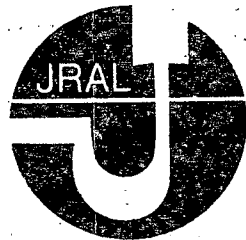


**16TH  
ANNUAL REPORT  
2008-2009**



**JYOTI RESINS & ADHESIVES LIMITED**

For JYOTI RESINS & ADH. LTD.

  
Managing Director.



## SIXTEENTH ANNUAL REPORT

### 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

### AUDITORS

SURESH R. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
1ST FLOOR, GHANSHYAM CHAMBERS,  
OPP. MITHAKHALI RLY. CROSSING,  
MITHAKHALI, ELLISBRIDGE,  
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.



**NOTICE**

**NOTICE** is hereby given that the **SIXTEENTH ANNUAL GENERAL MEETING** of the members of the company will be held on Tuesday, the 29th September, 2009 at 3.00 P.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 2009 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. Chandulal C. 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 than 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, 2009 to 30th September, 2009 (both days inclusive).
4. Members are requested to intimate the changes, if any, in their registered addresses.

**By Order of the Board**

**Jagdish N. Patel**  
*Chairman*

Place : Ahmedabad.  
Date : 28th August, 2009.

**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING**

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

**Mr. Chandulal C. Patel**

Mr. Chandulal C. Patel aged about 57 years is son of Chhotalal Patel. He has been associated with the company since 1993. He has more than 18 years of experience of Paints & Adhesives Industries.

He has wide experience of production technology of Paints & Adhesives. He has implemented various techniques in production of Paints & Adhesives to reduce cost and improve quality.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the audited statements of accounts for the year ended 31st March, 2009.

**FINANCIAL RESULTS**

	2008-2009 Rs.	2007-2008 Rs.
Sales & Other Incomes	3,12,83,154	2,06,92,303
Operating Profit (PBDTM)	15,63,194	17,19,566
Net Profit after Tax	2,56,860	4,79,713
Brought Forward Loss	1,53,42,453	1,58,22,166
Loss Carried Forward to B/S	1,50,85,593	1,53,42,453

During the year under report Company has earned net Cash profit of Rs. 15.63 lacs in compare to previous year Rs. 17.20 lacs. Company has earned Net Profit of Rs. 2.57 lacs against previous year Rs. 4.80 lacs after providing depreciation, miscellaneous expenses and prior period item. During the year Turnover of the Company was increased to Rs.312.83 Lacs from Rs. 206.92 lacs. Director have continued their 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. Chandulal C. 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. Suresh R Shah & Associates. Chartered Accountant retires as auditors of the company at the ensuing Annual General Meeting and being eligible, offers them for reappointment.

**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.

**(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 : 28th August, 2009.

**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, 2009.

**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:

<u>Particulars</u>		<u>2008-2009</u>	<u>2007-2008</u>
<b>Electricity</b>			
a) Purchased Units	(KWH)	41,660	39,920
Total Amount	(Rs.)	2,71,117	2,31,002
Rate/Unit	(Rs./KWH)	6.51	5.79
Cost per Kg of Production	(Rs.)	0.77	0.70
b) Own generation			
(i) Through LDO/Diesal Generator	Unit (Ltrs)	208	273
Cost of LDO/Diesal	(Rs.)	7,907	9,680
Per Ltr Cost	(Rs.)	38.02	35.49
Cost per Kg of Production	(Rs.)	0.02	0.03
(ii) Through Fire Woods	Unit (Kgs)	42,567	33,575
Cost of Fire woods	(Rs.)	81,658	56,787
Per Kgs. Cost	(Rs.)	1.92	1.69
Cost per Kg of Production	(Rs.)	0.23	0.15

**For & On Behalf of the Board**

Place : Ahmedabad.  
Dated : 28th August, 2009.

**Jagdish N. Patel**  
Chairman & Managing Director



## ANNUAL REPORT 2008-2009

### 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	08	Yes
Shri Chandulal Patel	Executive Director	08	Yes
Shri Girish Patel	Non Executive Independent	08	Yes
Shri Keyur Patel	Non Executive Independent	08	Yes
Shri Kalpesh Patel	Non Executive, Independent	08	Yes
Shri Umakant Patel	Non Executive, Independent	08	Yes

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

Dates of Board meeting held: (1) 30.04.2008 (2) 06.06.2008 (3) 31.07.2008 (4) 08.08.2008 (5) 25.10.2008 (6) 20.11.2008 (7) 31.01.2009 (8) 31.03.2009

#### Details of other Directorships:

Name of Director	Other Directorship (No of Company)
Shri Jagdish Patel	1
Shri Kalpesh 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



## JYOTI RESINS & ADHESIVES LIMITED

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 2008-2009.

**Jagdish N. Patel**  
Managing Director

### GENERAL BODY MEETING:

Date	Type	Time	Location
30-9-2006	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
30-9-2007	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
29-9-2008	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 disclosures 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 : 29/9/2009  
(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 2008 to 31st March 2009.  
Date of Book Closure : From : 24th Sept. 2009 to 30th Sept. 2009. (Both days inclusive)  
Dividend Payment Date : No Dividend declared.

### TENTATIVE FINANCIAL CALENDAR

Publication of Quarterly Results ending 30th Sept. 2009 : Last week of Oct.2009  
Publication of Quarterly Results ending 31st Dec. 2009 : Last week of Jan.2010  
Publication of Audited Results for 2009 - 10 : Last week of May 2010  
Annual General Meeting for 2009 - 10 : Last week of August 2010

### LISTING ON STOCK EXCHANGE:

The stock Exchange, Mumbai

Stock code on BSE

514443



## ANNUAL REPORT 2008-2009

### Market Price Data:

Share price in The Stock Exchange, Mumbai:

Month	High (Rs.)	Low (Rs.)
April'08	3.41	2.55
May'08	3.47	2.27
June'08	3.27	2.33
July'08	3.20	2.36
August'08	3.23	2.61
September'08	3.68	2.73
October'08	3.48	2.13
November'08	2.38	1.70
December'08	2.26	1.40
January'09	3.44	2.15
February'09	3.30	2.41
March'09	2.88	2.43

Performance in Comparison to broad based Indices such as BSE sensex, CRISIL Index etc.

Not applicable since shares are traded in B2 list of the stock Exchange, Mumbai.

### REGISTRAR AND SHARE TRANSFER AGENT

M/s Sharex Dynamic (India) Pvt. Ltd.,

Unit No. 01, Luthra Ind. premises, Andheri Kurla Road, Safed pool, Andheri (E), Mumbai-400 072.

TEL. NO.022-28515606 FAX // 91 -022-28512885

### SHARE TRANSFER SYSTEM

The share transfer work is handled by the Registrar and Share Transfer Agent of the Company i.e.M/s Sharex Dynamic (India) Pvt. Ltd are also having connectivity with the depositories viz. NSDL And CDSL.

Share Transfer are registered and dispatched within a period of thirty days from the date of the lodgments if the transfer documents are correct and valid in all respects.

### Distribution of Shareholding as on 31st March, 2009:

No. of Equity Shares Held	No. of Share holders	% of Shareholders	No. of Share held	% of Shareholders
1 to 100	445	21.77	37277	0.93
101 to 200	227	11.11	43630	1.09
201 to 500	476	23.29	201987	5.05
501 to 1000	410	20.06	375281	9.38
1001 to 5000	385	18.84	980929	24.52
5001 to 10000	56	2.74	421645	10.54
10001 to 100000	40	1.96	1195187	29.88
100001 and above	5	0.24	744064	18.60
<b>TOTAL</b>	<b>2044</b>	<b>100.00</b>	<b>4000000</b>	<b>100.00</b>

### Distribution pattern as on 31st March, 2009

	NO. OF SHARES	PERCENTAGE (%)
Promoters and Relatives	6,59,037	16.48
Bodies Corporate	3,63,611	9.09
Public	29,75,252	74.38
Other - Clearing Member	2,100	0.05

### Dematerialization of shares and Liquidity : ISIN NO. INE577D01013

3917699 shares out of 4000000 shares of the company have dematerialized as at 31st March, 2009 representing 97.93% of total capital of the company. The company has entered into agreement with both National Securities Depository Ltd.(NSDL) and Central Depository Services Ltd.(CDSL) whereby shareholders have an option to dematerialized their shares with the depositories.

Outstanding GDRs/ ADRs/ Warrants or any Convertibles Instruments, Conversion date And Likely impact on equity : Not applicable

Plant Location : Plot No. 873, Village Santej, Tal. Gandhinagar, Dist. Mehsana, Gujarat.

Address for Correspondence : 405-6, Rajkamal Plaza-B, Nr. Samruddhi Building, Opp. Old High Court, Ahmedabad - 380 014.





**ANNEXURE - 'C'**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:**

(Auditors' Certificate on Compliance of Conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges.)

**To the Members of  
Jyoti Resins & Adhesives Ltd.**

We have examined the compliance of conditions of corporate governance by M/s Jyoti Resins & Adhesives Ltd. for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to the requirement of one-half of the Board comprising of independent directors being complied with as on the date of this report, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the record maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Suresh R. Shah & Associates**  
*Chartered Accountants.*

Place : Ahmedabad.  
Date : 28th August, 2009.

**Mrugen Shah**  
Partner.

**ANNEXURE - 'D'**  
**CERTIFICATE BY CEO/CFO**

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby certified that for the financial year ended 31st March, 2009 :

1. I/we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, these statements:
  - (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the company's Code of Conduct.
3. I/we accept responsibility for establishing and maintaining internal controls for financial reporting and that I/we have evaluated effectiveness of internal control system of the company pertaining to financial reporting and I/we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I/we are aware and the steps I/we have taken or propose to take, to rectify these deficiencies.
4. I/we have indicated to the Auditors and to the Audit Committee :
  - (i) significant changes in internal control over financial reporting during the year.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud, if any, of which I/we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**For & On Behalf of the Board**

Place : Ahmedabad.  
Dated : 28th August, 2009.

**Jagdish N. Patel**  
Chairman & Managing Director



**ANNEXURE - 'E'  
MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry structure & Developments.**

Jyoti Resins and Adhesives Ltd. is in the business of Productions of Adhesives, Paints & Resins which are widely used in fast moving consumer market on days.

**Financial Performance:**

Performance of your company for financial year ended on 31st March 2009 has been satisfactory over though stiff market competition. Sales income was Rs 312.83 Lacs compared to previous year sales of Rs. 206.92 Lacs.

Our policy is to identify customers need, design and develop products, Subsequently manufacture & supply at competitive prices to achieve total customer satisfaction.

**Internal control system/ Human Resources :**

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded & protected from unauthorised use or disposition. During the financial year ended on 31st March, 2009, industrial relations continued to remain cordial. Employees were subjected to various training to further sharpen their skills in that functional area.

**Future Outlook :**

Based on the buoyancy of the Indian economy, the over all scenario and the steps taken by the Management, the future outlook of your Company looks bright.

**Report on Corporate Governance :**

In Compliance with clause 49 of the Listing Agreement entered into with Stock Exchange, the company submits the report on the matter mentioned in the said clause :

The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

**For & On Behalf of the Board**

**Jagdish N.Patel**

*Chairman & Managing Director*

Place : Ahmedabad.

Dated : 28th August, 2009.



**AUDITORS' REPORT**

To,  
**The Members of Jyoti Resins And Adhesives Ltd.**

1. We have audited the attached Balance Sheet of Jyoti Resins And Adhesives Ltd. as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3(c) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the Directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes on Accounts & accounting policies give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - I. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
    - II. In the case of Profit & Loss Account, of the Profit for the year ended on that date; and
    - III. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Suresh R. Shah & Associates**  
*Chartered Accountants.*

Place : Ahmedabad.  
Date : 28th August, 2009.

**Mrugen Shah**  
Partner.

**ANNEXURE TO THE AUDITORS' REPORT**

**Annexure to the Auditor's Report of even date to the Members of Jyoti Resins & Adhesives Ltd.**  
(Referred to in paragraph 3 of our report even date)

1.
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) Fixed assets have been physically verified by the management during the year based on a phased programme, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on physical verification.
  - (c) The Company has not disposed off substantial part of its fixed assets during the year.
2.
  - (a) The management has conducted physical verification of inventory at reasonable intervals.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
3.
  - (a) The company has taken unsecured loan from one company listed in the register maintained under section 301 of the Companies Act. The aggregate amount of the loan taken is Rs. 54.40 Lakhs. The company has not granted any loans to parties listed in the Register maintained under section 301 of the Companies Act, 1956.



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- (b) The rate of interest and other terms and conditions of the loan taken by the Company covered under sub-para (a) above are not prima facie prejudicial to the interest of the Company.
- (c) The repayment of principal amount and payment of interest are made regularly.
- (d) There are no overdue amounts in respect of such loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions with parties with whom transactions exceeding the value of Rupees five Lacs have been entered into during the financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public within the meaning of the provisions section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. According to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under clause (d) of subsection (1) of section 209 of the companies Act, 1956 for the products of the company.
9. (a) According to the information and explanations given to us and the books and records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues were outstanding at the year end for a period of more than six months from the date they become payable except professional tax amounting to Rs.64522/- which is outstanding for more than six months.
- (c) According to the records of the Company, there are no dues outstanding of sales tax, income tax, custom duty, wealth tax, excise duty and cess on account of any dispute.
10. The accumulated loss of the Company as at 31st March, 2009 is less than 50% of its net worth also the Company has not incurred a cash loss in the current year and the immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given by the management, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. Based on our examination of the records and information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. In respect of dealing in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transaction and contracts and timely entries have been made therein. Also, the shares, securities, debentures and other investments have been held by the Company in its own name.
15. On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, during the period covered by our audit, the Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

**For Suresh R. Shah & Associates**  
Chartered Accountants:

**Mrugen Shah**  
Partner.

Place : Ahmedabad.  
Date : 28th August, 2009.



**BALANCE SHEET AS AT 31ST MARCH, 2009**

(Figures In Rupees)

Particulars	Sch	As At	As At
		31/03/2009	31/03/2008
<b>(I) Sources Of Funds :</b>			
<b>1. Share Holders Fund</b>	<b>I</b>		
(A) Share Capital		40,000,000	40,000,000
(B) Reserves & Surplus		—	—
<b>2. Loan Funds :</b>			
(A) Secured Loan	<b>II A</b>	3,504,271	2,682,366
(B) Unsecured Loan	<b>II B</b>	5,640,000	6,240,000
<b>Total Rs.....</b>		<b>49,144,271</b>	<b>48,922,366</b>
<b>(II) Application Of Funds :</b>			
<b>1. Fixed Assets</b>	<b>III</b>	<b>13,587,160</b>	<b>14,659,986</b>
<b>2. Investments</b>	<b>IV</b>	<b>232,500</b>	<b>182,500</b>
<b>3. Current Assets, Loans &amp; Advances</b>	<b>V</b>		
(A) Inventories		5,589,804	4,511,631
(B) Sundry Debtors		19,141,708	12,604,978
(C) Cash & Bank Balances		1,122,188	197,939
(D) Loan & Advances		1,589,038	6,816,151
		<b>27,442,738</b>	<b>24,130,699</b>
<b>Less : Current Liabilities &amp; Provisions</b>	<b>VI</b>		
(A) Current Liabilities & Provisions		7,203,720	5,393,272
		<b>20,239,018</b>	<b>18,737,427</b>
<b>4. Miscellaneous Expenses</b> (To The Extent Not Written Off Or Adjusted)			
<b>5. Profit &amp; Loss Account</b>		<b>15,085,593</b>	<b>15,342,453</b>
<b>Total Rs.....</b>		<b>49,144,271</b>	<b>48,922,366</b>

As Per Separate Report Of Evan Date  
**Suresh R. Shah & Associates**  
 Chartered Accountants

**For JYOTI RESINS & ADH. LTD.**

**For And On Behalf Of The Board Of Director**  
**For, Jyoti Resins & Adhesives Limited**

**Mrugen K Shah**  
 Partner

**Mr. Jagdish N. Patel**  
 Managing Director

Date : 28-08-2009  
 Place : Ahmedabad

**Managing Director.**

Date : 28-08-2009  
 Place : Ahmedabad



## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009

(Figures In Rupees)

Particulars	Sch	For The Year Ended On 31/03/2009	For The Period Ended On 31/03/2008
<b>I. Income</b>			
Sales & Other Incomes	VII	30,258,165	20,446,025
Increase / Decrease In Stock	VIII	1,024,989	246,278
<b>Total 'A'.....</b>		<b>31,283,154</b>	<b>20,692,303</b>
<b>II. Expenditure</b>			
Cost Of Goods Consumed	IX	19,682,792	12,858,863
Manufacturing Expenses	X	1,942,135	2,411,023
Administrative & Selling Expenses	XI	6,831,334	2,621,765
Interest Expenses	XII	1,263,699	1,081,086
Loss On Sales Of Assets		—	—
Depreciation On Fixed Assets		1,191,734	1,185,995
Fringe Benefit Tax		114,600	53,858
<b>Total 'B'.....</b>		<b>31,026,294</b>	<b>20,212,590</b>
<b>III. Profit/ (Loss) Before Taxation ( A - B )</b>		<b>256,860</b>	<b>479,713</b>
Less : Provision For Taxation		—	—
<b>IV. Profit/ (Loss) After Taxation</b>		<b>256,860</b>	<b>479,713</b>
Less : Prior Period Adjustments		—	—
<b>V. Net Profit / (Loss) For The Year</b>		<b>256,860</b>	<b>479,713</b>
Add : Profit /(Loss) B/F From Previous Year		(15,342,453)	(15,822,166)
<b>VI. Net Profit/(Loss) C / F To Balance Sheet</b>		<b>(15,085,593)</b>	<b>(15,342,453)</b>

As Per Separate Report Of Evan Date

**Suresh R. Shah & Associates**

Chartered Accountants

For JYOTI RESINS &amp; ADH. LTD.

**Mrugen K Shah**

Partner

Date : 28-08-2009

Place : Ahmedabad

  
**Managing Director.**

For And On Behalf Of The Board Of Director

For, Jyoti Resins &amp; Adhesives Limited

**Mr. Jagdish N. Patel**

Managing Director

Date : 28-08-2009

Place : Ahmedabad


**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009**

(Figures In Rupees)

Particulars	31/03/2009	31/03/2008
<b>Schedule - I : Share Capital</b>		
<b>Authorised Share Capital :</b>		
5,40,00,000 Equity Shares Of Rs. 10/- Each	<b>540,000,000</b>	540,000,000
<b>Issued Subscribed, Called Up And Paid Up Capital :</b>		
40,00,000 Equity Shares Of Rs. 10/- Each Fully Paid Up	<b>40,000,000</b>	40,000,000
<b>Schedule - II A : Secured Loan</b>		
<b>(A) Bank Loan</b>		
Term Loan	<b>708,309</b>	1,105,537
Working Capital Loan [Refer Note 6 (A)]	<b>2,709,729</b>	1,326,371
<b>(B) Financial Institution Loan</b>		
	<b>86,233</b>	250,458
	<b>3,504,271</b>	2,682,366
<b>Schedule - II B : Unsecured Loans</b>		
Jagdish N Patel A/C	<b>200000</b>	800000
Jcel Icd A/C	<b>5440000</b>	5440000
Total	<b>5640000</b>	6240000

**Schedule - III : Fixed Assets**

Description Of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Bal As On 01-04-2008	Add	Ded As On 31-03-2009	Bal As On 01-04-2008	For The Period	Less	Bal As On 31-03-2009	As On 31-03-2009	As On 31-03-2008
Freehold Land	1,607,782	—	<b>1,607,782</b>	—	—	—	<b>1,607,782</b>		1,607,782
Factory Building	4,651,190	—	<b>4,651,190</b>	1,921,139	155,350	—	<b>2,076,489</b>	<b>2,574,701</b>	2,730,051
Plant & Machinery	17,232,155	81,375	<b>17,313,530</b>	9,997,781	819,227	—	<b>10,817,008</b>	<b>6,496,522</b>	7,234,374
Office Premises	2,283,730	—	<b>2,283,730</b>	454,735	37,225	—	<b>491,960</b>	<b>1,791,770</b>	1,828,995
Furniture & Equipments	965,968	—	<b>965,968</b>	720,354	60,122	—	<b>780,476</b>	<b>185,492</b>	245,614
Air Conditioners	445,389	20,000	<b>465,389</b>	259,422	21,952	—	<b>281,374</b>	<b>184,015</b>	185,967
Computer	47,796	17,533	<b>65,329</b>	13,140	9,726	—	<b>22,866</b>	<b>42,463</b>	34,656
Vehicles Khusbu Tempo	273,311	—	<b>273,311</b>	40,930	30,911	—	<b>71,841</b>	<b>201,470</b>	232,381
Vehicles Maruti Esteem	564,864	—	<b>564,864</b>	78,361	53,662	—	<b>132,023</b>	<b>432,841</b>	486,503
Laboratory Building	106,562	—	<b>106,562</b>	32,899	3,559	—	<b>36,458</b>	<b>70,104</b>	73,663
<b>Total Rs...</b>	<b>28,178,747</b>	<b>118908</b>	<b>28,297,655</b>	<b>13,518,761</b>	<b>1,191,734</b>	<b>—</b>	<b>14,710,495</b>	<b>13,587,160</b>	<b>14,659,986</b>
Previous Year	28,173,097	5,650	28,178,747	12,332,766	1,185,995	—	13,518,761	14,659,986	15,840,331

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(Figures In Rupees)

Particulars		31/03/2009	31/03/2008
<b>Schedule - IV : Investments : (At Cost) Quoted</b>			
<b>Face Value</b>	<b>Name Of Company</b>	<b>Nos</b>	
10	Jyoti Cosmetics (Exim) Ltd.	19,330	30,000
			30,000
<b>Investments : (At Cost) Unquoted</b>			
25	Kalupur Comm. Co.Op.Bank Ltd.	8,000	200,000
500	Atithya Non Trade Asso.	5	2,500
			232,500
			182,500
Aggregate Cost Of Quoted Investments		30,000	30,000
Aggregate Market Value Of Quoted Investments		3,660	3,660
<b>Schedule - V : Current Assets, Loans &amp; Advances</b>			
<b>(A) Inventories (As Taken, Valued And Certified By Management)</b>			
	Raw Materials	1,057,643	964,616
	Packing Materials	1,155,268	1,195,111
	Finished Goods	1,661,618	1,176,260
	Work In Progress	1,345,534	1,175,644
	Goods In Transit	369,741	—
		5,589,804	4,511,631
<b>(B) Sundry Debtors (Unsecured, Considered Good)</b>			
	Out Standing For A Period Exceeding Six Months	5,296,464	5,301,836
	Others Less Than Six Months	13,845,244	7,303,142
		19,141,708	12,604,978
<b>(C) Cash &amp; Bank Balances</b>			
	Cash On Hand	975,506	181,807
	Balance With Scheduled Banks	146,682	16,132
		1,122,188	197,939
<b>(D) Loans &amp; Advances (Un Secured, Considered Good)</b>			
	Advances For Purchase	1,318,000	399,462
	Advances For Purchase Of Assets	—	6,330,000
	Prepaid Expenses	8,283	11,886
	Business Deposits	15,120	15,120
	Excise Duty	131,755	23,433
	Advance For Expenses	113,305	33,675
	Advance Income-Tax	2,575	2,575
		1,589,038	6,816,151



**JYOTI RESINS & ADHESIVES LIMITED**

(Figures In Rupees)

Particulars	31/03/2009	31/03/2008
<b>Schedule - VI : Current Liabilities &amp; Provisions</b>		
Sundry Creditors For Materials Purchase	5,746,619	4,084,868
Sundry Creditors For Expenses	263,973	263,836
Business Deposits	100,000	100,000
Unpaid Expenses	267,640	279,566
Trade Advance	4,898	7,723
Tax Deducted At Source	24,043	23,114
P.F. Payable	22,230	14,396
Professional Tax Payable	67,042	44,122
Jcel Int. A/C	447,395	405,783
Interest Receivable	91,688	91,688
Sales / Vat Tax Payable	142,692	78,176
F.B.T. Payable	25,500	—
	<u>7,203,720</u>	<u>5,393,272</u>
<b>Schedule - VII : Sales &amp; Other Incomes</b>		
Sales	31,525,850	20,929,576
Less : Excise Duty	1,282,178	558,148
	<u>30,243,672</u>	<u>20,371,428</u>
Less : Rate Difference/Shortage	3,507	10,860
	<u>30,240,165</u>	<u>20,360,568</u>
Add : Miscellaneous Income	18,000	85,457
	<u>30,258,165</u>	<u>20,446,025</u>
<b>Schedule - VIII : Increase/ (Decrease) In Stock</b>		
<b>Finished Goods :</b>		
Closing Stock	1,661,618	
Less : Opening Stock	1,176,260	485,358
	<u>485,358</u>	<u>168,239</u>
<b>Work In Progress :</b>		
Closing Stock	1,345,534	
Less : Opening Stock	1,175,644	169,890
	<u>169,890</u>	<u>78,039</u>
Goods In Transit-Stock	369,741	—
	<u>1,024,989</u>	<u>246,278</u>
<b>Schedule - IX : Cost Of Goods Consumed</b>		
Raw Materials Consumed	15,690,571	10,402,610
Consumable Stores & Spares Consumed	8,200	3,737
Packing Materials Consumed	3,984,021	2,452,516
	<u>19,682,792</u>	<u>12,858,863</u>
<b>Schedule - X : Manufacturing Expenses</b>		
Power & Fuel Expenses	360,681	297,470
Freight / Octroi Inward Expenses	215,952	45,912
Water Expenses	48,630	45,480
Factory Worker / Staff Salary / Wages	1,316,872	2,022,161
	<u>1,942,135</u>	<u>2,411,023</u>

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(Figures In Rupees)

Particulars	31/03/2009	31/03/2008
<b>Schedule - XI : Administrative &amp; Selling Expenses</b>		
Office / Sales Staff Salary	2,139,977	—
Staff Welfare Expenses	55,095	15,518
Staff Group Insurance Exps.	12,763	14,767
Director Remuneration	480,000	480,000
Vehicle Petrol & Repair Exps Scooter	42,497	32,875
Vehicle Petrol & Repair Exps Truck & Tempo	210,494	232,305
Vehicle Petrol & Repair Exps Car	8,950	49,160
Printing, Stationery & Advertisement	500,886	476,704
Postage & Telephone Exps.	47,082	45,203
Share Transfer Exps.	37,279	46,294
Electricity/Maintenance Expenses	57,346	28,328
Repair Maintenance To Office Equipments	14,719	34,120
Misc. Office Expenses	16,661	2,713
Legal & Professional Fees Exps.	134,612	67,264
Auditors' Remuneration	11,000	11,000
Municipal Tax & Office Maintenance Exps	27,770	41,900
Insurance	19,651	38,687
Annual General Meeting Expenses	—	1,500
Repairs To Plant & Machinery	49,089	44,341
Laboratory Expenses	1,995	550
Repair To Factory Building	2,085	12,130
Misc. Factory Expenses	17,094	10,403
Service Tax Paid	1,084	—
Travelling Allowance	460,000	116,376
Sales Promotion Expenses	1,505,070	480,230
Cash Discount	74,725	77,279
Kassar Vataw W/Off	79,861	63,143
Freight/Octroi Expenses	141,166	40,676
Bank Commission Charges	66,801	58,521
Penalty Expenses	2,150	7,000
Prior Period Expenses	—	5,278
Godown Rent Expenses	120,000	40,000
Roc Fees Expenses	—	47,500
Pollution Expenses	30,670	—
Professional Tax Co.	2,500	—
Target Incentive Expenses	460,262	—
	<b>6,831,334</b>	<b>2,621,765</b>
<b>Schedule - XII : Interest Expenses</b>		
Bank Interest	759,558	624,605
Icd Interest	489,600	428,016
Car Loan Interest	14,541	28,465
	<b>1,263,699</b>	<b>1,081,086</b>

**SCHEDULE - XIII : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS****(A) SIGNIFICANT ACCOUNTING POLICIES:****(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The books of accounts are prepared under the Historical Cost Convention method using the accrual/mercantile method of accounting and accordance with the Companies Act, 1956 and the applicable accounting standards issued by the Institute of Chartered Accountants of India.

**(2) FIXED ASSETS :**

All fixed assets are stated at cost. The company has capitalised all costs relating to the acquisition and installation of the fixed assets. All expenses prior to commercial production after adjustment of incomes for the same period have been capitalised and appropriated to fixed assets.

**(3) DEPRECIATION :**

The Company provides depreciation on its fixed assets on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956. The depreciation on additions/ deletions have been provided on pro rata basis from the date of addition/ deletion. Individual assets costing less than Rs.5,000/- acquired during the year have been fully depreciated.

**(4) INVESTMENTS :**

Investments are valued at cost. There is a diminution in the value of long term investments (quoted) held by the company as on 31/03/2009 on the basis of market value thereof as on that date. No provision is considered necessary in accounts at this stage since the company expects such a decline to be temporary.

**(5) INVENTORIES :**

Inventories are valued as under :

- (1) Raw Materials, Stores, Goods in Transit & Work In Process are valued at cost.
- (2) Finished Goods are valued at Cost or Net realisable value which ever is lower.

**(6) SALES:**

Sales are recognised when products are dispatched and represent amounts billed for goods sold including excise duty but excluding VAT.

**(7) GRATUITY :**

No provision for gratuity has been made as none of the employee has put the qualifying period of service entitlement for this benefit.

**(8) AMORTISATION OF EXPENSES :**

Preliminary & Public Issue Expenses are amortised over a period of ten years.

**(B) NOTES TO THE ACCOUNTS :**

- (1) Figures have been rounded off to the nearest rupee and previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
- (2) Auditors' Remuneration : Rs. 11000/-.(Previous year Rs.11,000/-)
  - For Statutory Audit : Rs. 7,000/-
  - For Tax Audit : Rs. 4,000/-
- (3) Managing Director's Gross Remuneration: Rs.4,80,000/- (Previous year Rs.4,80,000/-)
- (4) Working capital Loans are secured by hypothecation of stock of Raw materials, work-in-progress, finished goods, other materials & book debts of the Company.
- (5) The deferred tax asset has not been recognised, as there is no reasonable certainty of sufficient taxable income being available against which such deferred tax assets can be realised. Provision for Fringe Benefit Tax is made in accordance with provisions relating to the levy of this tax as contained in Chapter XII-H of the Income Tax Act, 1961.
- (6) The Company deals in mainly in one product segment i.e. Adhesives and hence requirements of AS-17 "Segment Reporting" issued by Institute of Chartered Accountants of India are not applicable.
- (7) Sundry creditors do not include any amount due to SSI undertakings as per identification made from available information.
- (8) Debit & Credit balances are subject to confirmations & adjustments, if any.



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### (C) STATEMENT OF ADDITIONAL INFORMATION

(a) LICENSED CAPACITY : Not applicable.

(b) INSTALLED CAPACITY : (As Compiled and Certified by the Management)

Item	Qty.
Adhesives/Binder	500MT.
Resins	1830MT.
Paints/Pigment paste/ Primer	1 lac MT.
Varnish	120 MT.

### (c) PRODUCTION:

Item	Unit	2008-2009 Qty.	2007-2008 Qty.
Adhesives/Binder	Kg.	348447	277174
Resins	Kg.	217	2666*
Paints/Pigment paste/Primer/ Varnish	Ltrs.	5082	31654

\* Inclusive of production for Captive Consumption 0 kg, (Previous year 2306 kg.)

### (d) SALES :

Item	Unit	2008-2009		2007-2008	
		Qty.	Amount	Qty.	Amount
Adhesives/Binder	Kgs.	3,44,658	3,08,20,228	2,72,364	1,81,15,035
Resins	Kgs.	217	26,580	3,756	1,62,818
Paints/Pigment paste/Primer/ Varnish	Ltrs.	7721	6,78,842	34,878	22,72,339
<b>Total</b>			<b>3,15,25,650</b>		<b>2,05,50,192</b>

### (e) CONSUMPTION OF RAW MATERIALS:

Item	Unit	2008-2009		2007-2008	
		Qty.	Amount	Qty.	Amount
VAM	Kg.	1,40,273	94,81,050	80,234	51,42,401
GH-17/PVA	Kg.	26,716	49,39,669	16,477	24,74,030
MTO	Kg.	400	14,166	10,286	3,97,953
Alkyd Resins	Kg.	600	46,680	4,200	3,17,995
Pigment Powder	Kg.	1,412	2,00,565	1,598	1,77,303
Titanium Dioxide	Kg.	250	20,527	2,025	2,18,137
Emulsion	Kg.	250	14,198	2,200	1,29,792
Dryer	Kg.	68	12,339	788	87,364
C.N.S.L.	Kg.	190	7,268	190	7,268
Linseed/Soya Oil	Kg.	120	4,975	400	26,172
Starch	Kg.	2,615	41,336	2,989	50,559
Emulsifire	Kg.	220	21,626	50	4,836
Phthalic	Kg.	0	0	0	0
Calcite	Kg.	900	4,212	1,400	6,552
Others			14,67,912		10,61,565
Less : Excise Modvate Credit			5,85,952		3,00,683
<b>Total</b>			<b>1,56,90,571</b>		<b>1,04,02,610</b>


**JYOTI RESINS & ADHESIVES LIMITED**
**(f) OPENING STOCK OF FINISHED GOODS :**

Item	Unit	2008-2009		2007-2008	
		Qty.	Amount	Qty.	Amount
Adhesives/Binder	Kg.	9880	8,82,972	5,070	4,23,054
Resins	Kg.	0	0	1,090	59,950
Paints/Pigment Paste/Primer/Varnish	Ltrs.	3495	2,93,288	6,719	5,25,017
<b>Total</b>			<b>11,76,260</b>		<b>10,08,021</b>

**(g) CLOSING STOCK OF FINISHED GOODS :**

Item	Unit	2008-2009		2007-2008	
		Qty.	Amount	Qty.	Amount
Adhesives/Binder	Kg.	13669	15,85,637	9,880	8,82,972
Resins	Kg.	0	0	0	0
Paints/Pigment Paste/Primer/ Varnish	Ltrs.	855	75,981	3,495	2,93,288
<b>Total</b>			<b>16,61,618</b>		<b>11,76,260</b>

**(h) VALUE OF IMPORTED & INDIGENOUS RAW MATERIALS CONSUMED :**

Item	Unit	2008-2009		2007-2008	
		Qty.	Amount	Qty.	Amount
Imported		NIL	NIL	NIL	NIL
Indigenous			1,56,90,571		1,04,02,610
<b>Total</b>			<b>1,56,90,571</b>		<b>1,04,02,610</b>

**(i) CIF VALUE OF IMPORTS : Nil (Previous Year Rs. Nil)**
**(j) EXPENDITURE IN FOREIGN CURRENCY : Nil.**
**(k) EARNING IN FOREIGN CURRENCY : Nil.**
**(l) RELATED PARTY DISCLOSURES :**
**1. Name of the related parties and Relationship**

- (a) Subsidiary : N.A.
- (b) Key Management Personnel :
- Shri Jagdish N. Patel Managing Director
- Shri Chandulal C. Patel Executive Director
- (c) Other related enterprise with significant influence :
- Jyoti Cosmetics (Exim) Limited.

**2. Details relating to parties referred to (b)&(c) above**

	<u>Key Management Persons</u>	<u>Other related Enterprise</u>
Remuneration Paid	4,80,000	—
Sales of Goods	—	83,59,591
Inter Corporate Deposit	—	54,40,000



## ANNUAL REPORT 2008-2009

### (D) Balance Sheet Abstract and Company's General Business Profile :

#### A. Registration Details :

Registration No.	:	04 20879	State Code	:	04.
Balance Sheet Date	:	31 03-2009	Date Month Year		

#### B. Capital raised during the year (Amt.In Rs. Lacs) :

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil
Preferential Issue	:	Nil			

#### C. Position of mobilisation and deployment of funds : (Amt in Rs. Lacs)

Total Liabilities	:	491.44	Total Assets	:	491.44
Sources of Funds	:				
Paid up Capital	:	400.00	Reserves & Surplus	:	NIL
Secured Loan	:	35.04	Unsecured Loan	:	56.40
<b>Application of Funds</b>	:				
Net Fixed Assets	:	135.87	Investments	:	2.32
Net Current Assets	:	202.39	Misc. Expenditure	:	NIL
Accumulated Losses	:	150.86			

#### D Performance of Company (Amt.In Rs. Lacs) :

Turnover & Oth.Income	:	312.83	Total Expenditure	:	310.26
Profit Before Tax	:	2.57	Profit After Tax	:	2.57
Earning Per Share	:	0.06	Dividend Rate	:	Nil

#### E Generic names of the three principal products of the company :

(1) Item Code No.(ITC Code)	:	390791.00
Product Description	:	MALEIC RESINS
(2) Item Code No.(ITC Code)	:	320890.02
Product Description	:	PAINTS
(3) Item Code No.(ITC Code)	:	390703.01
Product Description	:	ALKYD RESINS

Note : Classification of products under ITC Code being a technical nature is not verified by the Auditors.

As Per Separate Report Of Evan Date  
**Suresh R. Shah & Associates**  
Chartered Accountants

**Mrugen K Shah**  
Partner

Date : 28-08-2009  
Place : Ahmedabad

For And On Behalf Of The Board Of Director  
For, Jyoti Resins & Adhesives Limited

**Mr. Jagdish N. Patel**  
Managing Director

Date : 28-08-2009  
Place : Ahmedabad



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	2008-2009 Rupees	2007-2008 Rupees
<b>A Cash Flow From Operating Activities :</b>		
Net Profit Before Tax And Extra Ordinary Items	256,860	479,713
Adjustments For		
Depreciation	1,191,734	1,185,995
Loss On Sales Of Assets	—	1,185,995
<b>Operating Profit Before Working Capital Changes</b>	<b>1,448,594</b>	<b>1,665,708</b>
Adjustments For		
Trade And Other Receivables	(6,536,730)	1,909,885
Inventories	(1,078,173)	(100,123)
Trade Payables	2,216,231	1,185,970
Loans/ Advances	5,227,113	(4,355,279)
<b>Net Cash From Operating Activities Total [A].....</b>	<b>1,277,035</b>	<b>306,161</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase Of Fixed Assets	(118,908)	(5,650)
Sales Of Fixed Assets	—	—
Investments In Shares	(50,000)	—
<b>Net Cash From Investing Activities Total [B].....</b>	<b>(168,908)</b>	<b>(5,650)</b>
<b>C Cash Flow From Financing Activities</b>		
Increase/(Decrease) In Secured Loan	821,905	(2,855,897)
Increase/(Decrease) In Unsecured Loan	(1,005,783)	2,666,909
<b>Net Cash Used In Financing Activities Total [C].....</b>	<b>(183,878)</b>	<b>(188,988)</b>
Net Increase/(Decrease) In Cash And Cash Equivalents (A + B + C)	924,249	111,523
Cash And Cash Equivalents As At 1-4-2008 (Opening Balance)	197,939	86,416
Cash And Cash Equivalents As At 31-3-2009 (Closing Balance)	1,122,188	924,249

As Per Separate Report Of Evan Date  
**Suresh R. Shah & Associates**  
Chartered Accountants

For JYOTI RESINS & ADH. LTD.

**Mrugen K Shah**  
Partner

Managing Director.

Date : 28-08-2009  
Place : Ahmedabad

For And On Behalf Of The Board Of Director  
For, Jyoti Resins & Adhesives Limited

**Mr. Jagdish N. Patel**  
Managing Director

Date : 28-08-2009  
Place : Ahmedabad



**ANNUAL REPORT 2008-2009**

**JYOTI RESINS AND ADHESIVES LIMITED**

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

**PROXY FORM**

Dp. Id\* \_\_\_\_\_ Client Id\* \_\_\_\_\_ Folio no. \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member/members of the above-named company hereby appoint Mr/Mrs \_\_\_\_\_ of

\_\_\_\_\_ Or. failing him/her Mr/Mrs \_\_\_\_\_ of

\_\_\_\_\_ As my/our proxy to attend and vote for me/us and on my/our behalf at

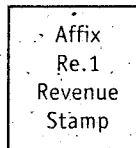
the 16th Annual General Meeting of the Company to be held on 29th september, 2009 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

No.of shares held \_\_\_\_\_

Signature(s) \_\_\_\_\_

Address \_\_\_\_\_



Note: This Proxy Form must be deposited at the Registered Office of the Company at 405-6, Rajkamal Plaza -B, Nr.Samruddhi Bldg., Opp. Old high Court, Ahmedabad-380 014 not less than 48 hours before the time for holding the meeting.

\* Applicable for investors holding shares in electronic form.

**JYOTI RESINS AND ADHESIVES LIMITED**

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

**ATTENDANCE SLIP**

**SIXTEENTH ANNUAL GENERAL MEETING - 29TH SEPTEMBER, 2009**

Dp. Id\* \_\_\_\_\_ Client Id\* \_\_\_\_\_ Folio no. \_\_\_\_\_

No.of shares held \_\_\_\_\_

I certify that I am a registered Shareholder/Proxy for the Registered Holders of the Company.

I hereby record my presence at the 16th Annual General Meeting of the Company being held on Tuesday, 29th september, 2009 at 3.00 p.m. at Rajkamal Plaza-B, Nr. Samruddhi Bldg., Opp. Old High Court, Ahmedabad- 380014.

Member's/proxy's name in block letters

Member's/Proxy's signature

Note:

1. Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

2. Please bring your copy of balance sheet at the time of annual general meeting.

\* applicable for investors holding shares in electronic form.

For JYOTI RESINS & ADH. LTD.

*[Signature]*  
Managing Director.



**BOOK – POST**

*If undelivered please return to :*

**JYOTI RESINS & ADHESIVES LIMITED**

Registered Office :-

405-406, Rajkamal Plaza – B,

Nr. Samruddhi Bldg., Opp. Old High Court,

Ahmedabad – 380 014.