



SHANKAR LAL RAMPAL DYE CHEM LIMITED

ANNUAL REPORT 2020-21

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Corporate Profile

Board of Directors and Key Managerial Personnel

Mr. Rampal Inani- Managing Director

Mr. Dinesh Chandra Inani- Whole time Director

Mr. Jagdish Chandra Inani- Whole Time Director

Mr. Susheel Kumar Inani- Whole Time Director Cum CFO

Mr. Vinod Kumar Inani- Whole Time Director

Mr. Anil Kumar Kabra- Independent Director and Chairman (Audit Committee)

Mrs. Apoorva Maheshwari- Independent Women Director

Mr. Harsh Kabra- Independent Director

Mr. Murli Atal -Independent Director and Chairman (N&R Committee)

Mr. Aditya Soni-Independent Director

Ms. Aditi Babel- Company Secretary and Compliance Officer

Auditors

Statutory Auditor	Secretarial Auditor	Internal Auditor
Alok Palod & Company Chartered Accountants	CS Sanjana Jain Practising Company Secretary	Laxman Kumar & Associates Chartered Accountants
Shop No.3, Hare Krishna Tower, Rajendra Marg, Bhilwara-311001, Raj.	A-409, V. S. Pathik Nagar, Bhilwara- 311001, Raj.	30-A-6, Community Hall Road, Near Bapu Nagar, Bhilwara-311001, Raj.

Bankers

Axis Bank Limited

ICICI Bank Limited

Share Transfer Agent

Cameo Corporate Services Limited

"Subramanian Building", 1, Club House Road,

Chennai- 600002, India

Email at- investor@cameoindia.com



Our Company at a glance

CIN	L24114RJ2005PLC021340
Company Name	SHANKAR LAL RAMPAL DYE-CHEM LIMITED
ROC Code	RoC-Jaipur
Registration Number	021340
Company Category	Company limited by Shares
Company SubCategory	Non-govt company
Class of Company	Public
Authorised Capital(Rs)	110000000
Paid up Capital(Rs)	106611300
Date of Incorporation	19/09/2005
Registered Address	S.G. 2730 Suwana Bhilwara RJ 311011 IN
Email Id	info@sr dyechem.com
Whether Listed or not	Listed
Suspended at stock exchange	-
Date of last AGM	31/08/2020
Date of Balance Sheet	31/03/2020
GSTIN(Registered Office)	08AAKCS4423Q1ZQ

Managing Director's Message

Dear Stakeholders,

The second wave of coronavirus is proving to be more challenging. Utmost care is required to deal with pandemic of this scale. At Shankar Lal Rampal Dye-chem Limited, our priority is always with the safety and health; we have adopted all necessary precautions and suggestive practices to safeguard health & interest of communities we work in and client we serve to.

Dyes and Chemical Industries has seen a shift in customer preferences. Due to increase in use of hygienic, health and safety measures by customers; the demand for safety and precautionary measures have been increased.

Environmental and social investment in sustainability of good health and hygiene has seen a hike.

Last FY 2019-2020; the entire human life was threaten by Corona Virus; the safety measures like Lockdown, Curfew Imposition and sealing of areas with covid patients had caused severability for business to operate. But our company despite of uncertainties caused by COVID-19 outbreak has performed well; not just in financial terms, but also in terms of what we accomplished for customers, employees, shareholders and communities across the world.

The starting of FY 2020-21 the entire economy was shutdown due to Pan-India Lockdown measure adopted by Indian Government; started as a year of no operations; the company still was working on digital mode to supply various materials necessary for various hygiene activities and as the operations were closed; working was

slow down. The pandemic has tragically cost many lives, hampering lifestyles and leaving many temporary and permanent changes in way of working.

Hygiene is the Vital term in case of Health and Safety. Use of sanitizers, disinfectant, cleansing agents, masks, etc. has been the most trending outset of business. Your company is already dealing in Disinfectant and chemicals used for Hygiene; hence the company was able to fetch good and foreseen returns from investment in various business related opportunities, the company was able to announce Bonus Issue of equity shares and despite of tremendous problem in logistic, increasing material cost & facing economic slowdown due to several curfew, lockdown, etc.; the company is still able to maintain its sales & customers. In my opinion we were able to serve satisfactorily the market needs. This growing market valuation of our products is due to Shankar Lal Rampal Dye-chem Limited ("Srdyechem/SRDL")'s differentiated strategy, improving capital allocation and most importantly your firm belief in sustainability and growth of your company.

This year was very vital for the company as the company at the end of year received approval from BSE for listing of its securities on Main Board of BSE. It is a matter of pride for entire company. The company has also promoted E-payment or online payment facility among its customers.

The vision of better quality products, loyal customers, safety measures in handling operations and good trade



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practices have been driving force for your company to sustain and earn favorable outcome.

The opportunities ahead are huge. By staying true to its vision, mission and its values, and by continually investing in building newer capabilities, your Company

is positioned well to become the foremost partner of choice to all forward thinking enterprises in their growth and transformation journeys.

On behalf of Board of Directors, I want to thank you all for continued trust and confidence.

**~Rampal Inani
Managing Director**

Financial Highlights

Description	2021	
	Amount	Percentage
	in Rupees	-
Income Statement	₹	
Revenue	1,776,925,852	100.00%
Cost of Goods Sold	1,669,249,124	93.94%
Interest Expense	13,333,658	0.75%
Tax Expense	31,350,160	1.76%
Income from Cont Operations	107,676,728	6.06%
Net Income	62,992,910	3.55%
Balance Sheet		
Cash	108,481,236	16.61%
Short Term Investments	0	0.00%
Accounts Receivable	315,336,901	48.30%
Inventory	65,781,221	10.07%
Current Assets	646,988,377	99.09%
Long Term Investments	0	0.00%
Net Fixed Assets	5,898,852	0.90%
Other Assets	50,000	0.01%
Total Assets	652,937,229	100.00%
Current Liabilities	154,775,849	23.70%
Total Liabilities	154,780,722	23.71%
Total Stockholders' Equity	498,156,507	76.29%
Cash Flow		
Cash Flow from Operations	100,969,552	
Dividends Paid	799,585	
Interest Paid	13,333,658	
Share Information		
Market Price at Year End	67.80	
Earnings Per Share - Basic	7.16	
Shares Outstanding	10,661,130	

Key Performance Indicator

Ratio

RATIO ANALYSIS							
Growth Ratios	2021	2020	% Changes	Activity Ratios	2021	2020	% Changes
Sales Growth	33.7%	(24.5)%	237.7%	Receivable Turnover	5.4	4.4	0.24
Income Growth	186.6%	81.4%	129.2%	Inventory Turnover	31.1	17.8	0.75
Asset Growth	9.1%	6.3%	45.1%	Fixed Asset Turnover	301.2	219.4	0.37
Profitability Ratios	2021	2020	% Changes	Liquidity Ratios	2021	2020	% Changes
Profit Margin	6.1%	2.8%	114.4%	Current Ratio	4.18	3.37	0.24
Return on Assets	17.2%	6.5%	166.1%	Quick Ratio	2.74	2.26	0.21
Return on Networth	23.4%	10.4%	124.2%	Solvency Ratios	2021	2020	% Changes
Dividend Payout Ratio	1.3%	25.5%	-95.0%	Debt to Total Assets	0.24	0.29	-0.19
Price Earnings Ratio	9.5	8.5	11.9%				

Management Discussion and Analysis Report

1. INDUSTRY STRUCTURE & DEVELOPMENTS:

Global Dye-Chemical Industry

As the demand for organic chemicals is rising across the world due to the spread of the coronavirus, manufacturers are on the verge of rising the prices of organic chemicals products along with suppliers and online vendors. Globally, the dyes and pigments market is expected to see healthy growth in the coming years, led by growing construction and automotive industries. Market growth is expected to be influenced by the rising demand for organic pigments.

Indian Dye-Chemical Industry

India is a strong global dye supplier, accounting for approximately 16% of the world production of dyestuff and dye intermediates. Chemicals industry in India has been de-licensed except for few hazardous chemicals. Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Basic chemicals, Specialty chemicals, and Agrochemicals. Indian chemicals industry (excluding pharmaceutical products) ranks 14th in exports globally. Indian chemical industry employs more than 2 million people. The Indian industry has fared better and company growth rates have been in higher

single digits as relatively stronger domestic consumption has ensured that Indian chemical companies enjoyed better growth compared to their global peers. The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP. With just a couple exceptions, outlooks for key chemical markets are equally bright.

2. Economic scenario:

Your Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Indian & global competitors. Moreover, slowly India is getting competitive with respect to global manufacturers, as global environmental rules are becoming stringent like that of India. The lockdowns and restrictions imposed on various business operations due to COVID 19 pandemic have created several obstacles in day to day activities of the company. As stated earlier, retail facilities were shut down entirely during the lockdown phase as the company was not part of Government denominated essential services.

Corporate and regional offices were also shut, but the Company adopted the work from home policy during the entire duration of the lockdown. And In the very initial stage of this pandemic outbreak; the top level management

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suo-motu decided to make arrangements for sanitization, thermal screening, use of masks, staggered working and lunch schedules for whole staff members and customers. The company also offer specialty performance chemicals to the Sanitization, Textile Dyeing and printing industry. The Trading facility of the company is situated at Bhilwara

(Rajasthan) and Mumbai (Maharashtra). The facility is spread over 2 states. The company is an ISO 9001:2015 and ISO 14001:2015 certified company. Beside Trading of numerous types of Dyes and chemical products, Our Company has large number of products and offers an entire range of specialty chemicals used in Sanitization based products, Textiles & Garments processing.

3. Key Ratios

As required by SEBI (LODR)(Amendment) Regulations, 2018, the Company is required to furnish the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios based on standalone financial statement, along with detailed explanations for the changes. Kindly refer Page 6 for details.

Many Ratio show favorable trend as due to the product company deals in, has shown consistent demand in market. The turnover has shown a positive impact due to reasons stated in Business Outlook. Dividend Payout Ratio was unfavorably impacted as company wants to retain some profits to meet exigencies that may arose due to COVID-19 and delayed realization of money.

4. Major challenges & solutions:

1. Manufacturing Facility Not available - Although the company is deal in variety of color shades in dyes, but as presently we don't have manufacturing facility. This restricts us to cater wider category of customers and competition. However, going forward our company would intend to expand its portfolio to develop and established manufacturing plant in future.
2. Dependent on third party suppliers - Our company deal in Dye and chemical

intermediates from third party producers. It does not have its own manufacturing facility for producing intermediates and hence is largely dependent on third parties. In the past, company has faced cost issues owing to higher prices of intermediates charged by them, we are prone to such threats by them. However, the relationship and the volume of business we generate for them somehow mitigates this weakness of us.