

# DIVYA JYOTI INDUSTRIES LIMITED



27th  
Annual Report-2018-19

## CORPORATE INFORMATION



<b>Board of Directors:</b> 1. Mr. Girdhari R. Nyati - Whole Time Director 2. Mr. Gopal Nyati - Whole Time Director 3. Mrs. Babita Nyati - Woman Director 4. Mr. Sudarshan Shastri - Independent Director 5. Mr. Suresh Kumar Varma - Independent Director 6. Mr. Johnney Paul - Independent Director (Upto 5 <sup>th</sup> February, 2019)	<b>Committees of Directors</b> <b>Audit Committee:</b> 1. Mr. Sudarshan Shastri - Chairman 2. Mr. Gopal Nyati - Member 3. Mr. Suresh Kumar Varma - Member  <b>Stakeholders Relationship Committee:</b> 1. Mr. Suresh Kumar Varma - Chairman 2. Mr. Gopal Nyati - Member 3. Mr. Sudarshan Shastri - Member  <b>Nomination and Remuneration Committee:</b> 1. Mr. Sudarshan Shastri - Chairman 2. Mrs. Babita Nyati - Member 3. Mr. Suresh Kumar Varma - Member
<b>Chief Executive Officer (CEO):</b> Mr. Sanjay Baweja  <b>Chief Operating Officer (COO):</b> Mr. Aniruddha Nyati  <b>Chief Financial Officer (CFO):</b> Mr. Gopal Nyati	<b>Company Secretary &amp; Compliance Officer:</b> Ms. Suruchi Maheshwari (upto. 5 <sup>th</sup> December. 2018) Ms. Nupur Mehta (w.e.f. 29 <sup>th</sup> January, 2019)  <b>Cost Auditors:</b> G.K. Gupta & Co. Cost Accountants EA 125, Sector A, Scheme No. 94 Ring Road, Indore - 452001 (M.P.)  <b>Registrar &amp; Shares Transfer Agent:</b> Link In time India Pvt. Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Phone No: 022-25963838 Fax: 022-25946969 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
<b>Statutory Auditors:</b> Anubhav Pradhan & Co. Chartered Accountants 1 <sup>st</sup> Floor, Ghandiwala Complex, 10 Bhaktwar Marg, Freeganj, Ujjain (M.P.) 456010	<b>Corporate Office:</b> 201-204, B.M. Tower Opposite Lotus Showroom, Sapna Sangeeta Road, Indore - 452001 (M.P.) Phone : 0731-4010115, 4996596
<b>Bankers:</b> 1 Dena Bank 2 Oriental Bank of Commerce 3 Saraswat Co-operative Bank Ltd.	<b>Website:</b> <a href="http://www.divyajyoti.net">www.divyajyoti.net</a>
<b>Registered Office:</b> Plot No. M-19 39, Sector III Industrial Area, Pithampur - 454775, Dist. Dhar (M.P.) Phone : 07292-421900-1	
<b>Corporate Identification Number:</b>	

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## NOTICE

Notice is hereby given that the **Twenty Seventh Annual General Meeting** of the members of **DIVYA JYOTI INDUSTRIES LIMITED** will be held on Monday, the 30<sup>th</sup> day of September, 2019 at 11:30 AM at the Registered Office of the Company situated at 19-39, Sector III, Industrial Area, Pithampur - 454775 District Dhar (M.P.) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2019, audited Balance Sheet as on 31<sup>st</sup> March 2019 and statement of Profit and Loss for the Financial Year ended on that date together with the reports of Board of Directors and Auditors thereon and in this regard, pass the following resolution as an ordinary resolution:  
“**RESOLVED THAT** the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2019 and the reports of the Board of Director and Auditors thereon laid before this meeting, be and are hereby considered and adopted”
2. To re-appoint Mr. Gopal Nyati (DIN:00784071), Whole Time Director of the Company who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment;  
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Gopal Nyati (DIN: 00784071), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS:

#### 3. AUTHORITY TO SELL AND DISPOSE OF THE PROPERTY OF THE COMPANY

To consider and if thought fit to pass with or without modifications(s), the following resolution as special resolution:

Authority to sell and dispose of the property (moveable or immovable) of the Company or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;

“**RESOLVED THAT** pursuant to the provisions of Section 180 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the shareholders be and is hereby accorded to Board of Directors (hereinafter called “the Board” which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to sell, lease or otherwise dispose of the assets of the Company, on such terms and conditions at such time and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole of the Company's any one or more of the properties of the Company in favor of any bank or body corporate or person, whether shareholders of the Company or not, together with interest, cost, charges and expenses thereon.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 4. RE-APPOINTMENT OF WHOLE-TIME DIRECTOR

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Shri Girdhari Nyati (DIN:00118079) as Whole- Time Director of the Company, for a period of 5(five) years with effect from 29<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024 on the terms and conditions as may be mutually decided in accordance with the applicable legal provisions, any statutory modification or re-enactment thereof; with liberty to the Board of Directors (hereinafter referred to as “the Board” Which term shall be deemed to include Audit Committee and Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment as it may deem fit and as may be acceptable to Shri Girdhari Nyati (DIN: 00118079);

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Notes:-**

1. The Explanatory Statement annexed to this notice pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item No. 3 & 4, as set out above and the details under Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument appointing proxy should however be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting. Proxy shall not have any right to speak at the meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company provided that not less than three days notice in writing is given to the Company.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Register of members and share transfer books of the Company will remain closed from September 27<sup>th</sup> 2019 to September 30<sup>th</sup>, 2019 (both days inclusive) for the purpose of Annual General Meeting.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.
8. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days except Saturday between 11.00 A.M. to 1.00 P.M.
9. Members are requested to bring the copy of Annual Report at the meeting.
10. Members are requested to support Green Initiative by registering/ updating their e-mail addresses with the Depository participant (in case of shares held in dematerialized form) or with Link Intime India Private limited (in case shares held in physical form)
11. Members holding shares in physical form are requested to notify change in address, if any to the RTA of the Company. In case shares held in dematerialized form, the information regarding change of address should be given to their respective Depository Participant.
12. **Voting through electronic means:**

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his/her vote by electronic means.

**E-VOTING PROCESS:**

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 27<sup>th</sup> September, 2019 at 9:00 A.M. and ends on 29<sup>th</sup> September, 2019 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 16<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (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,
- (v) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN link of Divya Jyoti Industries Limited is **190905084** to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- (xxii) CA Ankit Ladha, Practicing Chartered Accountant of M/s A K Ladha & Associates, Membership No.:ACA 420925, (FRN No: 017601C) Address: Dak-Banglow Road, Ratangarh PIN - 458226, email ID - [caankitladha@gmail.com](mailto:caankitladha@gmail.com) has been appointed as the Scrutinizer to scrutinize the e-voting and voting process at the AGM.
- (xxiii) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.divyajyoti.net](http://www.divyajyoti.net) and on the website of CDSL e voting [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of

the resolutions at the AGM of the Company and will also be communicated to the BSE Limited where the shares of the Company are listed.

- (xxiv) The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of requisite majority.
- (xxv) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Contact Details****Company****Divya Jyoti Industries Limited**

Corp. Office: 201-204 B.M.Tower, Sapna Sangeeta Main Road, Indore (M.P.)-452001

CIN: L15143MP1992PLC007090

E-mail ID: [shares@divyajyoti.net](mailto:shares@divyajyoti.net)

**Registrar and Share Transfer Agent****Link Intime India Private Limited**

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083

Phone No: 022 - 4918 6270 Fax: 022 - 4918 6060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**E-Voting Agency: Central Depository Services (India) Limited**

E-mail ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

By the order of the Board of Directors

Sd/-

Nupur Mehta

Company Secretary

Place: Indore

Date: 8th August, 2019

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**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material fact relating to the Special Business mentioned in the accompanying Notice:

**ITEM NO. 3**

Members of the Company are further requested to note that Section 180 (1) (a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the properties of the company, only with the approval of the members of the Company by way of a special resolution.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell and transfer, the fixed assets including land Building Plants & Machinery & other assets of the Company.

The directors of the Company shall not be interested in the resolution if pursuant to the proposed resolution and none of other directors, key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution as set out in the notice.

The Board recommends resolutions as set out in item no. 3 for approval of members as Special Resolutions.

**ITEM NO. 4**

The Board of Directors of the Company at its meeting held on 8<sup>th</sup> August 2019 has, subject to approval of members, reappointed Mr. Ghirdhari R. Nyati (DIN: 00118079) as Whole Time Director, for further period of 5 years from the expiry of his present term, on the terms and conditions including remuneration recommended by the Nomination Remuneration Committee of the Board and approved by the Board. It is proposed to seek the member's approval for reappointment of and remuneration payable to Mr. Girdhari R Nyati (DIN: 00118079) as a Whole Time Director:

1. Period of Agreement : 5(Five) years from 29<sup>th</sup> September,2019 to 29<sup>th</sup> September, 2024
2. Salary: Rs.75000/- to Rs.1, 00,000/-

**Perquisites and Allowances**

In addition to the salary payable to the Whole Time Director, he shall also be entitled to perquisites like commission, accommodation (furnished or otherwise) or house rent allowance in lieu thereof, House maintenance allowance together with reimbursement of expenses or allowances for utilities such as Gas, Electricity, Water, Furnishing and repairs, medical reimbursement, leave concession for himself and his family, Club fees, Medical Insurance, and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board and such perquisites and allowances to be restricted to 50% of the annual salary of the Whole Time Director.

Company's contribution to Provident Fund and superannuation fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limit for the remuneration or perquisites aforesaid.

**Minimum Remuneration**

Notwithstanding anything herein contained, where in any financial year during the period of his office as Whole Time Director, the Company has no profits or its profits are inadequate, the Company may, to the requisite approvals, pay Mr. Ghirdhari R. Nyati remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Ghirdhari R. Nyati.

**Other Terms**

Subject to the superintendence, control and direction of the Board of Directors, Mr. Ghirdhari R. Nyati shall manage and conduct the business and affairs of the Company. He shall not be paid any sitting fee for attending the meetings of the Board or Committee thereof. In view of the provisions of Sections 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Ordinary Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members.

Mr. Ghirdhari R Nyati, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and memorandum of the Companies Act, 2013 and as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Shri Ghirdhari R. Nyati, none of the Directors is interested in the above Resolution

Place: Indore  
Date: 8<sup>th</sup> August, 2019

By Order of the Board of Directors  
Sd/-  
Nupur Mehta

Company Secretary



## BOARD REPORT

Dear Members,

Your Directors are pleased to present the **27<sup>th</sup> Annual Report** and the Company's Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019.

### FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2019 is summarized below:

	(Rs. In Lacs)	
Particulars	2018-19	2017-18
<b>Revenue from Operations</b>	195.94	12147.43
Add: Other Income	34.35	10.43
<b>Total Revenue</b>	<b>230.29</b>	<b>12157.86</b>
Earnings Before Finance cost & Depreciation & Tax	982.06	646.35
Less: Finance Costs	70.89	428.16
<b>Profit Before Depreciation</b>	<b>911.17</b>	<b>218.19</b>
Less: Depreciation and amortization Expenses	9.16	122.60
<b>Profit Before Tax (PBT)</b>	<b>902.01</b>	<b>95.59</b>
Less: (a) Current Tax	0.00	38.29
(b) Deferred Tax	(.96)	(6.50)
<b>Profit After Tax (PAT)</b>	<b>(901.05)</b>	<b>63.80</b>
Add: Profit Brought Forward	1105.33	1041.53
Less: Transferred during the year	0.00	0
<b>Profit Available for Appropriation</b>	<b>204.28</b>	<b>1105.33</b>

### BUSINESS PERFORMANCE AND THE STATE OF COMPANY AFFAIRS

During the year under review, your Company has recorded total revenue of Rs. 230.29 Lacs. The consolidated revenue from operations of the Company for the year ended 31<sup>st</sup> March, 2019.

### DIVIDEND

The Company has not declared dividend for the period under review due to losses.

### ANNUAL RETURN

In compliance with section 92(3), section 134 (3) (a) and rule 11 of the Companies (Management and Administration) Rules, 2014 and the Companies Amendment Act, 2017 the annual return for the financial year 2018-19 is available on the website of the Company on the weblink <http://divyajyoti.net/AGM/ANNUAL%20REPORT%202018-%202019.pdf>.

### COMPOSITION AND MEETINGS OF THE BOARD

Currently, the Board has three committees: the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report forming part of this Annual Report.

7 (Seven) meetings of the Board of Directors were held during the year. The details of Board and Committee meetings are mentioned in the Corporate Governance Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### 1. Reappointment of Director

Based on recommendation of Nomination and Remuneration Committee and Audit Committee, Mr. Girdhari R Nyati (DIN: 00118079), Whole Time Director of the Company whose period of appointment as Whole Time Director has expired on 28<sup>th</sup> September, 2019 was reappointed as Whole-time Director in the Board Meeting held on 8<sup>th</sup> August, 2019 subject to the approval of members at this Annual General Meeting. Necessary resolution seeking approval of the members for re-appointment of Mr. Girdhari R Nyati as Whole time Director has been incorporated in the Notice of the ensuing Annual General Meeting.



## **2. Retire by rotation of Director**

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company Mr. Gopal Nyati (DIN: 00784071), Whole Time Director retires by rotation and being eligible offers himself for re-appointment & the declaration has been received from him certifying that he meets with criteria of appointment and holding office of Director thereto.

## **3. Resignation of Director**

During the period under review Mr. Johnney Paul (DIN: 02302980), has resigned from directorship of the Company on 5<sup>th</sup> February, 2019.

## **4. Key Managerial Personnel**

During the year, Ms. Suruchi Maheshwari has resigned from the post of Company Secretary and Compliance officer (KMP) w.e.f 4<sup>th</sup> December, 2018 and Ms. Nupur Mehta was appointed as Company Secretary and Compliance officer (KMP) of the Company w.e.f 28<sup>th</sup> January, 2019.

## **INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors met on Thursday, the 4<sup>th</sup> day of February, 2019, inter alia, carried on the following business:

- (i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the 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.

## **FORMAL ANNUAL EVALUATION**

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out individually by the Nomination and Remuneration Committee.

- (i) During the year under review, there are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and date of the Report.
- (ii) There have not been significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- (iii) The composition of the Audit Committee of the Company is provided under Corporate Governance Report, forming part of this Annual Report. Further, all the recommendations made by the Audit Committee were accepted by the board.
- (iv) The operations of the Company have opened for 3 or 4 months and then the Company has stop production activity for remaining year due to various reasons.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors confirms that:-

- (i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed and that there are no material departures.
- (ii) They have, in the selection of the accounting policies, consulted the statutory auditors and have 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 of the Company for that period.

- (iii) They have taken proper and sufficient care, to the best of their knowledge and ability, 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.
- (iv) They have prepared the annual accounts on a going concern basis.
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **POLICIES**

### **Policy on Director's Appointment and Remuneration**

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. The current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board, and separate its functions of governance and management.

The policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/ non- executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees. The Complete policy is available on the web link <http://divyajyoti.net/Policies/Remuneration%20Policy.pdf>

## **RISK MANAGEMENT POLICY**

The policy is developed and implemented which deals with identifying risks inherent in business operations of the Company and provides guidelines to identify, measure, report, control and mitigate the identified risks. It helps to create and protect shareholder value by minimizing threats or losses, and identify and maximizing opportunities.

All our corporate policies are available on the website of the Company under the weblink (<http://www.divyajyoti.net/Policies.html>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

### **Prevention of Sexual Harassment at workplace**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The weblink for the same is <http://www.divyajyoti.net/Policies/Sexual%20Harassment%20Policy.pdf>.

The Company has complied with provisions relating to constitution of Internal Complaint Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been initially set up and reconstituted for further period according to the applicable legal provisions during the Financial Year 2018-19, to redress complaints received regarding sexual harassment. All kind of employees viz. permanent, contractual, temporary, trainees etc. are covered under this policy.

No complaints pertaining to sexual harassment were received during FY 2018-2019.

## **AUDITORS AND THEIR REPORTS**

M/s. Anubhav Pradhan and Co., Chartered Accountants (ICAI FRN : 013822C) were appointed as Statutory Auditor of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 27th September 2017 They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. The Auditors' Report is self-explanatory and hence, do not call for any further comments.

### **SECRETARIAL AUDITOR**

The Board has appointed M/s. Kaushal Ameta & Company, Practicing Company Secretaries, to conduct Secretarial Audit for the FY 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith. The Secretarial Audit Report does not contain qualification, reservation, adverse remark or disclaimer hence, The Secretarial Auditor Report is self-explanatory and hence, do not call for any further comments.