

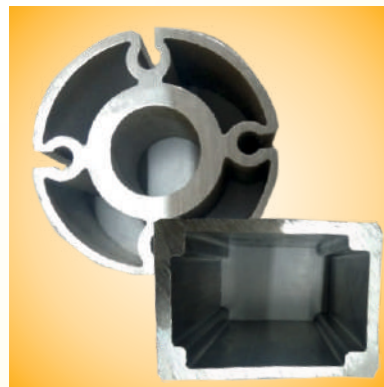


# SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



## 41<sup>st</sup> ANNUAL REPORT 2019-2020



TÜV

• ISO/TS 16949:2009 • DIN EN ISO 9001:2008  
• BS OHSAS 18001:2007 • ISO 14001:2004  
• SA 8000:2008 • ISO 50001:2011  
• Certified Company



# SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



# Corporate Information

## FOUNDER AND PROMOTER DIRECTOR

Late Shri. Shriram Chokhani [1924-2010]

## BOARD OF DIRECTORS

### Shri Sudarshan S Chokhani

(Managing Director)

### Shri Shyantanu S Chokhani

(Non-Executive Director)

### Shri Mukesh V Ashar

(Whole time Director & CFO)

### Shri Jal S Thanawala

(Independent Director)

### Ms Neha Dhuru

(Independent Director)

### Shri Lalit Maharshi (Appointed w.e.f. 25.07.2019)

(Independent Director)

### Shri Vikash Mahnot

(Company Secretary and Compliance Officer)

(From 25/07/2019 to 29/02/2020)

### Shri Prasana Ramdas

(Company Secretary and Compliance Officer)

(w.e.f 01/03/2020)

## CORPORATE MANAGEMENT TEAM

Shri Shrikant kulkarni (Works Manager )

(resigned on 30/09/2019)

Shri Rajendra Shah (Chief Marketing Officer)

Shri Kishore Dulla (Commercial manager)

## REGISTERED OFFICE & PLANT

A-5 MIDC, Ambad Industrial Estate,

Mumbai Nashik Highway, Nashik-422010, Maharashtra

Tel No 91-253-6636200/201

E-mail: [nashik@sudal.co.in](mailto:nashik@sudal.co.in)

## CORPORATE OFFICE

26A, Nariman Bhavan, 227, Nariman Point,

Mumbai 400021

Tel No 91-22-61577100/177

E-mail: [cs@sudal.co.in](mailto:cs@sudal.co.in)/[mvashar@sudal.co.in](mailto:mvashar@sudal.co.in)

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private limited C101,247 Park,

L B S Marg Vikhroli West, Mumbai -400083

Tel No 91-22-49186000 Fax No 91-22-49186060

E Mail :[rnt.helpdeck@linkintime.co.in](mailto:rnt.helpdeck@linkintime.co.in)

Web site [www.linkintime.co.in](http://www.linkintime.co.in)

## STATUTORY AUDITORS

Bagaria & Co LLP Chartered Accountants

701 stanford,

Junction of S V Road & Barfiwala Marg,

Andheri (W), Mumbai 400058.

## BANKERS

Indian Bank, Mumbai

## SOLICITORS & ADVOCATES

India Law Alliance

Surya Mahal, 1st Floor,

S Burjori Bharucha Marg,

Fort,, Mumbai -400023

## 41<sup>st</sup> ANNUAL GENERAL MEETING

On Wednesday 23<sup>rd</sup> December,2020 at 2.30 PM through Video Conferencing/Other Audio Visual Means (VC/OAVM).

Page No.	Content
02	Managing Director Statement
03	Notice
09	Board Report
36	Management Discussion and analysis
38	Independent Auditors' Report
46	Balance Sheet
47	Statement of Profit & Loss Accounts
48	Cash Flow Statement
50	Significant Accounting Policies & Notes forming part of the Financial statements.



## **MANAGING DIRECTOR'S STATEMENT 2019-2020**

The world is at a stage where industrial growth needs to be synonymous with sustainable development. In the last few years, industries across the globe have stepped up and synergised their efforts to address issues of on going struggle for recovery from recessionary trend and economy recovery . The world is dealing with the COVID-19 pandemic and its impact on global economies. We are confident our business operations policies and business strategy will help us embrace the changing world and emerge a winner through these critical times. Changing business dynamics and evolving customer requires agile and creative actions. The Company has been continuously endeavoring to develop range of value-added and downstream products. Our belief and efforts have brought us a long way and we aim to set a benchmark for the industry through exemplary business practices. Sustainable development is a long term mission, and we will continue to channelize our efforts and resources for higher operations achievement.

# **NOTICE**

NOTICE is hereby given that the Forty first annual general meeting ("AGM") OF Sudal Industries Limited will be held on Wednesday, 23<sup>rd</sup> December 2020 at 02:30 p.m., Indian Standard Time ("IST"), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") to transact following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Reports of the Board of Directors' and Auditor's thereon;
2. To appoint a Director in place of Shri. Mukesh V Ashar (DIN 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.

## **SPECIAL BUSINESS:**

### **3. Ratification of Remuneration payable to Cost Auditor:**

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

RESOLVED THAT pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors ) Rule, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committees subject to approval of Share Holders and as per the recommendation of Audit Committee the consent of Board be and hereby accorded for appointment of M/s Hemant Shah & Associates, Cost Accountants ICAI Firm Registration No.113447W/W-100019 as a Cost Auditor of the Company for the Financial Year 2020-2021 for a consolidated Remuneration of Rs 75,000/- (Rupees Seventy Thousand Only) plus applicable Taxes and reimbursement of out of pocket expenses at actuals.

**Place: Mumbai**

**Date: 11<sup>th</sup> Novmeber 2020**

## **Registered Office:**

A 5 M I D Cambad Industrial Estate  
Mumbai - Nashik Highway Nashik-422010

**Sudarshan Chokhnai**

**Sd/-**

**Managing Director**

**DIN: 00243355**

## **IMPORTANT NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM stthrough VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.





4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sudal.co.in](http://www.sudal.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to Item nos. 3 of the Notice is annexed hereto and forms part of this Notice.
8. Corporate Members intending to send their representative to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
9. The Register of Members of the Company shall remain closed from Wednesday, 16<sup>th</sup> December, 2020 to Wednesday, 23<sup>rd</sup> December, 2020 (both days inclusive).
10. A brief resume of Directors proposed to be appointed at the Annual General Meeting, as per Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards -2 on General Meetings is annexed hereto.
11. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
12. Members may also note that the Notice of the 41<sup>st</sup> Annual General Meeting and the Annual Report for the year ended March 31, 2020 will also be available on the Company's website [www.sudal.in](http://www.sudal.in).
13. Mr. Jayesh Shah, Practising Company Secretary (Membership No. FCS 5637), Partner, M/s Rathi & Associates, Company Secretaries in practice has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.

Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

The results shall be declared not less than forty – eight (48) hours from conclusion of the AGM. The results along with the report of the Scrutinizer shall be placed on the website of the Company [www.gmmpfaunder.com](http://www.gmmpfaunder.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

14. All documents referred to in the accompanying Notice will remain open for inspection at the Registered Office of the Company during normal business hours (9.30 A.M. to 6.00 P.M.) on all working days up to and including the date of the Annual General Meeting of the Company.

#### **THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Sunday 20<sup>th</sup> December, 2020 @ 10 am and ends on Tuesday 22<sup>nd</sup> December, 2020 till 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 (record date) of 16<sup>th</sup> December 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 shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.

- (v) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (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 e-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:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> <li>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> </ul>
	<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 communicated to them by email in the PAN field. In case email ids are not registered with Company/depositories for such shareholders, they are requested to follow the instructions given in para C below to obtain login credentials for e-voting.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 for the relevant "**Sudal Industries Limited**" on which you choose 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**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote 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 in 'Corporates' module
  - 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.
  - Alternatively, non individual shareholders can send the relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@sudal.co.in](mailto:cs@sudal.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.
3. The Company shall provide the login credentials to the above mentioned shareholders

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholder/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have



queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@sudal.co.in](mailto:cs@sudal.co.in). These queries will be replied to by the company suitably by email.

- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**CONTACT DETAILS FOR ASSISTANCE FOR E-VOTING AND VC FACILITY**

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). Alternatively, the grievances may be addressed to Mr. Nitin Kunder (+91 22 2305 8738) or Mr. Mehboob Lakhani (+91 22 2305 8543) or Mr. Rakesh Dalvi (+91 22 2305 8542), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013. The said email ids, and other contact details can also be used for seeking any assistance w.r.t. VC facility before or during the meeting

**By order of the Board of Directors  
Of Sudal Industries Limited**

**Place: Mumbai  
Date: 11<sup>th</sup> November, 2020**

**Sudarshan Chokhnai  
Managing Director  
DIN: 00243355**

**STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO 3**

The Board of Directors of the Company, on recommendation of Audit Committee, had approved the appointment of M/s Hemant Shah & Associates , Cost Accountants (Firm Registration No.113447W/W-100019) as the Cost Auditor of the Company to conduct the audit of the cost accounts maintained by the Company for Financial year ending 31<sup>st</sup> March, 2021.

In accordance with the provision of section 148 of the Companies Act , 2013 read with the Companies (Audit and Auditor Rule), 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the Ordinary Resolutions as set out at Item No 3 of the Notice for ratification of the remuneration payable to Cost Auditors for the financial year 2020-21.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in the proposed Resolution as set out in the Notice.

The Board recommends the Ordinary Resolution as set out in the Notice for approval of the Members of the Company

**By order of the Board of Directors  
Of Sudal Industries Limited**

**Place: Mumbai  
Date: 11<sup>th</sup> November, 2020**

**Sudarshan Chokhnai  
Managing Director  
DIN: 00243355**