Bank Balance</b>		
	Other Bank Balances In TDR Accounts held as margin against BG/LCs	15000	15000
		15000	15000
	<b>NOTE No. [ 10 ]</b>		
	<b>Financial Assets :</b>		
	<b>Other Current Assets</b>		
a	Unsecured, considered good Prepaid Expenses	99928	150295
b	Balances with Govt Authorities Balance with GST Balance with Income Tax Refund	486816 0	1465680 54975
		486816	1520655
c	Others	738547	426829
		1325291	2097778

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

Notes forming part of the Financial Statements (Contd.)

(N-4)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
	<b>NOTE No. [ 11 ]</b>		
	<b>Equity Share Capital</b>		
a)	<b>Authorised</b>		
	Equity Shares of Rs. 10/- each. ₹	<b>30000000</b>	30000000
	Number of shares	<b>3000000</b>	3000000
b)	<b>Issued, Subscribed &amp; Paid up</b>		
	Equity Shares of Rs. 10/- each. ₹	<b>14963380</b>	14963380
	Number of shares	<b>1496338</b>	1496338
	Less :Calls in Arrears from others	<b>3595</b>	3595
		<b>14959785</b>	14959785
	Add : <u>Forfeited Shares</u>		
	Equity Shares of Rs. 2.50/- each. ₹	<b>34155</b>	34155
	Number of shares	<b>13662</b>	13662
		<b>14993940</b>	14993940
c)	<b>Reconciliation of number of shares</b>		
	Issued, subscribed and fully paid up outstanding at the beginning of the year	<b>1496338</b>	1496338
	Add :- Shares issued during the year	<b>0</b>	0
	Outstanding shares at the year end	<b>1496338</b>	1496338
d)	<b>Shareholder holding more than 5% of the equity shares at the end of the year:</b>		
		<b>31.03.2021</b>	<b>31.03.2020</b>
		<b>No. of Shares</b>	<b>% of holding</b>
		<b>No. of Shares</b>	<b>% of holding</b>
	1 Jainex Foods Private Ltd	<b>577956</b>	38.62%
	2 Bharti Bafna	<b>212700</b>	14.21%
	3 Kunal Bafna	<b>94700</b>	6.33%
		<b>885356</b>	59.17%

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-5)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
e)	<u>Equity shares movement during the 5 years preceding March 31, 2021</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
f)	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)	<b><u>Terms/rights attached to equity shares</u></b> 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.		
	<b><u>NOTE No. [ 12 ]</u></b> <b><u>Other Equity</u></b>		
a)	<b><u>Capital Reserve</u></b> As per last Balance Sheet	1500000	1500000
b)	<b><u>Capital Redemption Reserve</u></b> As per last Balance Sheet	3897400	3897400
c)	<b><u>Share Premium Account</u></b> As per last Balance Sheet (On Preferential Allotment in FY 13)	24000000	24000000
d)	<b><u>Retained Earnings</u></b> As per last Balance Sheet Add :- Profit for the year	(5383466) 1157365 (4226101)	(2408952) (2974514) (5383466)
e)	<b><u>Other Comprehensive Income (OCI)</u></b> As per last Balance Sheet	(3185806)	(3185806)
		(3185806)	(3185806)
	<b>Total Other Equity</b>	<b>21985493</b>	<b>20828128</b>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-6)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
	<b>Other Equity (Contd..)</b>		
	<b>Nature and purpose of reserves:</b>		
a)	<b>Capital Reserve</b> Capital Reserve represents central subsidy received from central government in respect of its Aurangabad unit/project set up in 1976.		
b)	<b>Capital Redemption Reserve</b> Capital Redemption Reserve created out of profits represents amount on account of redemption of preference shares with requisite approval.		
c)	<b>Share Premium Account</b> 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)	<b>Retained Earnings</b> Retained Earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earning is a free reserve available to the Company. However the Company has negative carried forward retained earnings at year end.		
e)	<b>Other Comprehensive Income (OCI)</b> This represents provisions of arrears of employees gratuity on applicability of IND AS until FY 18 will be suitably dealt with in future.		
	<b>NOTE No. [ 13 ]</b>		
	<b>Financial Liabilities :</b>		
	<b>Borrowings - Non Current (Secured)</b>		
	<b>From Bank of India, Mumbai</b>		
	Rupee Term Loan under Star GECL Scheme	4713163	0
	Less : Shown under other current liabilities as current maturities - Note No. 17	4713163 1337921	0 0
		<b>3375242</b>	<b>0</b>
	Total	<b>3375242</b>	<b>0</b>
a)	<b>Interest accrued and due</b>		
	Term Loan	0	0
		0	0
b)	<b>Default in Repayment of Principal</b>		
	Term Loan	0	0
		0	0

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-7)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
c)	<b>Note 13 (Contd..)</b> <b>Period of Default</b> Term Loans	0	0
<b>Nature of Security and terms of repayment for Long Term secured borrowings:</b>			
	<b>Nature of Security</b>	<b>Terms of Repayments - as per bank sanction</b>	
1	Term Loan (GECL) of ₹ 47.13 Lacs (Previous Year of ₹ 0 Lacs)	Repayable in 36 monthly Instalments starting from June, 2021 with moratorium of 12 months. Last Instalment due on June, 2024.	
	<b>Prime Security</b>		
	Above Term Loan (GECL) is secured by hypothecation of Stocks and Book Debts upto 90 days 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 7.85% p.a. (previous year 0% p.a.)	
1	<b>NOTE No. [ 14 ]</b> <b>Other Financial Liabilities :</b> <b>Others - Non-Current</b> <b>(Unsecured)</b> Loans & Advances from related parties	<b>42340082</b>	41654639
		<b>42340082</b>	41654639
	<b>NOTE No. [ 15 ]</b> <b>Provisions - Non-Current</b> Claims of Ex-employees	<b>389897</b>	389897
1	<b>NOTE No. [ 16 ]</b> <b>Financial Liabilities :</b> <b>Borrowings - Current</b> <b>Secured</b> <b>Loans repayable on demand</b> From Bank of India		
a	Cash Credit Account	<b>16502872</b>	20677588
b	Packing Credit Account	<b>941300</b>	705314
c	Interest accrued but not due	<b>40118</b>	74184
		<b>17484290</b>	21457086
	<b>Prime Security</b> (Secured against hypothecation of Raw Materials, Work in Process, Finished Goods and Receivables) <b>Collateral Securities</b> (The above limits are collaterally secured by Equitable Mortgage of company's Land and Building situated at L/3, Chikhalthana, MIDC Indl. Estate, Aurangabad) and hypothecation of Plant & Machinery.		

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-8)

Sr. No.	Particulars	As at 31.03.2021 ₹	As at 31.03.2020 ₹
	<b>NOTE No. [ 17 ]</b>		
	<b>Financial Liabilities :</b>		
	<b>Current Maturities of Long-Term Borrowings (Secured)</b>		
	<b>From Bank of India</b>		
a	Term Loan (GECL)	1321758	0
b	Interest accrued but not due on term loan	16163	0
		<b>1337921</b>	<b>0</b>
	Refer Note No: - 13 - Borrowings - non current		
	<b>NOTE No. [ 18 ]</b>		
	<b>Financial Liabilities :</b>		
(a)	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 .	155064	56344
(b)	<b>Current - Trade Payables</b>		
	<u>Other than Acceptances</u>		
	For Materials/Goods	11983417	13781575
	For Expenses	7821799	7331696
		<b>19805216</b>	<b>21113271</b>
	<b>NOTE No. [ 19 ]</b>		
	<b>Other Current Liabilities</b>		
a	Statutory dues	5713278	7024282
b	Advance/ Credit balance of customers	466441	764526
		<b>6179719</b>	<b>7788808</b>
	<b>NOTE No. [ 20 ]</b>		
	<b>Current Liabilities :</b>		
	<b>Provisions</b>		
a	<b>Provision for Employee Benefits</b>		
1	Salary & Reimbursements	8019331	4653516
2	Contribution to PF	182989	172394
3	Leave Encashment	1343724	1993299
		<b>9546044</b>	<b>6819209</b>
	<b>NOTE No. [ 21 ]</b>		
	<b>Current Tax Liabilities (net)</b>		
	Income Tax	36097	0
		<b>36097</b>	<b>0</b>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-9)

Sr. No.	Particulars	For the year ended on 31.03.2021 ₹	For the year ended on 31.03.2020 ₹	
a)	<b>NOTE No. [ 22 ]</b>			
	<b>Revenue from operations</b>			
	<b>SALES</b>	Sales      Returns      Net		
	Gear Hobs	79942997      844209      79098788	96433618	
	Milling Cutters	25013991      483908      24530083	18933913	
	Spline Gauges	11463619      318037      11145582	14926929	
		<b>116420607      1646154      114774453</b>		
			<b>114774453</b>	130294460
		<b>Total Sales</b>	<b>114774453</b>	130294460
	b)	<b>Other Operational Income</b>		
		Job Work Charges	<b>3660480</b>	4013792
		Scrap / Misc. Sales	<b>1567174</b>	853914
		Export Incentive/ MEIS	<b>0</b>	1517230
			<b>5227654</b>	6384936
		Total (a+ b) includes export	<b>120002107</b>	136679396
		<b>14591689</b>	28911632	
	<b>NOTE No. [ 23 ]</b>			
	<b>Other Income</b>			
	Income Tax Refund	<b>0</b>	2390	
	Misc. Receipts/write-off(net)	<b>16532</b>	34593	
	Interest Received	<b>31880</b>	869	
	Misc. Income (impaired assets)	<b>0</b>	260000	
	Exchange Gain on Export (net)	<b>27179</b>	264398	
	Exchange Gain on Import (net)	<b>127304</b>	0	
		<b>202895</b>	562250	

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-10)

Sr. No.	Particulars	For the year ended on 31.03.2021 ₹	For the year ended on 31.03.2020 ₹																
	<b>NOTE No. [ 24 ]</b>																		
	<b>Cost of Raw Material Consumed</b>																		
	Inventory at the beginning of the year	14360081	14288331																
	Add : Purchase (net of GST, returns and freight)	32709694	34853745																
		47069775	49142076																
	Less : Inventory at the end of the year	19828703	14360081																
		<b>27241072</b>	<b>34781995</b>																
	<u>Details of Raw Material Consumption</u>																		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">20-21</th> <th style="width: 50%;">19-20</th> </tr> <tr> <th style="text-align: center;">Qty. in Kgs.</th> <th style="text-align: center;">Qty. in Kgs.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">315</td> <td style="text-align: center;">22</td> </tr> <tr> <td style="text-align: center;">1.69%</td> <td style="text-align: center;">0.11%</td> </tr> <tr> <td style="text-align: center;">18372</td> <td style="text-align: center;">20669</td> </tr> <tr> <td style="text-align: center;">98.31%</td> <td style="text-align: center;">99.89%</td> </tr> <tr> <td style="text-align: center;">18687</td> <td style="text-align: center;">20691</td> </tr> <tr> <td style="text-align: center;">100.00%</td> <td style="text-align: center;">100.00%</td> </tr> </tbody> </table>	20-21	19-20	Qty. in Kgs.	Qty. in Kgs.	315	22	1.69%	0.11%	18372	20669	98.31%	99.89%	18687	20691	100.00%	100.00%	
20-21	19-20																		
Qty. in Kgs.	Qty. in Kgs.																		
315	22																		
1.69%	0.11%																		
18372	20669																		
98.31%	99.89%																		
18687	20691																		
100.00%	100.00%																		
a)	Import	1638415	115998																
		6.01%	0.33%																
b)	Indigenous/ Local purchase	25602657	34665996																
		93.99%	99.67%																
		27241072	34781995																
		100.00%	100.00%																
	<b>NOTE No. [ 25 ]</b>																		
	<b>Changes in Inventories</b>																		
a	<u>Inventories at the end of the year:</u>																		
	Finished Goods	7981500	7425575																
	Work-in-Progress	2965253	3992978																
	Scrap	262108	697559																
		11208861	12116112																
b	<u>Inventories at the beginning of the year:</u>																		
	Finished Goods	7425575	7200968																
	Work-in-Progress	3992978	6970179																
	Scrap	697559	0																
		12116112	14171147																
	Net (Increase)/Decrease	907251	2055035																
	<b>NOTE No. [ 26 ]</b>																		
	<b>Employees Benefits Expenses</b>																		
a	Salaries, Wages & Allowances (*)	36841436	40957315																
b	Contribution to Provident and Other Funds	1647962	2135444																
c	Gratuity Fund Contribution	1472284	1124200																
e	Staff Welfare Expenses	2165640	1972080																
		42127322	46189038																
	(*)																		
	<b>Includes Remuneration to Whole Time Directors</b>	2141986	2854661																



# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

(N-11)

Sr. No.	Particulars	For the year ended on 31.03.2021 ₹	For the year ended on 31.03.2020 ₹
	<b>NOTE No. [ 27 ]</b>		
	<b>Finance Cost</b>		
a)	<b>Interest expense on:</b>		
	Borrowings from Bank (WC + TL)	2188778	3570450
	Borrowings from Others	1854400	1263193
b)	<b>Other borrowing costs</b>	475128	869559
		<b>4518306</b>	<b>5703202</b>
	<b>NOTE No. [ 28 ]</b>		
	<b>Depreciation, amortisation, impairment and obsolescence</b>		
	Depreciation	11369060	11496212
	Impairment	0	260000
		<b>11369060</b>	<b>11756212</b>
	<b>NOTE No. [ 29 ]</b>		
	<b>Other Expenses</b>		
a)	<b>Manufacturing Expenses</b>		
	Consumption of Stores etc.	2849584	3213270
	Consumption/Write off of Tools and Spares	1765005	2977571
	Consumption of Packing Materials	722069	673924
	Labour Charges (Mfg.)	3834713	4828899
	Power and Fuel	5915861	6551942
	Repairs and Maintenance - Buildings	9520	54394
	Repairs and Maintenance - Machinery	2730561	4275573
	Repairs and Maintenance - Others	432378	325897
		<b>18259691</b>	<b>22901470</b>
b)	<b>Administrative &amp; Other Expenses</b>		
	Travelling and Conveyance	287859	3081535
	Sales Commission	7278846	6789506
	Consignment Expenses	1469379	1967345
	Legal and Professional	2298605	3153781
	Miscellaneous Expenses	3711302	6283437
		<b>15045991</b>	<b>21275605</b>
	<b>Total (a+b)</b>	<b>33305682</b>	<b>44177074</b>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
<b>1</b>	<b><u>NOTE No. [ 30] - Additional information</u></b> <b><u>Contingent liabilities</u></b> <b><u>(To the extent not provided for)</u></b>		
	(i) Claims against the company not acknowledged as debt	0	0
	(ii) Letters of credits opened awaiting shipment / delivery.	0	0
	(iii) <u>Guarantees</u>	0	0
<b>2</b>	<b><u>Commitments</u></b>		
	(i) Commitment pending on capital accounts - net of advance	0	0
	(ii) Uncalled liability on shares and other investments partly paid	0	0
	(iii) Other commitments (specify nature)	0	0
		<b>0</b>	<b>0</b>
<b>3</b>	<b><u>Payment to Auditors</u></b>		
	a) Statutory Auditor	<b>75000</b>	75000
	b) Tax Auditor		
	i) Tax Audit Fees	<b>25000</b>	25000
	ii) Taxation & Other Matters	<b>15000</b>	15000
	iii) Banking Matters	<b>25000</b>	25000
	iv) GST	<b>11700</b>	11700
		<b>76700</b>	76700
		<b>151700</b>	151700
<b>4</b>	<b><u>Value of Imports</u></b>		
	i. Raw Materials;	<b>1795526</b>	0
	ii. Components and Spare Parts;	<b>315366</b>	2259831
		<b>2110892</b>	2259831

Addl Info - 30 (1)

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

### Notes forming part of the Accounts (Contd.)

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

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
<b>5</b>	<b><u>Expenditure in Foreign Currency</u></b>		
	i) Travelling	0	214510
	ii) Commission	714796	471729
	iii) Exhibition Expenses	0	309158
	iv) Books and Periodicals	0	0
	v) Spares for Plant & Machinery (SMS)	1056664	3090425
<b>6</b>	<b><u>Earning in Foreign Exchange</u></b>		
	Export of goods	14591689	28911632
<b>7</b>	<b><u>Earning per Share (EPS) - Basic &amp; Diluted - computed as per INDAS 33</u></b>		
	(i) Profit after tax	1157365	-2974515
	(ii) Number of shares fully paid up (net of forfeiture)	1496338	1496338
	(iii) Nominal value of equity shares	10	10
	(iv) Basic earning per share	0.77	-1.99
	(v) Diluted earning per share	0.77	-1.99
<b>8</b>	<b><u>The Disclosure on "Employee Benefits" as per Ind AS 19 and the Companies (Accounting Standards) Rules, 2006.</u></b>		
	<b>a) <u>Defined Contribution Plan</u></b>		
	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.		
	Contribution to Defined Contribution Plan, recognised and charged off during the year are as under.		
	Employer's Contribution to state governed Provident Fund	442471	646560
	Employer's Contribution to state governed Pension Schemes	1070186	1326083
	Employer's Contribution to state governed Employees State Insurance Scheme.	222460	357834
		<b>1735117</b>	<b>2330477</b>

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts (Contd.)

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

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
	<p><b>b) <u>Defined Benefit Plan/ Long Term Compensated Absences.</u></b>                      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 given 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 third party actuarial valuation was considered by the management.</p> <p><b>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.</b></p>		
	<b>i) <u>Value of obligation as at 1st April 2020</u></b>	<b>9388094</b>	8745050
	Interest Cost	296213	256609
	Current Service Cost	836361	746284
	Actual Losses/(Gains)/additional provisions	523347	372337
	Benefit paid	336548	732186
	<b><u>Value of obligation as at 31st March 2021</u></b>	<b>10707467</b>	9388094
	<b>ii) <u>Fair value of Assets</u></b>		
	<b>(a) <u>with LIC</u></b>		
	Plan Assets at beginning of period	3429395	3517382
	Expected return on Plan Assets	296213	256609
	Actual Company Contribution	2402743	387590
	Benefits paid	-336548	-732186
	<b><u>Net Asset at the end of period</u></b>	<b>5791803</b>	3429395
	<b>(b) Bank balance in Gratuity trust account</b>	<b>1076471</b>	103368
	Total fair value of assets	6868274	3532763
	<b>iii Excess/(Short) payments (i -ii) (provided but not funded)</b>	<b>(3839193)</b>	(5855331)
	<b>c) <u>Compensated Absences</u></b>		
	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 considered by the management. However, provision made for leave encashment during the year and unpaid liability at year end are as under.		
	Provision made for the year in Profit & Loss account	0	373544
	Unpaid Liability ( <b>non funded</b> ) under leave encashment at year end	1343724	1993299

## JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

### Notes forming part of the Accounts (Contd.)

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

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
9	<p><b><u>Amounts not provided for</u></b></p> <p>a) <b>Import against LC (DA/DP) for purchase of raw materials.</b></p> <p style="text-align: right;">0</p> <p style="text-align: right;">0</p> <p>b) <b><u>Claims by ex-employees</u></b>                      On account of claims by two ex-employees recorded in the accounts as liability amounting to Rs. 0.67 lacs and Rs. 3.23 lacs out of which the claim of Rs. 3.23 lacs has been decided in favour of the late ex-employee for their claim on LIC. Any additional probable liability arising in connection with the said cases; will be provided at the time of claim by LIC on the company.</p> <p style="text-align: right;">0</p> <p style="text-align: right;">0</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 the issue of SCN as 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 style="text-align: right;">713812</p> <p style="text-align: right;">713812</p> <p>The above provisions being possible but not probable have not been made as the company believes that none of the above contingencies would have material adverse effect on the company's financial conditions, results of operations or cash flows.</p>		

Addl Info - 30 (4)

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts (Contd.)

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

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
10	<b>Related Party Disclosures</b>		
a)	<b>Related Party and their Relationship</b>		
	Subsidiaries : NIL		
	Associates : Jainex Foods Private Limited Jainex Limited Jainex Imports & Exports Private Limited Jainex Enterprises Dugar Brothers & Company Metagame Venture Private Limited		
	Key Management Personnel : Mr. B. S. Dugar (Chairman) Mr. M. Z. Kothari (Managing Director) Mr. Kunal Bafna (Whole Time Director and CFO)		
b)	Relatives of Key Management Personnel : NIL		
		<b>Amount</b>	<b>Amount</b>
	Transactions with Related Party	<b>FY 2020-21</b>	<b>FY 2019-20</b>
	Subsidiaries :	Nil	Nil
	Directors :	Nil	Nil
	Interest to Director	1497370	939454
	Reimbursement of exp.	Nil	Nil
	Loans Received	0	13000000
	Loans Repaid	4165927	0
	<u>Payments to Body Corporates</u>	Nil	0
	Loans Received	3000000	1000000
	Repayment of Loans	0	700000
	Interest	234000	203277
	Commission	770439	397172
	<u>Payments to Relatives of Director</u>	Nil	Nil
	Interest	120000	120330
	<u>Payments to/from a Firm in which Directors are partner</u>	Nil	Nil
	Purchases	Nil	Nil
	Loans Received	Nil	Nil
	Loans Repaid	Nil	Nil
	Key Management Personnel :	2141986	2854661
	Director's Salary Allowances, Rent etc.		
	Relatives of Key Management Personnel :	Nil	Nil
c)	Balances with the related parties :		
	<u>Loans taken</u>		
	Jainex Foods Pvt. Ltd.	5895469	4179019
	Jaines Import & Export Pvt. Ltd.	1500000	0
	Dugar Brothers & Co.	23828752	23717752
	B. S. Dugar	10560361	13230794
	Kunal Bafna	555500	527074

# JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21

## Notes forming part of the Accounts (Contd.)

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

Sr. No.	Particulars	FY 2020-21 ₹	FY 2019-20 ₹
11	<p><b><u>Disclosure as required by Clause 32 of listing Agreement.</u></b> Amount of Loans/Advances in nature of loans outstanding from Subsidiaries and Associates during the year</p> <p style="margin-left: 20px;">Subsidiaries : Nil Nil</p> <p style="margin-left: 20px;">Associates : Nil Nil</p> <p style="margin-left: 20px;">Key Management Personnel : Nil Nil</p> <p style="margin-left: 20px;">Relatives of Key Management Personnel : Nil Nil</p>		
12	<p><b><u>Company Secretary</u></b> The company has no qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013 from 05-08-2019. The company however has been making efforts to appoint a company secretary but has not been able to source the suitable candidate till date due to continuing pandemic. However the company, in the meantime: has engaged the services of qualified professional company secretaries for day to day and periodical statutory compliances under the Companies Act.</p>		
13	<p><b><u>Confirmation of Balances</u></b> The balances of trade receivables, trade payables, unsecured loans and loans and advances, GST (input and output reconciliation )are subject to confirmation.</p>		
14	<p>Figures for previous year have been rearranged/regrouped wherever necessary.</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

For P. M. BHARGAVA & CO.  
CHARTERED ACCOUNTANTS

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

(P.M.BHARGAVA)  
PROPRIETOR  
Membership No. : 100595  
Firm Regn. No.: 145087W

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

Place :- Mumbai  
Dated :- 30th June, 2021

(Rahul Dugar)  
Director  
(DIN : 00013704)

Addl Info - 30 (6) end

# **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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## **JAINEX AAMCOL LIMITED**

**Corporate Identity Number (CIN): L74999MH1947PLC005695**

**Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthaladas**

**Thackersey Marg, New Marine Lines, Mumbai – 400020.**

**Website: [www.jainexaamcol.com](http://www.jainexaamcol.com),**

**Email Id: [accounts@jainexgroup.com](mailto: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 2020-21**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventy-Third Annual General Meeting of the Company, to be held on Thursday, September 30, 2021 at 11.00 A.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthaladas Thackersey Marg, New Marine Lines, Mumbai-400020; and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No.</b>	<b>Particulars of Resolution</b>
<b>Ordinary Business:</b>	
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2021 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.
<b>Special Business:</b>	
3.	Confirmation of Mr. Sachindra Misra (DIN: 08943363) as an Independent Non-Executive Director of the Company.
4.	Confirmation of Mr. Murli Dhar Motwani (DIN: 09264470) as an Independent Non-Executive Director of the Company.
5.	Confirmation of Mrs. Bharti Bafna (DIN: 01089137) as an Executive Director of the Company.
6.	To approve related party transaction for the financial year 2021-22
7.	To approve creation Charge/ Mortgage on the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013
8.	To consider and approve borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013
9.	To consider and approve limits of Loans/Guarantees/Securities to be given and/or Investments to be made by the Company pursuant to Section 186 of the Companies Act, 2013

**JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2021

Signature of the Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_



**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 2020-21**

## **JAINEX AAMCOL LIMITED**

**Corporate Identity Number (CIN): L74999MH1947PLC005695**

**Registered Office: 405 & 406, Sharda Chambers, 15, Sir  
VitthalDasThackerseyMarg, New Marine Lines, Mumbai – 400020.**

**Website:**[www.jainexaamcol.com](http://www.jainexaamcol.com),

**Email Id:**[accounts@jainexgroup.com](mailto:accounts@jainexgroup.com)

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

**SEVENTY-THIRD ANNUAL GENERAL MEETING – THURSDAY,  
SEPTEMBER 30, 2021 AT 11.00 A.M**

### **ATTENDANCE SLIP**

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

Sr. No.

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

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Seventy-Third Annual General Meeting of the Company being held on Thursday, September 30, 2021 at 11.00 A.M. at 405 & 406, Sharda Chambers, 15, Sir VitthalDas Thackersey Marg, New Marine Lines, Mumbai- 400020.

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

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

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

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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**

<b>E-Voting Event Number [EVEN]</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>
<b>116902</b>		

# **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

## **JAINEX AAMCOL LIMITED**

**Corporate Identity Number (CIN): L74999MH1947PLC005695**

**Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthaladas**

**Thackersey Marg, New Marine Lines, Mumbai – 400020.**

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**Email Id: [accounts@jainexgroup.com](mailto: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**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
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 2020-21**

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Seventy-Third Annual General Meeting (AGM) of the Company to be held on Thursday, September 30, 2021 at 11.00 A.M.in respect of business as stated in the Notice conveying my/our assent or dissent to the said resolutions by placing the tick (v) mark in the appropriate boxes given below:

<b>Sr. No</b>	<b>Item No.</b>	<b>No. of shares held</b>	<b>I / We assent to the resolution [FOR]</b>	<b>I / We dissent to the resolution [AGAINST]</b>
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2021 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.	Confirmation of Mr. Sachindra Misra (DIN: 08943363) as an Independent Non-Executive Director of the Company.			
4.	Confirmation of Mr. Murlidhar Motwani (DIN: 09264470) as an Independent Non-Executive Director of the Company.			
5.	Confirmation of Mrs. Bharti Bafna (DIN: 01089137) as an Executive Director of the Company.			

## **JAINEX AAMCOL LIMITED ANNUAL REPORT 2020-21**

6.	To approve related party transaction for the financial year 2021-22.			
7.	To approve creation Charge/ Mortgage on the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013			
8.	To consider and approve borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013			
9.	To consider and approve limits of Loans/Guarantees/Securities to be given and/or Investments to be made by the Company pursuant to Section 186 of the Companies Act, 2013			

**Place:**

**Date:**

\_\_\_\_\_  
**Signature of the Shareholder**

***If Undelivered please return to :***

**JAINEX AAMCOL LIMITED**

CIN : L74999MH1947PLC005695  
405 & 406, Sharda Chambers,  
15, Sir Vitthalidas Thackersey Marg,  
New Marine Lines, Mumbai - 400 020.