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15TH
ANNUAL REPORT
2007 - 2008

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JYOTI RESINS & ADHESIVES LIMITED

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JYOTI RESINS & ADHESIVES LIMITED
FIFTEENTH ANNUAL REPORT 2007 - 2008

BOARD OF DIRECTORS

JAGDISH N. PATEL	:	CHAIRMAN & MANAGING DIRECTOR
CHANDULAL C. PATEL	:	DIRECTOR
GIRISH M. PATEL	:	DIRECTOR
KEYUR J. PATEL	:	DIRECTOR
KALPESH R. PATEL	:	DIRECTOR
UMAKANT G. PATEL	:	DIRECTOR

BANKERS

KALUPUR COMMERCIAL CO-OPERATIVE BANK LTD.
ASHRAM ROAD BRANCH, AHMEDABAD

INDIAN OVERSEAS BANK
NARANPURA BRANCH, AHMEDABAD

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AUDITORS

C. J. SHAH & CO.
CHARTERED ACCOUNTANTS
307, SUR SARTHI COMPLEX,
OPP.CENTRAL BANK, AMBAWADI,
AHMEDABAD – 380 006.

REGISTERED OFFICE

405-6, RAJKAMAL PLAZA – B,
NR. SAMRUDDHI BLDG., OPP. OLD HIGH COURT,
AHMEDABAD – 380 014.

FACTORY

PLOT NO. 873, VILLAGE SANTEJ,
TAL.: GANDHINAGAR, DIST.: MEHSANA GUJARAT.

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NOTICE

NOTICE is hereby given that the **FIFTEENTH ANNUAL GENERAL MEETING** of the members of the company will be held on Monday, the 29th September, 2008 at 3.00 a.m. at Rajkamal Plaza - B, Nr. Samruddhi Bldg., Opp. Old High Court, Ahmedabad 380 014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2008 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Jagdish N. Patel who retires by rotation and being eligible offers him self for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting and to fix their remuneration.

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy(s) need not be a member.
2. Proxies in order to be effective must be lodged with the company at its Registered Office not less then 48 hours before the commencement of the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2008 to 30th September, 2008 (both days inclusive).
4. Members are requested to intimate the changes, if any, in their registered addresses.

By Order of the Board

Place : Ahmedabad. **Jagdish N.Patel**
Date : 23rd August, 2008 **Chairman**

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ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

Brief profile of the directors seeking re-appointment at the Annual General Meeting.

Mr. Jagdish N. Patel

Mr. Jagdish N. Patel aged about 53 years is son of Nathalal Patel. He is also director in M/s Jyoti Cosmetics (EXIM) Ltd. He has been associated with the company since 1993. He has more than 20 years of experience of Paints & Adhesives Industries.

He has wide experience in sales & marketing especially in Paints & Adhesives.

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DIRECTORS' REPORT

Your Directors have pleasure in presenting their Fifteenth Annual Report together with the audited statements of accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

	2007-2008 Rs.	2006-2007 Rs.
Sales & Other Incomes	**2,06,92,303**	2,02,19,342
Operating Profit (PBDTM)	**17,19,566**	15,32,229
Net Profit after Tax	**4,79,713**	4,00,677
Brought Forward Loss	**1,58,22,166**	1,62,22,843
Loss Carried Forward to B/S	**1,53,42,453**	1,58,22,166

During the year under report Company has earned net Cash profit of Rs. 17.20 lacs in compare to previous year Rs. 15.32 lacs. Company has earned Net Profit of Rs. 4.80 lacs against previous year Rs. 4.01 lacs after providing depreciation, miscellaneous expenses and prior period item. During the year Turnover of the Company was increased from Rs.202.19 Lacs to Rs. 206.92 lacs. Director have contined efforts to reduce expenses & increase turnover of the Company. Your directors are hopeful about better performance of the company in coming years.

In view of insufficient profit no dividend has been proposed by your Directors.

DIRECTORS

In terms of the provisions of the Companies Act, 1956 Mr. Jagdish N. Patel Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.

PUBLIC DEPOSITS

The Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956.

AUDITORS' REPORT

The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not require any further comments under Section 217 (3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for good corporate governance. A separate Report on Corporate Governance is given in Annexure – B, Auditor's statement on Compliance of Corporate Governance is given in Annexure – C, Certificate by Managing Director regarding compliance of clause 49 of listing agreement in Annexure 'D' and Management discussion and analysis in Annexure – E.

AUDITORS

M/s Mahesh Vyas & Co., Chartered Accountants Statutory Auditor of the Company retire at the conclusion of the Annual General Meeting and M/s C.J.Shah & Co., Chartered Accountants have expressed their willingness for re-appointment until conclusion of the next Annual General Meeting. Your Directors recommend their re-appointment as the Auditors of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm the following:

In the preparation of the Annual Accounts, the applicable accounting standards have been followed.

The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the annual accounts on a going concern basis.

PERSONNEL

Your Directors wish to place on record the appreciation for the devoted services rendered by employees at all levels.

PARTICULARS OF THE EMPLOYEES

The Particulars required under Section 217(2A) of the Companies Act, read with Companies (Particulars of Employees) Rules, 1975 are not required to be given as there is no employee drawing Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a., during the year under report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

(A) CONSERVATION OF ENERGY:

The information required under Section 217(1)(e) of the Companies Act, 1956 (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of Conservation of Energy is annexed hereto and forms part of this Report.

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(B) TECHNOLOGY ABSORPTION:

Being the fact that the manufacturing process has been indigenously developed; there is nothing to report on the status of technology absorption.

(C) RESEARCH & DEVELOPMENT:

The Company has established an in house laboratory with the modern facilities to carry out intensive analysis of variety of Raw materials & Finished goods. During the year under consideration, continuous efforts were made for up gradation of the products of your company.

(D) FOREIGN EXCHANGE EARNING & OUTGO:

No Foreign Exchange earning or outgo has occurred during the year.

ACKNOWLEDGMENTS

Your Directors thanks various Government Authorities, banks & other business associates for the support & assistance extended to the Company from time to time and looks forward to their unstinted co-operation in development of the Company. Your Directors sincerely thanks the members for the confidence reposed by them in the company and look forward to their valuable support for the future plans of the Company.

For & On Behalf of the Board

Place : Ahmedabad.
Dated : 23rd August, 2008.

Jagdish N.Patel
Chairman & Managing Director

ANNEXURE TO THE DIRECTORS' REPORT
ANNEXURE – 'A'

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the financial year ended on March 31, 2008.

CONSERVATION OF ENERGY

(a) Energy Conservation measures:

Various measures have been taken to improve the efficiency of equipments so as to reduce process time.

(b) Additional investments and proposals, if any: Nil.

(c) Impact of measures:

The above measures and tighter control has resulted in lower energy consumption.

(d) Total energy consumption and energy consumption per unit of production:

Power & Fuel Consumption:

Particulars		**2007-2008**	2006-2007
Electricity			
a) Purchased Units	(KWH)	**39,920**	47,120
Total Amount	(Rs.)	**2,31,002**	2,60,104
Rate/Unit	(Rs./KWH)	**5.79**	5.52
Cost per Kg of Production	(Rs.)	**0.70**	0.70
b) Own generation			
(i) Through LDO/Diesal Generator	Unit (Ltrs)	**273**	338
Cost of LDO/Diesal	(Rs.)	**9,680**	12,370
Per Ltr Cost	(Rs.)	**35.49**	36.60
Cost per Kg of Production	(Rs.)	**0.03**	0.03
(ii) Through Fire Woods	Unit (Kgs)	**33,575**	44,310
Cost of Fire woods	(Rs.)	**56,787**	56,715
Per Kgs. Cost	(Rs.)	**1.69**	1.28
Cost per Kg of Production	(Rs.)	**0.15**	0.15

For & On Behalf of the Board

Place : Ahmedabad.
Dated : 23rd August, 2008.

Jagdish N.Patel
Chairman & Managing Director

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ANNEXURE - 'B'

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

BOARD OF DIRECTORS

Name of Director	Category	No. of Board meetings attended	Last AGM Attendance
Shri Jagdish Patel	Mg. Director	07	Yes
Shri Chandulal Patel	Executive Director	07	Yes
Shri Girish Patel	Non Executive Independent	07	Yes
Shri Keyur Patel	Non Executive Independent	07	Yes
Shri Kalpesh Patel	Non Executive Independent	07	Yes
Shri Umakant Patel	Non Executive Independent	07	Yes

No any Directors having Chairmanship of more than five companies where they are director.

Dates of Board meeting held: (1) 30.04.2007 (2) 31.07.2007 (3) 08.10.2007 (4) 22.10.2007 (5) 31.10.2007 (6) 31.01.2008 (7) 31.03.2008

Details of other Directorships:

Name of Director	Other Dirctorship (No of Company)
Shri Jagdish Patel	1
Shri Kaplesh Patel	1

In line with the requirements of the code of the corporate governance, the board of directors comprises of six members. The composition of the Board is in conformity with the revised listing agreement, having one Managing Director, The Board also has four independent Director.

AUDIT COMMITTEE

The audit committee has the following non-executive Director

1. Mr. Keyur Patel - Chairman
2. Mr.Kalpesh Patel - Director
3. Mr.Umakant Patel - Director

The scope of committee includes.

a. Review of company's financial reporting process and the financial statement.

b. Review internal control systems and functioning of internal audit process.

c. Post audit review with statutory auditors.

During the year under review, Audit committee met four times where all the members were present.

REMUNERATION COMMITTEE

No remuneration is paid to any Director except Shri Jagdish Patel. The remuneration paid to Shri Jagdish Patel director is governed by the requirement of other applicable provisions of the Companies Act, 1956. No sitting fees are payable to any Director.

Remuneration paid to Mr. Jagdish Patel during the year is Rs 480000/- and no other perquisites were paid.

SHAREHOLDERS COMMITTEE

The Investor Grievances & Share transfer Committee has the following Non-Executive Directors.

Mr. Keyur Patel - Chairman

Mr. Kalpesh Patel - Director

Mr. Umakant Patel - Director

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During the year, the company and their Registrar and Share Transfer Agents M/s Sharex Dynamics(India) Pvt. Ltd. received no any complaint.

The Share received for transfer are approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

CODE OF CONDUCT

The Company has already informed the code of conduct & prevention of insider trading as prescribed by the Securities and Exchange Board of India to Directors & Senior Management personnel. A declaration signed by the Managing Director in this regard is given below.

I hereby confirm that the Company has obtained affirmation from all the members of the Board and senior management personnel of the Company that they have complied with the code of conduct and ethics policy of the Company framed for directors & senior management personnel in respect of the Financial year 2007-2008.

Jagdish N. Patel
Managing Director

GENERAL BODY MEETING:

Date	Type	Time	Location
30-9-2005	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
30-9-2006	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
29-9-2007	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad

There are no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

DISCLOSURES:

As per the disclosers given by the Directors of the Company there were no materially related party transactions attracting Section 297 of the Companies Act, 1956.

All the guidelines issued by the SEBI and Stock Exchange or other statutory authority on the matter related to capital markets are fully complied.

MEANS OF COMMUNICATION:

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in Western Times (English) and Western Times (Gujarati) as required by the listing agreement. Steps are being taken to display the same on the corporate website.

General shareholder Information:

Annual General Meeting : Date : 29/9/2008

(Date, Time and Venue) Time : 3.00 P.M.

Venue : 405-6, Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad.

Financial Calendar : 1st April 2007 to 31st March 2008.

Date of Book Closure : From: 24th Sept, 2008 to 30th Sept. 2008. (Both days inclusive)

Dividend Payment Date : No Dividend declared.

TENTATIVE FINANCIAL CALENDAR

Publication of Quarterly Results ending 30th Sept. 2008	Last week of Oct.2008
Publication of Quarterly Results ending 31st Dec. 2008	Last week of Jan.2009
Publication of Audited Results for 2008 - 09	Last week of May 2009
Annual General Meeting for 2008 - 09	Last week of August 2009

LISTING ON STOCK EXCHANGE : The stock Exchange, Mumbai

Stock code on BSE : **514448**

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