



DAIKAFIL
CHEMICALS INDIA LIMITED

28
YEARS

28th ANNUAL REPORT
2019-2020

CIN : L24114MH1992PLC067309

DAIKAFFIL

BOARD OF DIRECTORS	Mr. Sudhir Patel	(Non-Executive Chairman & Independent Director)	DIN: 00012036
	Mr. Aditya Patel	(Managing Director)	DIN: 00005276
	Mr. Amit Patel	(Non Executive Director)	DIN: 00005232
	Mr. Sunil Merchant	(Independent Director)	DIN: 01064306
	Mrs. Maithili Siswawala	(Independent Director)	DIN: 07107622

KEY MANAGERIAL PERSONAL	Mr. Aditya Patel	(Managing Director)
	Mr. Sunil Shedge	(Chief Financial Officer)
	Mrs. Seemab Ansari	(Company Secretary)

SECRETARIAL AUDITOR	Mr. Dinesh Kumar Deora	(Practicing Company Secretary)
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AUDITORS	K C Mehta & Co.	(Statutory Auditors)
	JMT & Associates	(Internal Auditors)

REGISTRARS AND SHARE TRANSFER AGENTS	Link Intime India Pvt Ltd, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.
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CORPORATE OFFICE	52, Nariman Bhavan, Nariman Point, Mumbai 400 021.
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REGISTERED OFFICE AND PLANT	Plot No. E-4, M.I.D.C. Tarapur, Boisar, Dist: Palghar - 401 506.
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ANNUAL GENERAL MEETING

Date:	21 st August, 2020
Time:	10.30 A.M.
Venue:	Through Video Conferencing

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NOTICE

NOTICE is hereby given that the **28TH ANNUAL GENERAL MEETING** of the Members of **DAIKAFFIL CHEMICALS INDIA LIMITED** will be held on **FRIDAY 21st DAY OF AUGUST, 2020 at 10.30 A.M.** through Video Conferencing to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
The Standalone Audited Financial Statements for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amit Patel, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

By Order of the Board
For DAIKAFFIL CHEMICALS INDIA LIMITED
Sd/-
Aditya Patel
(MANAGING DIRECTOR)
(DIN: 00005276)

Date: June 30, 2020

Place: Mumbai

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held 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. For this they are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
4. The members are requested to:
 - (a) Intimate to the Company's Registrars and Share Transfer Agents M/s Link Intime India Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date;
 - (b) Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - (c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - (d) Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - (e) Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
 - (f) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 - (g) Furnish their Bank Account Number, the name of the Bank and the Branch where they would like to deposit the Dividend Warrants for encashment. These particulars will be printed on the cheque portion of Dividend Warrants, besides the name of the Shareholders so as to avoid fraudulent encashment of warrants. The above mentioned details should be furnished by the first / sole shareholder, directly to the Registrar & Share Transfer Agents, quoting the folio number.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in dematerialized form are requested to get their Client ID and DP ID numbers ready for easy identification of attendance at the meeting.
7. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Consequent upon the introduction of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 (which will be made available on request) to the Registrar and Transfer Agents, M/s Link Intime India Private Limited.
9. The Annual Report of the Company for the year 2019-2020 is also uploaded on the Company's website (www.daikaffil.com)
10. Members are requested to notify any changes in address, signature or other bank particulars for their shares in electronic mode to their respective Depository Participant and for their physical holdings to the Registrar & Share Transfer Agent of the Company i.e. M/s. Link Intime India Private Limited.
11. Members are requested to direct all correspondence relating to share matters to the Company's Registrars and Share Transfer Agents.
12. 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 and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- i. Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR
- ii. In the case of Shares held in Demat mode: The shareholder may please 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.

13. 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.daikaffil.com; websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. **Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.**

14. **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.**

15. INSTRUCTIONS FOR E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS FOLLOWS:

16. Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

- a. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- b. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.
- c. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:
 - DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - PAN: Enter your 10 digit Permanent Account Number (PAN),
 - Mobile No.
 - Email ID

2. Click "Go to Meeting"

Note:

- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- In case the shareholders/members have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000 **InstaMeet Support Desk, Link Intime India Private Limited.**

17. Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

- a. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at info@daikaffil.com from August 20, 2020 09:00 a.m. to August 20, 2020 05:00 p.m.
- b. The first Speaker(s) on first come basis will only be allowed to express their views/ask questions during the meeting.
- c. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at info@daikaffil.com. The same will be replied by the company suitably.

Note:

- Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.
- Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

18. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- c. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.
- e. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- g. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.
 - Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
 - In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : 022-49186175 **InstaMeet Support Desk, Link Intime India Private Limited**
19. In accordance with provision of section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014 the business proposed for the ensuing general Meeting, may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members.
20. The Company has engaged the services of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED ("CDSL")** to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://www.evotingindia.com> / during the following voting period.

- | | |
|------------------------------|--------------------------------------|
| a) Commencement of E-Voting: | 18th August 2020 (10.00 A.M onwards) |
| b) End of e-voting: | 20th August 2020 (till 5.00 P.M.) |
| c) Book Closure | 15th August 2020 to 21st August 2020 |

During the E-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date may cast their vote electronically. The cutoff date for the limited purpose of e-voting is 14th August 2020. The EVSN for voting is 200703007. The Company has appointed Mr. Dinesh Kumar Deora as scrutinizer for the meeting.

The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.

Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

The instructions for members for voting electronically are as under: -

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop-down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Registered Office:

E-4, M.I.D.C. Tarapur, Boisar, District Palghar
Maharashtra-401506
Date: June 30, 2020
Place: Mumbai

By Order of the Board of Directors
For **DAIKAFFIL CHEMICALS INDIA LIMITED**
Sd/-
ADITYA PATEL
(MANAGING DIRECTOR)
(DIN: 00005276)

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting their 28th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

1. FINANCIAL RESULT

		(₹ in Lakh)
	2019-2020	2018-2019
Sales etc. and other income	<u>1656.95</u>	<u>1730.01</u>
Profit before Depreciation, Interest and Tax	267.84	219.16
Less: Depreciation	112.42	96.33
Interest	<u>5.38</u>	<u>0.47</u>
	<u>117.80</u>	<u>96.80</u>
Profit before Tax	150.04	122.36
Provision for Tax		
Current Tax	(53.66)	(40.90)
Deferred Tax	11.16	2.76
Earlier Years	<u>0.65</u>	<u>1.83</u>
	(41.85)	(36.31)
Profit after Tax	<u>108.19</u>	<u>86.05</u>

2. OPERATIONS

During the year under review, your Company's Revenue from operations has declined by @4.22% i.e. from ₹1730.01 lakh in previous year to ₹1656.95 lakh.

3. DIVIDEND

Your Company has paid out of the profits an interim dividend of Rs. 0.70/- per equity share @ 7% on equity share of Rs. 10/- each amounting to Rs. 42.00 Lakh on the paid up share capital of Rs. 6 Crore, in February 2020.

The details of dividend declared are as follows:

Particulars	Dividend Per Share(Rs.)	Dividend Payout(Rs.)	Dividend Distribution Tax
Interim Dividend	0.70/-	42,00,000/-	8,63,322/-
Final Dividend	--	--	--
Total	0.70/-	42,00,000/-	8,63,322/-

4. DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

5. EXTRACT OF ANNUAL RETURN

The provisions of section 134 of Companies Act, 2013 were amended vide Companies Amendment Act, 2017 and the said amendment was brought in force w.e.f. 31st July 2018. Accordingly, the requirement of attaching the extract of Annual Return, in format MGT -9 with the Directors Report has been dispensed off and the same needs to be posted on the Company's website, if any, and a link is to be given in the Directors Report.

Accordingly the web link where extract of Annual Return is placed is given below:

<http://www.daikaffil.com/products/030720051737-1.pdf>

6. TRANSFER TO GENERAL RESERVES

The Company doesn't propose to transfer any amount to be transferred to General Reserves.

7. DIRECTORS' AND KEY MANAGERIAL PERSONNEL

A. Independent Directors:

The Company as on March 31, 2020 has three Independent Directors on Board:

1. Mr. Sudhir Patel
2. Mr. Sunil Merchant
3. Mrs. Maithili Siswawala

All Independent Directors have furnished declarations that they meet the criteria of Independence as laid down under section 149 of the Companies Act, 2013.

The Company has received declarations with respect to independence from all the Independent Directors of the Company.

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

A separate meeting of the Independent Directors was convened on 12th November 2019, which reviewed the performance of the Board, the Non-Independent Directors and the Chairman.

B. Cessation of Directors:

- i. Mr. Jagdish Vasa tendered his resignation as Independent Director w.e.f. May 23, 2019 due to his ongoing health issues. The Board of Directors deeply regret to inform the Members that Mr. Jagdish Vasa's soul has left for heavenly abode. The Board of Directors pray to Almighty, to give strength to his family members to bear this irreparable loss. The Board of Directors will always remember him for his contribution and support which he extended to DAIKAFFIL family during his tenure as Director for more than a decade.
- ii. Mr. Amit Patel retired from the post of Managing Director w.e.f. August 31, 2019 and accordingly he ceased to be the Managing Director of the Company. However, he continues to be Director on Board as Non Executive Director.

C. Appointments of Directors:

During the year under review, the following appointments were made:

- The Board of Directors at their meeting held on May 23, 2019 appointed Mrs. Maithili Siswawala as Independent Director of the Company w.e.f May 23, 2019 for a term of five years. Her appointment as Independent Director for a period of Five years which was duly approved by the shareholders at the annual general meeting held on August 02, 2019.
- The Board of Directors at their meeting held on August 14, 2019 approved the re-designation of Mr. Aditya Patel as Managing Director of the Company w.e.f. September 01, 2019.

D. Retire by Rotation:

Mr. Amit Patel, Director, retires by rotation at the ensuing Annual General Meeting. He, being eligible, has offered himself for re-appointment as the Director of the Company.

E. Key Managerial Personnel:

During the year under review, the following changes in Key Managerial Personnel took place:

- Mr. Amit Patel ceased to be the Key Managerial Personnel under the category of Managing Director w.e.f. August 31, 2019. However, he continued to be Director on Board as Non Executive Director.
- Mr. Aditya Patel who was designated as Jt. Managing Director of the Company was re-designated as Managing Director of the Company w.e.f. September 01, 2019. Consequent to his re-designation he stepped down as Chief Financial Officer (CFO) and accordingly, he ceased to be the Key Managerial Personnel under the category of CFO. However, he holds the position of Key Managerial Personnel under the category of Managing Director.
- Members are further informed that In accordance with circular dated June 20, 2018 issued by the stock exchanges, we hereby confirm that Mr. Amit Patel and Mr. Aditya Patel are not debarred from holding the office of director by any SEBI order or any other such authority.
- Consequential to resignation of Mr. Aditya Patel as Chief Financial Officer, Mr. Sunil Shedge, was appointed as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. September 01, 2019
- Mr. Mohan Bavkar ceased to be the Company Secretary and Key Managerial Personnel of the Company with effect from November 12, 2019.
- The Board of Directors at its meeting held on February 11, 2020 appointed Mrs. Seemab Ansari as the Key Managerial Personnel under the category of Company Secretary and Compliance officer of the Company with effect from February 11, 2020.

F. Meetings of Board and Committee:

During the financial year under review the Board met 5 times, Audit Committee met 5 times, Nomination and Remuneration Committee met 4 times and Stakeholders relationship committee met 1 time. The details of which are given below.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Further As per para 2.2 of Secretarial Standard-1 issued by Institute of Company Secretaries of India, the Board has set the minimum number and frequency of Committee meetings.

i. Meetings of the Board and Attendance thereof:

Sr. No	Name of Director	No. of Meeting Attended				
		23.05.2019	17.06.2019	14.08.2019	12.11.2019	11.02.2020
1.	Mr. Sudhir Patel (Chairman - Independent Director)	✓	✓	✓	✓	✓
2.	¹ Mr. Amit Patel (Director)	✓	✓	✓	✓	✓
3.	² Mr. Aditya Patel (Managing Director)	✓	✓	✓	✓	✓
4.	Mr. Sunil Merchant (Independent Director)	✓	✓	✓	✓	✓
5.	Mrs. Maithali Siswawala (Independent Woman Director)	✓	✓	✓	X	✓

Notes:

- Mr. Amit Patel retired from the post of Managing Director w.e.f. September 01, 2019. However, he continued to be on Board as Non Executive Director of the Company.
- Mr. Aditya Patel was re-designated as Managing Director w.e.f. September 01, 2019

ii. Committees of the Board:

The following committee meetings were held:

a) Audit Committee:

Sr. No	Name of Director	No. of Meeting Attended				
		23.05.2019	17.06.2019	14.08.2019	12.11.2019	11.02.2020
1.	Mr. Sudhir Patel (Chairman)	✓	✓	✓	✓	✓
2.	Mr. Aditya Patel (Member)	✓	✓	✓	✓	✓
3.	Mr. Sunil Merchant (Member)	✓	✓	✓	✓	✓
4.	¹ Mrs. Maithili Siswawala (Member)	NA	✓	✓	X	✓

Notes:

- Mrs. Maithili Siswawala was appointed as Independent Director w.e.f. 23.05.2019 and accordingly the Committee was re constituted by inducting her as member in the said meeting.

b) Stakeholders' Relationship Committee:

Sr. No	Name of the Member	No. of Meetings Attended	
		12.11.2019	
1.	Mr. Sudhir Patel (Chairman)	✓	
2.	Mr. Sunil Merchant (Member)	✓	
3.	Mrs. Maithili Siswawala (Member)	X	

c) Nomination and Remuneration Committee:

Sr. No	Name of the Director	No. of Board Meetings Attended			
		23.05.2019	14.08.2019	12.11.2019	11.02.2020
1.	Mr. Sudhir Patel (Chairman)	✓	✓	✓	✓
2.	Mr. Sunil Merchant (Member)	✓	✓	✓	✓
3.	Mrs. Maithili Siswawala (Independent Director)	NA	✓	X	✓

Notes:

- Mrs. Maithili Siswawala was appointed as Independent Director w.e.f. 23.05.2019 and accordingly the Committee was re constituted by inducting her as member in the said meeting.

G. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the annual performance evaluation of its own performance, its committees and that of its individual Directors. The evaluation was done based on set questionnaires which were given to them at the time of evaluation.

H. Code of Conduct:

The Directors and senior management personnel has Complied with the Code of Conduct of the Company.

I. Policy on Directors' Appointment and Remuneration:

The Nomination and Remuneration Committee of the Board formulated a Policy relating to the remuneration of Directors, Key Managerial Personnel and other Employees which, inter alia, prescribes the criteria for determining qualifications, positive attributes and independence of Directors. The Policy is available on the web site of the Company www.daikaffil.com and the link for the same is provided below:
<http://www.daikaffil.com/products/101017045532-1.pdf>

8. RISK MANAGEMENT POLICY

The Board has been vested with specific responsibilities in assessing of risk management policy, process and system. The Board has evaluated the risks which may arise from the external factors such as economic conditions, regulatory framework, competition etc. The Executive management has embedded risk management and critical support functions and the necessary steps are taken to reduce the impact of risks. The Independent Directors expressed their satisfaction that the systems of risk management are defensible.

9. SUBSIDIARY/ASSOCIATE COMPANY etc.

The Company doesn't have any Subsidiary or Holding or Associate Company.

10. AUDITORS
a. Statutory Auditors:

During the year under review, the Auditors M/s. CNK & Associates LLP., resigned with effect from June 17, 2019.

The Board of Directors at their meeting held on June 17, 2019 appointed KC Mehta & Co., Chartered Accountants, Mumbai, bearing firm registration no. 106237W as new statutory auditors of the Company. Accordingly, their appointment was approved by the members at 27th Annual General Meeting.

Further, there is no qualification, adverse remark or observation in their audit report.

No instance of fraud was reported by the Auditors during the year.

The Company has received Eligibility certificate letter from them to the effect that their appointment, is within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment.

b. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dinesh Kumar Deora, (Membership No. FCS 5683, COP No. 4119) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in Form MR - 3 is annexed herewith as **"Annexure A"**.

Further there is no adverse remark, qualifications or observations contained in the secretarial audit report.

c. Internal Auditor:

As required under Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Audit function is carried out by M/S JMT & Associates, Chartered Accountants. The Internal Auditors present their report to the Audit Committee. The scope, functioning, periodicity and methodology for conducting the internal audit has been formulated in consultation with the Audit Committee and the Board of Directors.

11. CORPORATE GOVERNANCE REPORT

The paid-up capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores) i.e. less than Rs. 10 Crores and the Net-worth of the Company is less than 25 Crores as on the last day of the previous financial year.

Pursuant to regulation 15(2) of SEBI (LODR) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V SHALL NOT apply, in respect of those listed entities whose paid up equity share capital does not exceed rupees ten crore and net worth does not exceed rupees twenty five crore, as on the last day of the previous financial year. Accordingly your company is **exempt** from attaching Corporate Governance report.

12. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion & Analysis Report, as per Part B of Schedule V under regulation 34(3) of the SEBI (LODR) Regulations, 2015 which forms an integral part of this Report, is annexed herewith as **"Annexure B"**.