

# ANNUAL REPORT

2019-2020



**ADARSH**  
PLANT PROTECT LTD.

# ADARSH PLANT PROTECT LTD.

**28<sup>th</sup> Annual Report : 1st April 2019 to 31st March 2020**  
**2019 - 2020**

## Corporate Information BOARD OF DIRECTORS

Mr. Naishadkumar Patel	Chairman
Mr. Atish Patel	Managing Director
Mr. Arvindbhai Shah	Independent Director
Mr. Jagdishbhai Patel	Independent Director
Mr. Laljibhai B. Darji	Independent Director
Mrs. Jyotikaben Patel	Non-executive Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

MRS. AMI R. MEHTA

## CHIEF FINANCIAL OFFICER

MR. KETAN P. MAHESHWARI

## AUDITORS

M/S C. S. TRIVEDI & Co.  
CHARTERED ACCOUNTANTS, ANAND

## SECRETARIAL AUDITOR

M/S D. G. BHIMANI & ASSOCIATES  
PRACTICING COMPANY SECRETARY, ANAND

## BANKERS

BANK OF BARODA  
VALLABH VIDYANAGR BRANCH

## REGISTERED OFFICE & WORKS

**ADARSH**  
**PLANT PROTECT LTD.**

604, G.I.D.C., VITHAL UDYOGNAGAR  
ANAND – 388 121 GUJARAT, (INDIA)  
CIN No: L29210GJ1992PLC017845

Email id: [info@adarshplant.com](mailto:info@adarshplant.com) ; [adarshplant@hotmail.com](mailto:adarshplant@hotmail.com)  
Ph. No: 02692- 236705 Website: [www.adarshplant.com](http://www.adarshplant.com)

## **NOTICE**

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Shareholders of **ADARSH PLANT PROTECT LTD**, will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') on **Monday, the 21<sup>st</sup> day of September, 2020** at 11.00 A. M. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement consisting of Balance Sheet, Profit and Loss Account and Cash Flow Statement for the year ended on 31st March, 2020 together with Board's Report and Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Jyotikaben N. Patel (DIN: 00084068) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors and authorize Board of Directors to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary resolution:

### **"RESOLVED THAT-**

- (i) M/s. Rajani Shah & Co., Chartered Accountants (Firm Registration No. 121126W) be and are hereby appointed as Statutory Auditors and Tax Auditors of the Company in place of M/s. C. S. Trivedi & Co., Chartered Accountants (Firm Registration No. 111046W) in accordance with provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory enactment or modification thereof);
- (ii) M/s. Rajani Shah & Co., Chartered Accountants (Firm Registration No. 121126W) shall hold office for a period of five years from the conclusion of this 28<sup>th</sup> Annual General Meeting to the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company subject to the Board of Directors is hereby authorized to discuss and decide the remuneration payable to M/s. Rajani Shah & Co., Chartered Accountants (Firm Registration No. 121126W) in consultation with them;
- (iii) the Directors of the Company are hereby authorized to do all acts, deeds and things and to take all necessary steps and give such directions as may be necessary to give effect to the above resolution."

**Date: 08<sup>th</sup> August, 2020**  
**Place: Vithal Udyognagar**

**By order of the Board of Directors**  
**ADARSH PLANT PROTECT LTD**

**(NAISHADKUMAR N. PATEL)**  
**Chairman**  
**DIN 00082749**

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the circular no. 14/2020 dated 08<sup>th</sup> April, 2020, circular no. 17/2020 dated 13<sup>th</sup> April, 2020 issued by the Ministry of Corporate Affairs followed by circular no. 20/2020 dated 05<sup>th</sup> May, 2020, physical attendance of the members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to dgghimani@yahoo.co.in with copies marked to the Company at adarshplantprotect@gmail.com and to its RTA at ahmedabad@linkintime.co.in
4. Registration of email ID and Bank Account details: In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address. In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories the following instructions to be followed:
  - (i) Kindly click/copy this link [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html) and select our Company's name fill the mandatory details and update email Id and bank details in the given field. OR
  - (ii) Shares held in Demat mode: The shareholder can contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP or by clicking above given link to update their details
5. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website [www.adarshplant.com](http://www.adarshplant.com); websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 21<sup>st</sup> September, 2020. Members seeking to inspect such documents can send an email to [adarshplantprotect@gmail.com](mailto:adarshplantprotect@gmail.com).
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
10. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
11. The relevant information of the Director seeking re-appointment, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the revised Secretarial Standard-2 on General Meetings, is provided in the Annexure.
12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
13. Members are requested to:
  - (a) intimate to the Company's STA, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
  - (b) intimate to the respective DP, changes, if any, in their registered addresses/email ID or bank mandates to their DP with whom they are maintaining their demat accounts.
  - (c) quote their Folio Numbers/Client ID/DP ID and contact details in all correspondence; and
  - (d) consolidate their holdings into one Folio in case they hold shares under multiple Foliros in the identical order of names.
14. **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 28<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).

  - a. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- b. The remote e-voting period commences on 18<sup>th</sup> September, 2020 (9:00 am) and ends on 20<sup>th</sup> September, 2020 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14<sup>th</sup> September, 2020, may cast their vote by remote e-voting.
- c. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date

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

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

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

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

Details on Step 1 are mentioned below:

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

- a 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.
- b Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- c A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

**d 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***

**e Your password details are given below:**

- i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- ii. 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.
- iii. How to retrieve your ‘initial password’?
  - 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’.
- f If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - 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](https://www.evoting.nsdl.com).
  - **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com)
  - 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.
- g After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- h Now, you will have to click on “Login” button.
- i After you click on the “Login” button, Home page of e-Voting will open.

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

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

- a After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- b After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- c Select “EVEN” of company for which you wish to cast your vote.
- d Now you are ready for e-Voting as the Voting page opens.
- e 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.
- f Upon confirmation, the message “Vote cast successfully” will be displayed.
- g You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- h Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



**General Guidelines for shareholders :**

- a 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 [dgbhimani@yahoo.co.in](mailto:dgbhimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- b 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.
- c In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- d A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- e D.G.BHIMANI & ASSOCIATES, Practicing Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the remote e-voting process in a fair and transparent manner.
- f The Scrutinizer shall after the conclusion of voting at the general meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- g The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

- i. 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 [adarshplantprotect@gmail.com](mailto:adarshplantprotect@gmail.com).
- ii. 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 [adarshplantprotect@gmail.com](mailto:adarshplantprotect@gmail.com).

**17. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

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

**18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- ii. Members are encouraged to join the Meeting through Computers for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that Participants Connecting from Mobile Devices or Tablets or through Computers connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request, along with the questions, from their registered e-mail id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. at [adarshplantprotect@gmail.com](mailto:adarshplantprotect@gmail.com) at least 7 days before i.e 14<sup>th</sup> September, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers/questions depending on the availability of time for the AGM.

In case of any grievances connected with facility for e-voting, please contact

**A. Ms. Pallavi Mhatre, Manager**

E-voting Helpdesk

National Securities Depositories Limited

Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), Phone: 022 – 24994545

**B. Mrs. Ami R. Mehta, Company Secretary**

Adarsh Plant Protect Ltd

Registered Office: 604,

G.I.D.C., Vitthal Udyognagar- 388121

Email: [adarshplantprotect@gmail.com](mailto:adarshplantprotect@gmail.com), Phone: 02692-236705

**By order of the Board of Directors,  
(NAISHADKUMAR N. PATEL)**

**Chairman**

**DIN 00082749**

**ADARSH PLANT PROTECT LTD**

**Date: 08<sup>th</sup> August, 2020**

**Place: Vitthal Udyognagar**

**Annexure to the Notice**

**Details of Directors retiring by rotation**

Mrs. Jyotikaben Naishadhkumar Patel	
Age	65
Qualification	S.S.C.
Experience	She is Director of this Company since 2004. She has been working in this field since very long and she has vast experience in this Industry which is required for betterment of your Company.
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Act, Mrs. Jyotikaben Naishadhkumar Patel who was reappointed as a Non executive director in Annual General Meeting on 08.09.2018 is liable to retire by rotation at the meeting.
Remuneration (Including sitting fees)	Sitting fees Rs. 5000 per meeting
Date of first appointment on the Board	20.12.2004
Shareholding in the Company as on March 31, 2020	NIL
Relationship with other Directors/ Key Managerial Personnel	Spouse and Mother of Mr. Naishadhkumar N. Patel and Mr. Atish N. Patel respectively and not related to any other Director/Key Managerial Personnel.
Number of meeting of the Board attended during the financial year(2019-2020)	5
Directorships of other Board as on March 31,2020	Adarsh Plant Private Ltd
Membership/Chairman of the committees of other Boards as on March 31, 2020	NA

## BOARD'S REPORT

To

The Members,

Adarsh Plant Protect Ltd.,

Your Directors are pleased in presenting 28<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31<sup>st</sup> March 2020.

### FINANCIAL RESULTS

The Summary of the financial performance of the Company for the year ended 31<sup>st</sup> March, 2020 compared to the previous year is as below:  
(Rs. in Lacs)

Sr. No	Particulars	2019-20	2018-19
1	Turnover	1269.63	1034.20
2	Other Income	4.77	2.68
3	Total Income	1274.40	1036.88
4	Profit/(Loss) Before Depreciation, Interest and Tax	23.86	-61.33
	Less/Add : Interest	18.67	32.66
	Depreciation	3.90	3.49
5	Profit/(Loss) Before Taxation	1.29	-97.48
6	Income Tax	-	-
7	Profit /(Loss) After Taxation	1.29	-97.48
8	Prior year's Expenses	-	-
9	other Comprehensive income	-	-
10	Profit/(Loss) for the year	1.29	-97.48

### CURRENT YEAR'S PERFORMANCE

Turnover of the Company has increased from 1034.20 lakhs to 1269.63 lakhs in current financial year, resulting in Profit of Rs. 1.29 lakhs during the financial year.

### DIVIDEND

In view of the very less profit for the year ended 31<sup>st</sup> March, 2020 and accumulated losses, the Board of Directors has not recommended any dividend for this year.

### SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was Rs. 99,115,000 comprising 9911500 equity shares of Rs.10/- each.

During the year under review, the Company has not issued shares with differential voting rights, granted stock options and Sweat Equity.

The Company has not bought back any of its securities during the financial period under review.



**NATURE OF BUSINESS OF THE COMPANY**

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

**BOARD OF DIRECTORS & KMP**

Mrs. Jyotikaben Naishadhkumar Patel will retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

Ms. Pranali Dholabhai has resigned as Company Secretary and KMP of the Company w.e.f. 06<sup>th</sup> May, 2019 and Mrs. Ami R. Mehta was appointed as Company Secretary and KMP of the Company w.e.f. 21<sup>st</sup> September, 2019.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Companies Act, 2013.

The annual evaluation of all Directors, Board as whole and committees was conducted based on the criteria and framework set by the Board.

The details of programs for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company and related matters and familiarization programs attended by Independent Directors are put up on the website of the Company.

**NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

The Board met five times during the financial year 2019-2020 on 26<sup>th</sup> April, 2019, 10<sup>th</sup> August, 2019, 21<sup>st</sup> September, 2019, 13<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020. Directors attending the meeting actively participated in the deliberations at these meetings. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. More details of the Board meetings have been provided in the 'Report on Corporate Governance'.

**COMMITTEES OF THE BOARD**

The Company has constituted various Committees pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. Presently, the Company has following Committees of the Board in place,

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Share Allotment and Transfer Committee

The details with respect to the composition, powers, roles, terms of reference, etc. of these Committees are given in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) read with 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 year ended on 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the Annual Accounts on a going concern basis; and
- (e) the Directors, as in the case of a Listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**CORPORATE GOVERNANCE**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, a separate section on Corporate Governance together with a certificate from the practicing Company Secretary confirming compliance is set out in the Annexure forming part of this report along with Management Discussion and Analysis Report forms part of this Report.

**CODE OF CONDUCT**

Your Company has formulated Code of Conduct for its Directors, Senior Management and the Employees of the Company. All the Directors, Senior Management and the Employees have complied with this Code for the Financial Year 2019-20. A declaration for compliance with this Code of Conduct has been given by Managing Director of the Company and such declaration forms part of this report.

**AUDITORS AND AUDITOR'S REPORT****a. Statutory Auditor:**

The Shareholders in the 26<sup>th</sup> AGM of the Company had appointed M/s. C. S. Trivedi & Co, Chartered Accountants (ICAI Firm Registration No. 111046W), as the Statutory Auditors for a tenure of 4 years from conclusion of the Annual General Meeting held on 08<sup>th</sup> September, 2018. Their appointment has been ratified by the Shareholders every year. Their tenure as the Statutory Auditors is ending on the conclusion of the 30<sup>th</sup> AGM however due to age factor and unstable health condition they had resigned from the post of Statutory Auditors of the Company w.e.f. 01<sup>st</sup> August, 2020. Therefore Company has approached M/s. Rajani Shah & Co., Chartered Accountants (Firm Registration No. 121126W) to appoint them as Statutory Auditors of the Company. They have informed the Company that they are eligible as per Section 141 of the Companies Act, 2013 and willing to act as Statutory Auditors of the Company if appointed by the Shareholders at the forthcoming Annual General Meeting. As required under Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India to hold the office as Auditors of the Company.

Necessary resolution for appointment of the said Auditors is included in the Notice of AGM for seeking approval of members. The remarks/ comments referred to in the Auditors' Report for FY 2019-20 are self-explanatory and do not call for any clarifications or comments by the Board of Directors.

**b. Secretarial Auditor:**

According to the provision of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. D. G. Bhimani, Practicing Company Secretary for Secretarial Audit for the Financial Year 2019-20.

The Secretarial Audit Report is annexed herewith as Annexure- 1.

**INSURANCE**

All the properties of the Company have been insured properly and the Company has taken necessary general insurance.

**EXTRACT OF THE ANNUAL RETURN**

The Details forming part of the extract of Annual Return in Form MGT-9 is annexed herewith as **Annexure – 2**.

**DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Associate or Joint Venture Company.

**MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The COVID-19 crisis has caused a slowdown to the whole World's and Nation's industry, and we are not immune to it. The pandemic has directly affected both the demand and supply side, which has created a severe impact for the overall economy. There is no denying that this situation will have a negative impact on liquidity and would likely to put downward pressure on the Industrial sector as a whole. Since the market will take its course of time to evolve from the setback, we have re-evaluated and accelerated certain plans to bounce back.

Our business practices and strong enterprise risk management framework (ERM) has helped in dealing with such an unprecedented crisis. Our approach has been to respond and not react to critical situations. In these testing times, focusing on business continuity plans, adopting "new ways of doing business" and to the "new normal" have been our priority along with nurturing relationship with our stakeholders by supporting them.

The challenges posed by COVID-19 led to closing our plant operations as per Government of India's directives and thus impacting production. We utilized this opportunity to prepare ourselves to respond to the post COVID-19 reality by focusing on readiness to jumpstart operations by implementing social distancing at manufacturing plants and Office with cautious optimism. Now, the Company has resumed its manufacturing plants. The Company has prepared a well-chalked out plan to deal with this crisis situation and is putting in place a comprehensive action plan across its various functions in order to face the challenges.

The demand for Company's product was temporary decreased but now on improvement side. We have seen down fall in other sectors as well. Slowly and gradually economy is improving but it takes more time to get back to the normal.

There is no material impact on business in the year 2019-20 of COVID-19 but business got affected in 1<sup>st</sup> and 2<sup>nd</sup> quarter of the following year.

**DEPOSITS**

Company has not accepted any deposits under the meaning of Section 73 of the Companies Act, 2013 and rules made there under.

**LOANS, GUARANTEES OR INVESTMENTS**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The particulars as prescribed in section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules 2014, are enclosed herewith as Annexure - 3.

**POLICY ON DIRECTORS, KMP'S APPOINTMENT AND REMUNERATION**

The policy of the Company on Director's and KMP's appointment and remuneration, including criteria for determining qualifications, independence of Director and other matters provided under Section 178 sub-section 3 of the Companies Act- 2013 and the same can be found on website of the Company [www.adarshplant.com](http://www.adarshplant.com).

**VIGIL MECHANISM**

The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Vigil Mechanism Policy has been uploaded on the website of the company [www.adarshplant.com](http://www.adarshplant.com).

There have been no cases of frauds reported to the Audit Committee/Board during the year under review.

**RISK MANAGEMENT**

The Company has been addressing various risks impacting the Company like Competition, Government Policies, Price Fluctuation Risk etc and management of your company has planned to manage them by best management practices.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated persons of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. Board of Directors and all the designated persons have complied with the Code.

**CONTRACTS AND ARRANGEMENT WITH RELATED PARTY**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been disclosed in Form No. AOC -2 and is annexed herewith as Annexure - 4.