

Jaipan[®]



54th

Annual Report 2019-2020

JAIPAN INDUSTRIES LIMITED

Jaipan Industries Limited

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BOARD OF DIRECTORS

MRS. VEENA J. AGARWAL
Chairman and Managing Director
DIN : 07104716

MR. ATIN J AGARWAL
CFO
PAN : ADDPA5084C

MR. RAVINDRA MISHRA
Director DIN : 06904573

MR. SHIRISH GOTECHA
Director DIN : 02877874

MR. CHADRANT BHASKAR BALDE
Director DIN : 07782879

MR. RAKESH JAIN
Director DIN : 08413105

MS. BHAKTI SHARMA
Company Secretary
PAN: JPLPS1064H

AUDITORS

SDA & Associates
Chartered Accountants
SH-131, Building No.2, Ostwal Grante,
Rani Lakshmi Bai Marg, Near jain Mandir,
Jesal Park, Bhayander (E), Mumbai - 401105.

BANKERS

BANK OF BARODA
Goregaon (E) Br. Mumbai

SHREE TRANSFER AGENTS

M/s. Link Intime India Private Limited

C 13 Pannalal Silk Mills Compound
1st Floor LBS Marg
Bhandup West
Mumbai 400078

REGISTERED OFFICE

17, Jai Villa Compound,
Cama Industrial Estate,
Walbhat Road,
Goregaon (East)
Mumbai 400063

NOTICE

NOTICE is hereby given that the **54th ANNUAL GENERAL MEETING of JAIPAN INDUSTRIES LIMITED** will be held at 17, Jai Villa Compound, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai 400 063 on Saturday, 26th DECEMBER, 2020 at 9.30 A.M to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. SHIRISH DWARKDAS GOTECHA (DIN : 02877874) who retire by rotation and being eligible offers himself for re-appointment.

For and on behalf of the Board of Directors
JAIPAN INDUSTRIES LIMITED
Veena Agarwal
Managing Director

Registered Office:

17, Jai Villa Compound, Cama Industrial Estate,
Walbhat Road, Goregaon (East) Mumbai 400063

Place : Mumbai.

Date : 23rd November, 2020

NOTES:

- [a] A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**

Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- [b]** The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 19th December, 2020 to Saturday, 26th December, 2020 (both days inclusive).
- [c]** Members holding shares in dematerialized form are requested to intimate all changes pertaining to their mandates, nominations, power of attorney, change of address, change of name and email address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, Link In time India Private Limited ("Link In time"). Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Link Intime to provide efficient and better Services. Members holding shares in physical form are requested to intimate such changes to Link In time.

- [d] Benefits of Dematerialization:**

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides, risks associated with physical certificates such as forged transfer, fake certificates, bad deliveries, loss of certificates in transit, get eliminated.

Since there are several benefits arising from dematerialization, we sincerely urge you to dematerialize your shares at the earliest, if you are still holding the shares in physical form.

- [e]** Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting. As a cost control measure, copies of the Annual Report will not be distributed at the Annual General Meeting.
- [f]** The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Depositories for communication purposes. For other Members, physical copies are being sent if not received; a request letter may be sent to the company for the same. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with Link In time.

- [g] Updating of Members' Details :**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email

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address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

- [h] In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- (i) The voting period begins on Wednesday, December 23rd, 2020 (9.00 am IST) and ends on Friday, December 25th, 2020 (6.00 p.m. IST). (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 18th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) *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 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. 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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Benefi ary ID For example if your Benefi ary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. 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.
2. 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.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.shravan Gupta@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222- 990 or send a request at evoting@nsdl.co.in.

- (iv) Mr. Shravan A. Gupta, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Forms at the meeting received from the Members at the meeting) in a fair and transparent manner.
- (v) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and physical Ballot shall be treated as invalid.
- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (vii) The results declared along with the Scrutinizer's Report shall be placed/communicated to BSE Limited by 28th December, 2020 where the shares of the Company are listed and the stakeholders can view the same.

For and on behalf of the Board of Directors
JAIPAN INDUSTRIES LIMITED
Veena Agarwal
Managing Director

Registered Office:

17, Jai Villa Compound, Cama Industrial Estate,
Walbhat Road, Goregaon (East) Mumbai 400063

Place : Mumbai.

Date : 23rd November, 2020

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DIRECTORS' REPORT

To,
The Members,

Your Directors presents their 54th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2020.

STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of sales and service of Electronic Household Accessories. It has a worldwide network, single sales office, a warehouse and a workforce of over 50 people that sell a single product to about 1,00,000 + customers in India and Abroad.

FINANCIAL PERFORMANCE:

(Rs. In Lacs)

Particulars	Standalone	
	March 2020	March 2019
Income From Operations	2197.76	2547.62
Other Income	13.83	2.85
Total Income	2211.59	2550.47
Profit/(Loss) Before Tax	17.99	18.91
Less:- Provision For Taxation		
Net Profit/(Loss) After Tax	17.99	18.91

During the financial year 2019-20, due to several factors, the total income decreased by 13.29% as compared to previous year's total income. There is a Profit before tax of Rs. 17.99 lacs as compared to Profit before tax of Rs. 18.91 lacs in the previous year.

DIVIDEND AND BOOK CLOSURE :

The Board of Directors does not recommend dividend on equity shares for the current financial year.

The register of members and share transfer books will remain close from 19th December, 2020 to 26th December, 2020 (both days inclusive) for the 54th Annual General Meeting of the Company scheduled to be convened on 26th December, 2020 at 17, Cama Industrial Estate, Walbhatt Road, Goregaon (East), Mumbai-400063.

FINANCIAL SITUATION: Reserves& Surplus

As at 31st March, 2020 Reserves and Surplus amounted to Rs. 782.64 lacs as compared to Rs. 792.99 lacs of previous year. The said scenario is due to decrease in profitability of the Company during the year under review.

Long Term Borrowings

The Company has tried to pay its Liability as much as possible, however the Long Term Borrowings of the Company has increased upto Rs. 20.75 lacs in the current financial year as compared to Rs. 18.95 lacs during the previous year.

Short Term Borrowings

The Company has also paid maximum of its liability under short Term Liability and the Short Term Liability has decreased upto

Rs. 223.91 Lacs during the year as compared to Short Term Loan of Rs. 191.80 Lacs Borrowings during the previous year under review.

Fixed Asset

The Fixed Assets of the Company as on 31st March, 2020 is Rs. 35.55 lacs as compared to Rs. 42.44 lacs during the previous year under review.

Investments

The Company has not made any addition in investment during the year under review.

SHARE CAPITAL :

The paid up share capital of your Company is Rupees 6,09,98,400/- (Rupees Six Crore Nine Lakh Ninety Eight Thousand Four Hundred Only) divided into 60,99,840 equity shares of Rupees 10/- each. There is no change in the share capital structure during the period under review.

MEETINGS BOARD OF DIRECTORS:

The Board normally meets once in a quarter and additional meetings are held as and when required. During the year, the Board of Directors met 6 times i.e. on 08th April, 2019, 06th June, 2019, 30th May, 2019, 14th August, 2019, 14th November, 2019 and 14th February, 2020. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members.

APPOINTMENT / RESIGNATION OF DIRECTORS (SECTION 168(1)) AND KEY MANAGERIAL PERSONNEL (KMP):

Mrs. Veena J Agarwal were Continued to be as Managing Director of the Company. Mr. Shirish Gotecha, Mr. Ravindra Ashok Mishra, Mr. Chandrakant Balde, Mr. Rakesh Jain were Continued to be on the Board of the Company

The Board of the Company continues to comprise of 5 (Five) Directors including 2 (two) Independent Directors, 1 (one) Executive Director and 2 (Two) Non-Executive Directors.

STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUBSECTION (6) OF SECTION 149:

The Independent Directors of your company, i.e., Mr. Chandrakant Balde and Mr. Ravindra A. Mishra, have submitted their declaration of Independence, as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013:

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and

independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

AUDIT COMMITTEE:

The Company has an Independent Audit Committee comprising of 2 (Two) Independent Directors and 1 (one) Executive Director. Mr. Shirish D. Gotecha and Mr. Ravindra A. Mishra and Mr. Veena Agarwal, Managing Director of the Company are Members of the Committee. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

EVALUATION OF PERFORMANCE OF BOARD :

During the year, a separate Meeting of Independent Directors of the Company was held on 14th February, 2020, which was attended by all the Independent Directors to discuss and review the self-assessment of Directors, Board and Committees thereof and also assess the quality, content and timeliness of flow of information between the Management and the Board.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- (a) in the preparation of the annual accounts for the financial year ended 31st 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, 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate

Governance requirements set out by SEBI. The Company has implemented several best Corporate Governance Practices as prevalent globally.

In compliance with Regulation 17 to 27 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, a Report on the Corporate Governance, along with the certificate from the Statutory Auditors of the Company on compliance with the provisions of the said Clause is annexed and forms part of the Annual Report.

LOANS MADE, GUARANTEES GIVEN OR INVESTMENTS IN SECURITIES BY THE COMPANY:

Particulars of loans, guarantees and investments made by the Company as required under Section 186(4) of the Companies Act, 2013 are given in Note annexed to the Standalone Financial Statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES IN A PRESCRIBED FORM ALONGWITH THE JUSTIFICATION FOR ENTERING INTO SUCH CONTRACT OR ARRANGEMENT:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on arm's length basis, in the ordinary course of business and in compliance with applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. During FY 2019-20 there were no materially significant related party transaction by the Company with the Promoters, Directors, Key Managerial Personnel and other designated persons which may have a potential conflict with the interest of the Company. All related party transactions, specifying the nature, value and terms of the transactions including the arms-length justification, are placed before the Audit Committee for its approval and statement of all related party transactions carried out is placed before the Audit Committee for its review on a quarterly basis. During the year under review there have been no materially significant transactions prescribed under Section 188(1) with related parties as defined under Section 2(76) of the Companies Act, 2013 (Act) and accordingly the information as prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 are not provided.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Energy conservation dictates how efficiently a company can conduct its operations. Jaipan Industries Limited has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices that have reduced the growth in carbon dioxide (CO₂) emissions and strengthened the Company's commitment towards becoming an environment friendly organisation. A dedicated 'Energy Cell' is focusing on energy management and closely monitor energy consumption pattern across all manufacturing sites. Periodic energy audits are conducted to improve energy performance and benchmark with other international refineries and petrochemicals sites

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Jaipan Industries Limited Focuses on (i) new products, processes and catalyst development to support existing business and create breakthrough technologies for new businesses (ii) advanced troubleshooting, and (iii) support to capital projects, and profit and reliability improvements in manufacturing plants.

Jaipan Industries Limited has Domestic Clients as well as Foreign clients.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments has been done my management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

EXTRACT OF ANNUAL RETURN:

In accordance with the provisions of Section 92 of the Companies Act, 2013, an extract of the Annual Return for the FY 2019-20 in the format as prescribed is enclosed as Annexure-II.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it is suffering losses since last three consecutive years; hence disclosure in this regard is not provided.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES - SECTION 177(10):

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the board of directors of the company formulated and adopted "Whistle Blower Policy and Vigil Mechanism".

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organization either financially or otherwise.

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12)):

Details pertaining to remuneration as required under section 197(12) of the Companies act, 2013 read with rule 5(1) of the

companies (appointment and Remuneration of managerial personnel) rules, 2014 are provided in 'Annexure-III' to the Board's Report.

MANAGERIAL REMUNERATION AND RELATED DISCLOSURES:

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

Pertaining to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Only rupees;
- (ii) No employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than One Crore Two Lakhs rupees per annum.
- (iii) No employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

SUBSIDIARY COMPANIES:

The Company has no subsidiary companies and hence company does not need to make disclosure of contracts or arrangements or transactions not at arm's length basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

SECRETARIAL AUDIT:

Pursuant to Section 204 of the Companies Act, 2013 and rules, amendments made there under, Mr. Dilip Gupta, Practicing Company Secretary was appointed to conduct the secretarial audit of our company for FY 2019-20. The Secretarial Audit report is given separately under **Annexure IV**. There are no qualifications or observations or other remarks made by the Secretarial Auditor on the audit conducted by him in his Report.

STATUTORY AUDITOR:

At the 51st Annual General Meeting held on September 29, 2017, the Shareholders had approved appointment of M/s. SDA & associates, Chartered Accountants, having Firm Registration No. 120759W, as Statutory Auditors of the Company to hold

such office until the conclusion of 56th Annual General Meeting to be held in the year 2022, subject to ratification by the Members every year. Pursuant to recent amendment to Section 139 of the Companies Act, 2013, effective May 7, 2018, ratification by the Shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment. The Company has received certificate of eligibility from M/s. SDA & Associates in accordance with the provisions of the Companies Act, 2013 read with rules thereunder and a confirmation that they continue to hold valid Peer Review Certificate as required under Listing Regulations.

HUMAN RESOURCES:

Company considers its employees as most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives. The Company has a dedicated team of employees at various locations across our corporate office and branch offices (including Subsidiary companies) spread across the country. The Company strives to inculcate the culture where its employees are motivated and their performance is aligned with values. Company has achieved this present level of excellence through the commitment and dedication exhibited by its employees. The focus on improving productivity and adoption of best practices in every area are being pursued relentlessly. Efforts for active participation, nurturing creativity and innovation and ensuring a climate of synergy and enthusiasm have been at the core of Human Resource initiatives and interventions.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS: Your Company has adequate internal financial control and adopted Internal Financial Control Policy in order to maintain confidentiality of price sensitive information and internal financial control.

RISK MANAGEMENT:

The Company has mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. Risk management is an ongoing process and the Audit Committee will periodically review risk mitigation measures. The Board of Directors has not constituted a Risk Management Committee as is not mandatory to the company vide circular bearing number CIR/CFD/POLICY CELL/7/2014 issued by SEBI dated September 15, 2014.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS INFUTURE:

There were no significant and material orders passed by the regulators and/or courts or tribunals during the year.

POLICY FOR SEXUAL HARRASMENT:

The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"). The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Company has also constituted an Internal Complaints Committee to redress the complaints received under this policy.

The following is a summary of sexual harassment complaints received and disposed-off during the year under review:

- No of complaints received : Nil
- No of complaints disposed-off : NA

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and cooperation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels.

For and on behalf of the Board of Directors

Veena Agarwal
DIN - 07104716
Managing Director

Place : Mumbai
Date: 30th July, 2020

Registered Office:

17, Jai Villa Compound, Cama Industrial Estate,
Walbhat Road, Goregaon (East) Mumbai 400063.