



JAINEX AAMCOL LIMITED

405 & 406, Sharda Chambers, 15, Sir Vitthaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020
Tel: 022- 22002252 Fax: 022- 22002254
CIN : L74999MH1947PLC005695

Date: 08th September, 2022

To,
The Corporate Services Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001

Scrip Code: 505212

Sub: Annual Report 2021-22.

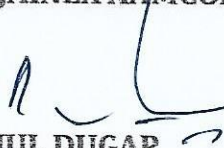
Dear Sir(s),

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the copy of Annual Report of the Company for the Financial Year 2021-22.

Kindly take the same on records and acknowledge receipt of the same.

Thanking You,

Yours faithfully,
For JAINEX AAMCOL LIMITED


RAHUL DUGAR
DIRECTOR
DIN: 00013704



Documents Enclosed: As above

Works :L-3 MIDC, Indl. Area, P. O. Chikalthana, Aurangabad 431 210
Tel : (0240)6614480/490 Fax No . (0240)2482208 E-Mail : mzk@jnxaamcol.co.in

2022



74th



ANNUAL REPORT

JAINEX AAMCOL LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Kunal Bafna	: Chairman (Whole Time Director & Chief Financial Officer)
Mr. Mohanlal Zumbarlal Kothari	: Managing Director
Mr. Rahul Dugar	: Director
Mrs. Bharati Bafna	: Director
Mr. Hitesh Mulraj Popat	: Non-Executive Independent Director
Mr. Sunil Sampatraj Parakh	: Non-Executive Independent Director
Mr. Sachindra Misra	: Non-Executive Independent Director
Mr. Murli Dhar Motwani	: Non-Executive Independent Director

STATUTORY AUDITORS

M/s. P.M. Bhargava & Co.
Chartered Accountants.
Firm Registration No. 145087W

BANKERS

ICICI Bank, Thane

REGISTERED OFFICE

405 & 406, Sharda Chambers,
15, Sir Vitthaladas Thackersey Marg,
New Marine Lines, Mumbai-400020
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.

NOTICE

Notice is hereby given that the 74th Annual General Meeting of the Members of Jainex Aamcol Limited will be held on Friday, 30th September, 2022 at 12.00 P.M. at the registered office of the Company at 405 & 406, Sharda Chambers, 15 Sir Vitthalidas Thackersey Marg, New Marine Lines, Mumbai – 400020 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Report of the Board of Directors and the Auditors thereon.
- 2) To consider re-appointment of Ms. Bharati Bafna (DIN: 01089137) as Director, who retires by rotation and being eligible, offers herself for re appointment.
- 3) To consider appointment of M/s. R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) as Statutory Auditors of the Company.

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 provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force) and considering the recommendations of the Audit Committee, consent of the Members of the Company be and is hereby accorded to appoint, R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) as the Statutory Auditors of the Company to hold office for a term of 5 (Five) years from the conclusion of this 74th Annual General Meeting ("AGM") till the conclusion of 79th Annual General Meeting ("AGM") of the Company on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to file all necessary forms with the Registrar of Companies and to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed necessary for giving effect to the above Resolution."

SPECIAL BUSINESS:

- 4) To re-appoint Mr. Mohanlal Zumbarlal Kothari (DIN: 01486305) as

Managing Director of the Company and in this regard, to pass with or without modifications, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and Rules framed thereunder, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory enactment or amendment, for the time being in force), the relevant provisions of Articles of Association of the Company and subject to such other statutory approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Mohanlal Zumarlal Kothari, as the Managing Director of the Company for a period of three years w.e.f. 01st April, 2022 to 31st March, 2025 on the terms & conditions and at a remuneration plus benefits and perquisites as recommended by the Nomination and Remuneration Committee, details herein given below, with liberty to the Board of Directors (hereinafter referred to as the Board") to alter, vary and modify the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mohanlal Zumarlal Kothari, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

The details of managerial remuneration payable to Mr. Mohanlal Zumarlal Kothari as Managing Director of the Company are given below:

- A) Gross Annual Salary: - Rs. 19,20,000/- inclusive of all perquisites with liberty to the Board to increase the same as it may in its absolute discretion determine from time to time.
- B) In addition he will be entitled to 1% incentive on turnover (1% incentive on sale of hobs & cutter above Rs. 70,00,000/- or as may be decided by the Board and 1 % incentive on sale of Gauges above Rs. 5,00,000/- or as may be decided by the Board).

The Appointee shall be entitled to the following Perquisites which shall not be included in the computation of the ceiling of remuneration:

- a) Payment of gratuity and other retirement benefits and;
- b) Leave Encashment.

The total amount of perquisites all inclusive shall not exceed 100% of the basic salary.

RESOLVED FURTHER THAT the Board be and is hereby authorized at its discretion from time to time to fix the actual remuneration and / or perquisites of Mr. Mohanlal Zumarlal Kothari, and revise such remuneration and / or perquisites from time to time within the maximum limits specified as above and to vary / modify / amend any of the aforesaid terms and conditions, provided such variation / modification / amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

- 5) **To re-appoint Mr. Kunal Bafna (DIN: 00902536) as Whole-time Director of the Company and in this regard, to pass with or without modifications, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and Rules framed there under, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory enactment or amendment, for the time being in force), the relevant provisions of Articles of Association of the Company and subject to such other statutory approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Kunal Bafna, (DIN: 00902536) as Whole-time Director of the Company for a period of three years w.e.f. October 8, 2022 to October 7, 2025 on the terms & conditions and at a remuneration plus benefits and perquisites as approved by the Nomination and Remuneration Committee, details herein given below, with liberty to the Board of Directors to alter, vary and modify the terms and conditions of their appointment as Whole-time Director in such a manner as may be agreed between the Board of Directors and Mr. Kunal Bafna.

The details of managerial remuneration payable to Mr. Kunal Bafna as Whole-time Director of the Company are given below:

- A) Gross Annual Salary:- Rs.75,000/- per month inclusive of all perquisites with liberty to the Board to increase the same as it may in its absolute discretion determine from time to time.
- B) Perquisites: In addition to the salary, the appointee shall be entitled to perquisites, allowance, benefits, facilities and amenities (collectively called "perquisites & allowances such as Medical allowance, Leave Travel, Hospitalization and Accident insurance, Car with Driver or cash equivalent thereof for use on Company's business, Telecommunication facilities and any other perquisites as per the policy/ rules of the Company in force or as may be approved by the Board from time to time.

The Appointee shall be entitled to the following Perquisites which shall not be included in the computation of the ceiling of remuneration:

- a) Payment of gratuity and other retirement benefits and;
b) Leave Encashment.

The total amount of perquisites all inclusive shall not exceed 100% of the basic salary.

RESOLVED FURTHER THAT the Board be and is hereby authorized at its discretion from time to time to fix the actual remuneration and / or perquisites of Mr. Kunal Bafna, and revise such remuneration and / or perquisites from time to time within the maximum limit specified as above and to vary / modify / amend any of the aforesaid terms and conditions, provided such variation / modification / amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

- 6) **To approve related party transaction for the financial year 2022-23 in this regard, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-**

"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule no 15 of the Companies (Meeting of Board and its Powers) Rules 2014 and on the recommendation of Audit Committee, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into a contract(s)/ arrangement(s)/ transaction(s) with M/s. Metagame Ventures Private Limited a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Obligations and Disclosure Requirements Regulations, 2015 (LODR) by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 4% on the total sales made by M/s. Metagame Ventures Private Limited till the AGM of the financial year 2022-23, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 189 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule no 16 of the Companies (Meeting of Board and its Powers) Rules 2014, Mr. Rahul Dugar, Director of the Company be and is hereby authorized to do the necessary entries in the Register of contracts or arrangements in which directors are interested and authenticate them."

- 7) **To approve change in registered office of the Company outside the local limits of the City, but within the jurisdiction of the existing Registrar of Companies (ROC) and in this regard, to pass with or without modifications, the following resolution as an Special Resolution:**

"RESOLVED THAT pursuant to Section 12 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and any other provisions applicable, if any, the consent of the Members of the Company be and is hereby accorded to change the registered office of the Company outside the local limits of the city but within the jurisdiction of the existing Registrar of Companies, Mumbai i.e.,

From,
405 & 406, Sharda Chambers,
15 Sir Vitthalidas Thackersey Marg,
New Marine Lines, Mumbai – 400020

To,
L-3, MIDC Industrial Area
P.O. Chikalthana
Aurangabad - 431006

RESOLVED FURTHER THAT any one of the Directors of the company be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary papers, documents and applications for the purpose of giving effect to the aforesaid Resolution”.

**By order of the Board of Directors
For Jainex Aamcol Limited**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

**Place: Mumbai
Date: 12/08/2022**

Registered Office:

405 & 406, Sharda Chambers, 15,
Sir Vitthalidas Thackersey Marg,
New Marine Lines, Mumbai-400020
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument appointing the Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than Forty Eight (48) hours before the time for holding the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. During the period beginning 24 hrs before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member is entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing of the intention to inspect is given to the Company.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the AGM, is annexed hereto.
3. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
5. Documents in respect of items referred to in the accompanying Notice are available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. upto the date of the AGM on all working days (except Saturday, Sunday and Public Holidays).
6. Members holding shares in physical form are requested to notify/send:
 - Any change in their address/mandate/bank details;
 - Particulars of their bank account, in case the same have not been sent earlier;
 - Quote their Folio numbers in all correspondences; and

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- Applications for consolidating their holdings into one folio in case shares are held under multiple folios in the identical order of names to the Company's Registrar and Transfer Agent, Link Intime India Private Limited, Mumbai at the earliest but not later than September 23, 2022.
- 7. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India with regards to the Director seeking re-appointment at this AGM is given as an Annexure to this Notice.
- 8. Electronic copy of Annual Report for the financial year 2021-22 and Notice calling the 74th AGM of the Company inter alia indicating the process and manner of Remote E-voting is also being sent to all Members whose email IDs are registered with the Company/Depository

Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of Annual Report for the financial year 2021-22 and Notice of the 74th AGM of the Company.

- 9. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in and copies of the Annual Report at the AGM.
- 10. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.
- 11. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

Link Intime India Private Limited
C 101, 247 Park,
L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Tel No. +91 22 49186270,
Fax No. +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

- 12. The Securities and Exchange Board of India ("SEBI") has mandated submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic

form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.

13. Instructions and other information for E-voting are as under:

The remote e-voting period begins on September 27, 2022 at 09:00 A.M. and ends on September 29, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below: the AGM of the Company inter alia indicating the process and manner of Remote E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz . https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

	<p align="center">NSDL Mobile App is available on</p> <p align="center">  App Store  Google Play </p> <p align="center">   </p>
<p>Individual Shareholders holding securities in demat mode with CDSL.</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sonalkotharics@gmail.com with a copy marked to evoting@nsdl.co.in.

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2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to The Managing Director of NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 accounts@jainexgroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at [step 1 \(A\) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to evoting@nsdl.co. for procuring user id and password for e-voting by providing above mentioned documents. in
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

**By order of the Board of Directors
For Jainex Aamcol Limited**

**Place : Mumbai
Date : 12/08/2022**

**MOHANLAL ZUMBERLAL KOTHARI
Managing Director
DIN: 01486305**

Registered Office:

405 & 406, Sharda Chambers, 15,
Sir Vitthaladas Thackersey Marg,
New Marine Lines, Mumbai-400020
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

ANNEXURE TO THE NOTICE
Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 4

As recommended by the Nomination and Remuneration Committee the Board of Directors in its Meeting held on 01st April, 2022 re-appointed Mr. Mohanlal Zumarlal Kothari as the Managing Director of the Company for a period of three years w.e.f. 01st April, 2022 to 31st March, 2025 at a Gross Annual Salary of Rs. 19,20,000/- inclusive of all Perquisites. In addition, Mr. Mohanlal Zumarlal Kothari will be entitled to incentive on turnover as set out in the Resolution. The re-appointment of Mr. Mohanlal Zumarlal Kothari and the remuneration payable to him is subject to approval of the Members of the Company. Therefore the consent of members is sought by way of Special Resolution.

Mr. Mohanlal Zumarlal Kothari is about to complete 70 years of age and he is having more than 38 years experience in technical and commercial knowledge of gear cutting tools and allied activities. Therefore it will be beneficial for the Company to use his expertise.

Since the age of Mr. Mohanlal Zumarlal Kothari is about to complete 70 years of age, the resolution for his re-appointment as Managing Director and the remuneration payable to him is to be passed as a Special Resolution in the Annual General Meeting of the Company as per the provisions of Section 196 (3) (a) of the Companies Act, 2013.

The information as required in Schedule V Part II section II (B) of the Companies Act, 2013 is as under:

1. Payment of remuneration is approved by a resolution passed by the Board and, in the case of a company covered under sub-section (1) of section 178 also by the Nomination and Remuneration Committee;
2. The Company has not committed any default in payment of dues to any bank or public Financial Institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public Financial Institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the General Meeting.

None of the Directors except Mr. Mohanlal Zumarlal Kothari is interested in his appointment and remuneration.

The effective Capital of the Company is Rs. 5 Crores and above but less than 100 crores. Therefore as per Section (II)(A)(ii) of Part II of Schedule V, the Company can pay yearly Remuneration not exceeding Rs. 84,00,000/- to the managerial

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

person. Therefore the annual remuneration proposed to be paid to Mr. Mohanlal Zumbarlal Kothari shall not exceed Rs. 84,00,000/- and hence it shall be passed as an Ordinary Resolution. The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below by way of abundant caution:

I. General Information:

(I) Nature of Industry:

The Company is engaged in Manufacturing of Gear Hobs and Cutting tools.

(ii) Date or expected date of Commencement of Commercial production:

The Company was incorporated on 15th April, 1947 as a Limited Company. Hence, Certificate of Commencement of Business was received on 15th April, 1947.

(iii) In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus:

NIL

(iv) Financial performance based on given indicators as per audited financial results for the year ended 31st March, 2022:

The Company has earned profit of Rs. 1,44,82,505/- in the financial year 2021-22. The revenue operations of the Company have increased in the financial year 2021-22 as compared to last year. However the company has adopted new technologies and corrective measures to cope up with the current market situations and would increase the revenue to new heights by next year thereby increasing the level of net profits.

(v) Foreign Investment or collaborations, if any:

The Company has not entered into any foreign collaboration. The Company has not made any foreign investments. The Foreign Institutional Investors are holding shares in the Company within the permitted limits.

II. Information about the appointee:

(I) Background details:

Name of Appointee	Background Details
Mr. Mohanlal Zumbarlal Kothari	Mr. Mohanlal Zumbarlal Kothari is B.E (Mech) by Profession. He has over 38 years of experience in technical and commercial in gear cutting tools and allied activities.

(ii) Past remuneration:

Last remuneration drawn by Mr. Mohanlal Zumbarlal Kothari was Rs.19,20,000/- p.a. inclusive of perquisites plus incentive on turnover as decided by and between the Board and the company.

(iii) Recognition or awards: Nil

(iv) Job profile and their suitability:

Mr. Mohanlal Zumbarlal Kothari is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into consideration his qualifications and expertise in the related fields, his position as a Managing Director is best suited for the responsibilities of current assigned role.

(v) Remuneration proposed:

The Gross Annual Salary of Rs. 19,20,000/- inclusive of all perquisites as approved by the Nomination and Remuneration Committee subject to the approval of the members of the Company. In addition, Mr. Mohanlal Zumbarlal Kothari will be entitled to incentive on turnover as set out in the Resolution.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the Position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of Mr. Mohanlal Zumbarlal Kothari, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the company or relationship with the managerial Personnel, if any:

Above named appointee is related to the managerial personnel of the Company. Mr. Mohanlal Zumbarlal Kothari does not have any pecuniary relationship with them.

III. Other Information

(i) Steps taken or proposed to be taken for improvement

Corrective measures and planning for improved technologies in the current areas of business carried out by the company.

(ii) Expected increase in productivity and profits in measurable terms

Company is confident in achieving hike in sales and thereby increases the turnover and net profits of the Company.

(iii) Disclosures.

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual report for the year ended 31st March, 2022.

Your Directors recommend the approval of proposed Resolution by the Members.

None of the Directors other than Mr. Mohanlal Zumbarlal Kothari is interested in the Resolution.

ITEM NO. 5

As recommended by the Nomination and Remuneration Committee the Board of Directors in its Meeting held on Friday, August 12, 2022 re-appointed Mr. Kunal Bafna as the Whole-time Director of the Company for a period of three years w.e.f. October 8, 2022 to October 7, 2025. The re-appointment of Mr. Kunal Bafna and the remuneration payable to him is subject to approval of the Members of the Company. Therefore the consent of members is sought by way of Ordinary Resolution.

The information as required in Schedule V Part II section II (B) of the Companies Act, 2013 is as under:

1. Payment of remuneration is approved by a resolution passed by the Board and, in the case of a company covered under sub-section (1) of section 178 also by the Nomination and Remuneration Committee;
2. The Company has not committed any default in payment of dues to any bank or public Financial Institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public Financial Institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the General Meeting.

None of the Directors except Mr. Kunal Bafna is interested in his appointment and remuneration.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below by way of abundant caution:-

I. General Information:

(i) Nature of Industry:

The Company is engaged in Manufacturing of Gear Hobs and Cutting tools.

(ii) Date or expected date of Commencement of Commercial production:

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

The Company was incorporated on April 15, 1947 as a Limited Company. Hence, Certificate of Commencement of Business was received on April 15, 1947.

- (iii) **In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus:**

NIL

- (iv) **Financial performance based on given indicators as per audited financial results for the year ended March 31, 2022:**

The Company has incurred profit of Rs. 1,44,82,505/- in the financial year 2021-22. The Company has adopted new technologies and corrective measures to cope up with the current market situations and would increase the revenue to new heights by next year thereby increasing the level of net profits.

- (v) **Foreign Investment or collaborations, if any:**

The Company has not entered into any foreign collaboration. The Company has not made any foreign investments. The Foreign Institutional Investors are holding shares in the Company within the permitted limits.

II. Information about the appointee:

- (I) **Background details:**

Name of Appointee	Background Details
Mr. Kunal Bafna	Mr. Kunal Bafna is a Chartered Accountant by Qualification. He has over 31 years of commercial experience in manufacturing industry.

- (ii) **Past remuneration:**

Last remuneration drawn by Mr. Kunal Bafna was Rs. 75,000/- per month inclusive of perquisites plus incentive on turnover as decided by and between the Board and the company.

- (iii) **Recognition or awards: Nil**

- (iv) **Job profile and their suitability:**

Mr. Kunal Bafna is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into consideration his qualifications and expertise in the related fields, his position as a Managing Director is best suited for the responsibilities of current assigned role.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

(v) Remuneration proposed:

The Gross Annual Salary of Rs. 75,000/- per month inclusive of all perquisites as approved by the Nomination and Remuneration Committee subject to the approval of the members of the Company.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the Position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of Mr. Kunal Bafna, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the company or relationship with the managerial Personnel, if any:

The above named appointee is related to the managerial personnel of the Company. Mr. Kunal Bafna does not have any pecuniary relationship with them.

III. Other Information

(i) Steps taken or proposed to be taken for improvement

Corrective measures and planning for improved technologies in the current areas of business carried out by the company.

(ii) Expected increase in productivity and profits in measurable terms

Company is confident in achieving hike in sales and thereby increases the turnover and net profits of the Company.

(iii) Disclosures

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual report for the year ended March 31, 2022.

Your Directors recommend the approval of proposed Resolution by the Members.

ITEM NO. 6

To ensure stability supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with M/s. Metagame Ventures Private Limited, which is a related party within the meaning of Section 2(76) of the Act by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 4% on the total sales made by M/s. Metagame Ventures Private Limited till the AGM of the financial year 2022-23.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. Accordingly, transaction(s) entered into with M/s. Metagame Ventures Private Limited falls within the purview of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with M/s. Metagame Ventures Private Limited in the financial year 2022-23. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with M/s. Metagame Ventures Private Limited are as follows:

Sl.	Particulars	Remarks
1.	Name of the Related Party	M/s. Metagame Ventures Private Limited
2.	Name of the Director or KMP who is related	Mr. Mohanlal Zumberlal Kothari
3.	Nature of Relationship	Mr. Kshitij Kothari is Director of M/s. Metagame Ventures Private Limited. Mr. Kshitij Kothari is son of Mr. Mohanlal Zumberlal Kothari, Managing Director of Jainex Aamcol Limited.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract / Agreement by the Company with M/s. Metagame Ventures Private Limited by appointing them as an agent for sale of products of the Company & availing Jobbing Services to the Company in the designated territory on such terms and conditions as mutually agreed and thereby earning commission @ 4% on the total sales made by M/s. Metagame Ventures Private Limited till the AGM of the financial year 2022-23.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	The said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as an Ordinary Resolution.

ITEM NO. 7

As per provisions of Sections 12 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 thereto, change of registered office of a company outside the local limits of any city or town requires approval of members by way of Special Resolution.

With a view to improve co-ordination and communication between the stakeholders and outsiders, and the company's factory is also in Aurangabad, so if the registered office remains in Aurangabad then it will be very easy to manage. It is proposed to change the Registered Office of the Company from its present address to 'L-3, MIDC Industrial Area, Chikalthana, Aurangabad – 431006.'

The proposed location is outside the local limits of the Mumbai city but within the jurisdiction of the Registrar of Companies, Mumbai and therefore requires approval of members by way of special resolution. If approved, the registered office will be shifted to 'L-3, MIDC Industrial Area, Chikalthana, Aurangabad – 431006.'

In this context, the Board recommends passing of the resolution as set out at item no. 7 of this Notice as Special Resolution.

None of the Directors or Key Managerial Personnel (KMP) or their Relatives are in any way concerned or interested in the Resolution, except to the extent of their equity holdings in the Company.

**By order of the Board of Directors
For Jainex Aamcol Limited**

MOHANLAL ZUMBERLAL KOTHARI
Managing Director
DIN: 01486305

Place: Mumbai
Date: 12/08/2022

Registered Office:

405 & 406, Sharda Chambers, 15,
Sir Vitthalidas Thackersey Marg,
New Marine Lines, Mumbai-400020
CIN: L74999MH1947PLC005695
Tel.: 91-22-2200 2252 Fax: 91-22-2200 2254
Email: accounts@jainexgroup.com
Website: www.jainexaamcol.com

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

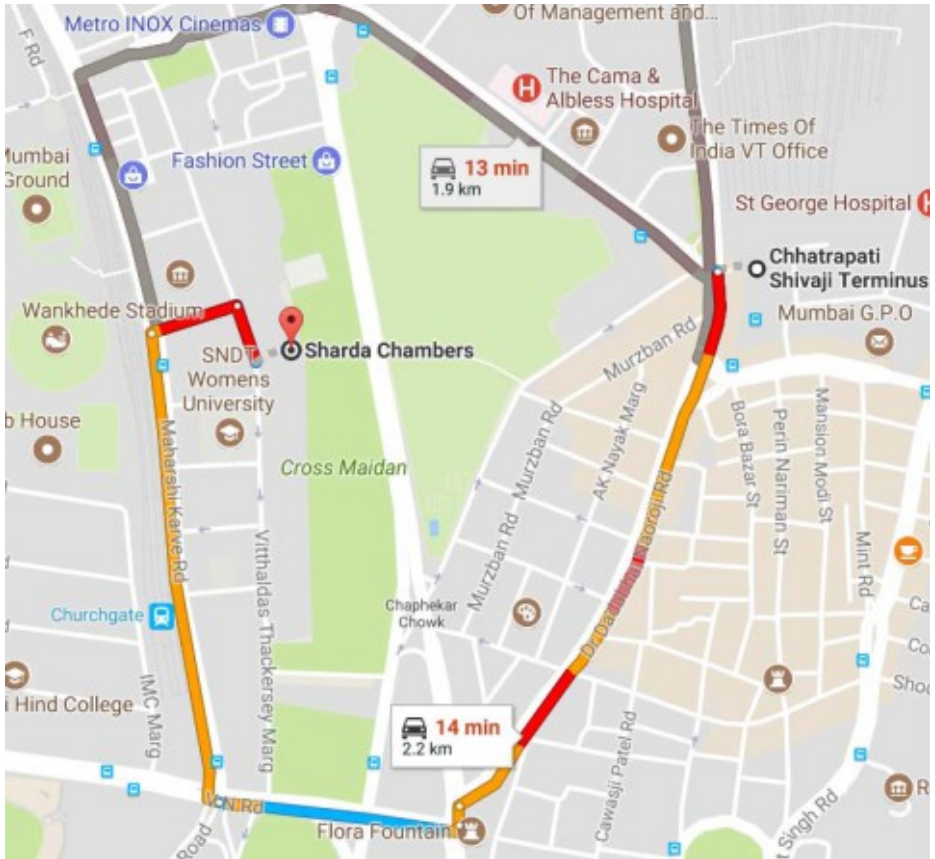
ANNEXURE TO NOTICE

Information Required Under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards on General Meetings (SS-II) issued by the Institute of Company Secretaries of India in respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under:

Name of the Director	Mrs. Bharati Bafna	Mr. Mohanlal Zumarlal Kothari	Mr. Kunal Bafna
Director Identification Number	01089137	01486305	00902536
Date of Birth	20/03/1971 (51 Years)	02/10/1952 (69Years)	09/03/1968 (54 Years)
Date of Appointment	30/06/2021	01/04/2007	10/10/2013
Qualification	Diploma in Textile Design	B.E. (Mech)	CA
Expertise in Specific Functional Area	23 years of experience in the field of Administration.	38 years technical and commercial experience in gear cutting tools.	He has over 31 years of commercial experience in manufacturing industry.
Directorship held in other listed companies (As on March 31, 2022)	None	None	None
Chairmanships/ Memberships of the Committees of the Board of Directors of other companies (As on March 31, 2022)	None	None	None
Shareholding of Directors (As on March 31, 2022)	2,12,700 Equity shares	Nil	94,700 Equity shares
Relationship between Directors inter-se	Wife of Mr. Kunal Bafna, Whole Time Director of the Company and sister of Mr. Rahul Dugar, Director of the Company.	None	Brother-in-Law of Mr. Rahul Dugar, Director of the Company and husband of Mrs. Bharati Bafna Director of the Company.

Route map for venue of the AGM

405 & 406, Sharda Chambers, 15,
Sir Vitthaladas Thackersey Marg,
New Marine Lines, Mumbai-400020



JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthaldas

Thackersey Marg, New Marine Lines, Mumbai – 400020.

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member : _____

Registered Address : _____

E-mail Id : _____

Folio No. / Client Id : _____

DP ID : _____

I/We, being the Member(s) of _____ shares of the above mentioned company, hereby appoint:

1. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

2. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

3. Name : _____

Address: _____

E-mail Id: _____ Signature: _____, or failing him

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventy Fourth Annual General Meeting of the Company, to be held on Friday, September 30, 2022 at 12.00 P.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthaladas Thackersey Marg, New Marine Lines, Mumbai-400020; and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution
Ordinary Business :	
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
2.	Re-appointment of Mrs. Bharati Bafna (DIN: 01089137) as a Director retiring by rotation.
3.	Appointment of M/s. R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) as Statutory Auditors of the Company.
Special Business :	
4.	Re-appointment of Mr. Mohanlal Zumbarlal Kothari (DIN: 01486305) as Managing Director of the Company.
5.	Re-appointment of Mr. Kunal Bafna (DIN: 00902536) as Whole-time Director of the Company.
6.	To approve related party transaction for the financial year 2022-23.
7.	To approve change in registered office of the Company outside the local limits of the City, but within the jurisdiction of the existing Registrar of Companies (ROC).

Signed this _____ day of _____, 2022

Signature of the Shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthaldas
Thackersey Marg, New Marine Lines, Mumbai – 400020.

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

SEVENTY-FOURTH ANNUAL GENERAL MEETING – FRIDAY, SEPTEMBER 30, 2022 AT 12.00 P.M ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Sr. No.

Name and address of the Shareholder	
Joint holder(s)	
Regd. Folio/DP ID & Client ID	
Number of Shares	

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Seventy-Fourth Annual General Meeting of the Company being held on Friday, September 30, 2022 at 12.00 P.M. at 405 & 406, Sharda Chambers, 15, Sir Vitthaldas Thackersey Marg, New Marine Lines, Mumbai- 400020.

Name of the Shareholder(s)/Proxy(s)

Signature of the
Shareholder(s)/Proxy(s)
(In Block Letters)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Note: Shareholder/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance of the venue of the meeting.

ELECTRONIC VOTING PARTICULARS

E-Voting Event Number [EVEN]	USER ID	PASSWORD / PIN
121365		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

JAINEX AAMCOL LIMITED

Corporate Identity Number (CIN): L74999MH1947PLC005695

Regd. Office: 405 & 406, Sharda Chambers, 15 Sir Vitthal Das

Thackersey Marg, New Marine Lines, Mumbai – 400020.

Website: www.jainexaamcol.com,

Email Id: accounts@jainexgroup.com

Tel No: 91-22-2200 2252 Fax No: 91-22-2200 2254

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the first Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Seventy-Fourth Annual General Meeting (AGM) of the Company to be held on Friday, September 30, 2022 at 12.00 P.M. in respect of business as stated in the Notice conveying my/our assent or dissent to the said resolutions by placing the tick () mark in the appropriate boxes given below.

Sr. No.	Item No.	No. of shares held	I / We assent to the resolution [FOR]	I / We dissent to the resolution [AGAINST]
1.	Adoption of audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.			
2.	Re-appointment of Mrs. Bharati Bafna (DIN: 01089137) as a Director retiring by rotation.			
3.	Appointment of M/s. R. A. Singh & Associates, Chartered Accountants (Firm Registration No: 110271W) as Statutory Auditors of the Company.			
4.	Re-appointment of Mr. Mohanlal Zumbarlal Kothari (DIN: 01486305) as Managing Director of the Company.			
5.	Re-appointment of Mr. Kunal Bafna (DIN: 00902536) as Whole-time Director of the Company.			
6.	To approve related party transaction for the financial year 2022-23.			
7.	To approve change in registered office of the Company outside the local limits of the City, but within the jurisdiction of the existing Registrar of Companies (ROC).			

Place :

Date :

Signature of the Shareholder

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in presenting the 74th Annual Report on the affairs of the Company together with the Audited Statement of Accounts of Jainex Aamcol Limited (the "Company"), for the financial year ended 31st March, 2022. A summary of the financial results is given below:-

1. FINANCIAL PERFORMANCE

The financial performance of the company for the Financial Year 2021-22 in comparison to the previous financial year 2020-21 are summarized below:

(Amount in Rs)

PARTICULARS	2021-22	2020-21
Turnover	18,76,68,527	12,00,02,107
Other Income	14,40,250	2,02,895
Total Revenue	18,91,08,777	12,02,05,002
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA)	3,75,73,436	1,66,23,675
Interest	(54,57,156)	(45,18,306)
Depreciation	(1,12,22,098)	(1,13,69,060)
Profit/(Loss) before Extra-ordinary items & Taxes	2,08,94,182	7,36,309
Exceptional items	0	0
Extraordinary items	0	0
Profit/(Loss) before Taxes	2,08,94,182	7,36,309
Current Tax	1,59,953	1736
Earlier Year	0	0
Deferred Tax	62,51,724	-4,22,792
Profit/(Loss) after tax	1,44,82,505	11,57,365

2. STATE OF COMPANY'S AFFAIRS

During the year under review, there was increase in the turnover of the Company as compared with the previous year i.e. from Rs. 12,00,02,107/- to Rs. 18,76,68,527/-.

The Company has reported Net Profit of Rs. 1,44,82,505/- against Net profit of Rs. 11,57,365/- in the previous year.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

3. TRANSFER TO RESERVES

The Company has earned profit during the financial year 2021-22, but the Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review.

4. SHARE CAPITAL

The Paid up Share capital as on March 31, 2022 was Rs. 1,49,93,940/-. During the year under review, the Company has not issued any shares with differential rights as to dividend, voting or otherwise or convertible debentures.

5. DIVIDEND

To conserve the funds for future business growth, your Directors have not recommended any dividend on equity shares in respect of the financial year 2021-22.

6. PUBLIC DEPOSITS

Your Company has not been accepting any deposits from the public and hence there are neither unpaid/unclaimed deposits nor any default in repayment thereof.

7. SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, your Company has no Subsidiary or Joint Venture Companies. However the Company has an Associate Company viz. Jainex Foods Private Limited.

8. BOARD MEETINGS

During the year under review, 9 (Nine) Board Meetings were held on 07th June, 2021; 30th June, 2021; 19th July, 2021; 03rd August, 2021; 04th August, 2021; 18th August, 2021; 12th November, 2021; 19th November, 2021 and 07th February, 2022.

9. COMMITTEES OF THE BOARD OF DIRECTORS

During the year under review, all recommendations made by the Audit Committee/Nomination & Remuneration Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The impact of Covid-19 on the automotive industry has been severe in the first quarter of the current fiscal. The demand revival in the second quarter was robust, partly because of the pent-up demand, and partly on account of the preference for individual mobility. The pace of demand for the full year was dependent upon a number of factors such as the containment of the pandemic, general economic revival and various measures taken by Government. The Corona virus Pandemic is having a deep Impact on Indian

businesses and has already caused an unprecedented collapse in economic activities. Due to weak domestic consumption and consumer sentiment, there can be delay in Investment which further adds pressure on growth. The substantive economic package announced by Prime Minister recently could revive the downturn to a great extent. The Company has implemented Standard Operating Procedures of social distancing, workplace sanitization and employee health monitoring, and these are being followed strictly across all its manufacturing locations and its registered office. Company has also taken various Initiatives focusing on safeguarding workforce health. Further Company is also taking effective steps to control cost in all quarters and assess how profitability, loans, revolving credit and cash flows can support ongoing operations in a low revenue environment.

11. EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92 of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014, a copy of Annual Return of the Company in Form MGT-7 for the financial year ended March 31, 2022 is hosted on the Company's website viz. <https://www.jainexaamcol.com>.

12. LOAN FROM BODY CORPORATE

Particulars of loan from Body Corporate are provided in Note No. 13 and Note No. 16 of the financial statements.

13. LOAN FROM DIRECTORS

Particulars of loan from Directors of the Company are provided in Note No. 13 of the financial statements.

14. PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GURANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the Financial Year under review, the Company has not provided any loans and not made any investment, neither given any guarantee nor provided any security.

15. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT & FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of activities in which the Company operates, energy consumption is in accordance to the normal business practices and does not require any specific installations. In its regular course of business, the Company is always vigilant to conserve the resources and continuously implements measures required to save energy.

The Company has adopted new technologies and corrective measures to cope up with the current market situations. In the course of its operations, processes are formed and implemented to achieve operational efficiencies which provide maintaining product quality and cost control.

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The Company had Foreign Exchange earnings/outgo during the year under review.

The Foreign Exchange earned in terms of actual inflows during the financial year 2021-22 is Rs. 302 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2021-22 is Rs. 40 Lakhs.

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as "Annexure A" which forms part of this report.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for re-appointment at the AGM. Mrs. Bharati Bafna (DIN: 01089137), Director, being longest in the office, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and she being eligible has offered herself for re-appointment. The Board of Directors recommends her re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.
2. Mr. Sachindra Misra was appointed as an Additional Director of the Company designated as Independent Director with effect from 30th June, 2021 and was regularized in the Annual General Meeting of the Company held on 30th September, 2021 for period of 5 years w.e.f 30th June, 2021.
3. Mr. Murli Dhar Motwani was appointed as an Additional Director of the Company designated as Independent Director with effect from 03rd August, 2021 and was regularized in the Annual General Meeting of the Company held on 30th September, 2021 for period of 5 years w.e.f 03rd August, 2021.
4. Mrs. Bharati Bafna was appointed as an Additional Director of the Company on 30th June, 2021 and was confirmed as a Director of the Company in the Annual General Meeting held on 30th September, 2021.
5. Mr. Bhagat Singh Dugar, Director of the Company had tendered his resignation as Director from the Company effective from 30th June, 2021.
6. The Board appreciated the assistance and guidance rendered by Mr. Bhagat Singh Dugar during his tenure as a Director of the Company.
7. Ms. Manju Jain, Non-Executive Independent Director of the Company had tendered her resignation as Non-Executive Independent Director from the

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Company effective from 30th June, 2021.

8. The Board appreciated the assistance and guidance rendered by Ms. Manju Jain during her tenure as Non-Executive Independent Director of the Company.
9. Mr. Vinit Ramgopal Kejriwal, Non-Executive Independent Director of the Company had tendered his resignation as Non-Executive Independent Director from the Company effective from 30th June, 2021.
10. The Board appreciated the assistances and guidance rendered by Mr. Vinit Ramgopal Kejriwal during his tenure as Non-Executive Independent Director of the Company.
11. The Company has appointed Ms. Reena Gavle (Membership No: A34439) as a whole-time Company Secretary and Compliance Officer of the Company on 19th November, 2021. However, she has resigned from the post on 07th June, 2022 due to some other commitments.
12. The Company has appointed Ms. Sonam Dubey (Membership No: A57121) as a whole-time Company Secretary and Compliance Officer of the Company on 07th June, 2022.
13. The Company has received individual declaration from all the Independent Director(s) of the Company under section 149(7) of the Companies Act, 2013 in respect of meeting the criteria of independence provided under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are disqualified for appointment under Section 164 of the Companies Act, 2013.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:-

- a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that they 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 your Company as at March 31, 2022 and of the profit and loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that they have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis;
- e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

18. EXPANSION OF BUSINESS

The Company through its Board of Directors and management is taking extra efforts to reach at higher level by setting a benchmark. The Company also wishes to explore its business in future by keeping in view the dynamism of global market.

19. AUDITORS

M/s. P.M. Bhargava & Co., Chartered Accountants, Mumbai, was appointed as Statutory Auditors for a term of 5 years from F.Y. 2017-18 to F.Y. 2021-22 by the members at the 69th AGM of the Company held on September 28, 2017. As per section 139(2) of the Companies Act, 2013 No listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint—

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years:

The Board members decided not to appoint M/s. P.M. Bhargava & Co., Chartered Accountants, Mumbai for the 2nd term. The Board has recorded its appreciation for professional and congenial nature as Statutory Auditor conducted audit of the Company.

Therefore, the Board recommends the appointment of R. A. Singh & Associates., Chartered Accountants, as Statutory Auditors of the Company for a period of 5 (Five) consecutive years i.e from the F.Y. 2022-23 to 2026-27 subject to members approval at the ensuing Annual General Meeting.

20. AUDITOR'S REPORT

The notes on financial statements referred to in the Auditors Report are self-explanatory. The Auditors' Report does not contain any qualification. However, the Auditors in their Report have mentioned their observation and the same have been laid down below along with Directors' comments:

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SR. No.	Auditors' Observation in the auditors' report	Directors' comments on the observations of the auditors mentioned in the auditors' report												
1.	<p>"Details of dues set out herein below in respect of customs duty which has not been deposited as at March 31, 2022 by the company with the appropriate authorities on account of disputes.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 15%;">Name of Statute</th> <th style="width: 15%;">Nature of Dues</th> <th style="width: 15%;">Amount in Lacs</th> <th style="width: 15%;">Amount in Rs. Lacs paid under protest</th> <th style="width: 15%;">Period to which the amount relates</th> <th style="width: 20%;">Forum where disputes is pending</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Customs</td> <td style="text-align: center;">Customs Duty</td> <td style="text-align: center;">7.14</td> <td style="text-align: center;">2.00</td> <td style="text-align: center;">2008 - 2009</td> <td style="text-align: center;">Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.</td> </tr> </tbody> </table>	Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum where disputes is pending	Customs	Customs Duty	7.14	2.00	2008 - 2009	Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.	<p>Show Cause Notice was issued wrongly by the assessing authority for Special Additional Duty which was already paid; demand for basic custom duty can't be raised now being time barred as advised by company's counsel does not find any merit.</p>
Name of Statute	Nature of Dues	Amount in Lacs	Amount in Rs. Lacs paid under protest	Period to which the amount relates	Forum where disputes is pending									
Customs	Customs Duty	7.14	2.00	2008 - 2009	Customs and Excise Tribunal, Mumbai-Case is heard and matter is reverted back to the concerned assessing authority to re-look afresh and is still pending for order.									

21. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Company has appointed M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretary, bearing Membership No. 8276 and Certificate of Practice No. 2871 to conduct Secretarial Audit of the Company for the financial year 2021-22 in terms of provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed to this Report as "Annexure B" (Form MR-3). The Secretarial Audit Report contains following observations in their Audit Report:-

1. *The Company has partially complied with Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.*

Board's Reply:-

The Board ensures in future to make good the non compliances occurred during the period under review.

22. DEMATERIALIZATION

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the members to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

23. LISTING OF SHARES

The Company's equity shares continue to be listed on The Bombay Stock Exchange Ltd (BSE).

24. UNCLAIMED AND UNPAID DIVIDENDS

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

25. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

During the financial year 2021-22 under review, all contracts / arrangements / transactions entered by the Company entered by the Company were in ordinary course of business and at arm's length basis. The Company had not entered into material related party transactions which could have had a potential conflict with the interests of the Company and hence, enclosing of Form AOC-2 is not required. Particulars of Related Party Transactions of the Company are provided in Note No. 30 of the financial statements.

26. MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

27. NOMINATION AND REMUNERATION POLICY

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel is annexed to this Report as "Annexure C".

28. COMMITTEES OF BOARD

Following are the committees which are constituted or re-constituted by the Company:

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A. AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

NAME	DESIGNATION	CATEGORY
Mr. Hitesh Mulraj Popat	Chairman	Independent/Non-Executive Director
Mr. Sunil Sampatraj Parakh	Member	Independent/Non-Executive Director
Mr. Kunal Bafna	Member	Executive Director & CFO

B. NOMINATION AND REMUNERATION COMMITTEE

The company has reconstituted Nomination and Remuneration Committee comprising of the following Members:

NAME	DESIGNATION	CATEGORY
Mr. Sunil Sampatraj Parakh	Chairman	Independent/Non-Executive Director
Mr. Hitesh Mulraj Popat	Member	Independent/Non-Executive Director
Mr. Sachindra Misra	Member	Independent/Non-Executive Director

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Company has formulated the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel and the same has been uploaded on company's website. Nomination & Remuneration Policy is annexed to this report in "**ANNEXURE C**".

C. ANTI-SEXUAL HARASSMENT COMMITTEE AND RELATED DISCLOSURE.

The Board of Directors having an Anti-Sexual Harassment Committee comprising of following members.

NAME	DESIGNATION	CATEGORY
Mrs. Bharati Bafna	Chairperson	Executive Director
Ms. S L Chavan	Member	Employee
Ms. S M Ghadshe	Member	Employee

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at Workplace and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) of the Company are covered under this Policy.

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The following is a summary of Sexual Harassment complaints received and disposed off during the year:

Sr. No.	No. of Complaints received	No. of Complaints disposed off
Nil	Nil	Nil

NOTE : The Company has dissolved its CSR Committee as the Company is not required to constitute the same.

29. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on Monday, February 07, 2022, inter-alia, to discuss:

- I. Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- II. Evaluation of performance of the Chairman of the Company, taking into view of Executive and Non-Executive Directors.
- III. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

30. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

31. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The provisions of this policy are in line with the provisions of the Section 177(9) of the Act. The Company has put in place a system through which the Directors and Employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns.

32. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses were observed.

33. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During financial year under review, the Company has not transferred any amount to Investor Education and Protection Fund (IEPF).

34. COST AUDITORS

The appointment of Cost Auditor is not applicable to the Company as per Companies Act, 2013.

35. MAINTAINENCE OF COST RECORDS AS SPECIFIED UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013

Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products/services dealt by the Company. Accordingly, maintenance of such accounts and records is not applicable to the Company.

36. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided under "Annexure D", which is annexed to this Report.

None of the employees of the Company were in receipt of monthly or yearly remuneration in excess of the limits specified under the Companies Act, 2013 and Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

37. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

M/s. Sonal Kothari & Associates, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with section as "Annexure E".

38. SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings and such systems are adequate and operating effectively.

39. ACCOUNTING STANDARDS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. The transition was carried out from IGAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to IND AS.

40. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

41. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant/ material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

42. CORPORATE GOVERNANCE

The Company is not required to comply with the provisions of Regulation 17 to Regulation 27 and clause (b) to clause (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V as mentioned in Regulations 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which came into force with effect from 01st December, 2015 as the Paid-up Share Capital of the Company is less than Rs.10,00,00,000 (Rupees Ten Crores Only) and the Net Worth of the Company is also less than Rs. 25,00,00,000 (Rupees Twenty Five Crores Only) based on the Annual Audited Financial Results of the Company for the quarter and year ended March 31, 2022.

43. CORPORATE SOCIAL RESPONSIBILITY

During the Financial Year under review, the provisions of section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to the company.

44. PERFORMANCE EVALUATION

The Company has devised a policy for evaluation of Performance of the Board of Directors, its Committees and individual Directors ("Policy"). The evaluation involves assessment of performance individually of each of the Board Members and of the entire Board of Directors and its Committees.

The performance evaluation criteria of the entire Board of Directors inter alia comprised of the following key areas:

- i. the role of a Board Members is clearly defined and understood;
- ii. the Board has ensured that the organization's accomplishments and

- challenges are communicated to Members and Stakeholders;
- iii. the spread of talent within the Board reflect the Company's needs;
 - iv. all Board Members bring valuable skill and experience to the Company;
 - v. the composition of the Board is sufficient to carry out the work required of it;
 - vi. the matters relating to the Company are discussed in a structured manner;
 - vii. the Board knows and understand the Company's mission, vision and strategy; the Board's Meeting agenda clearly reflects strategic plan or priorities;
 - viii. the Board papers contain the correct amount and type of information;
 - ix. all Board Members participate in important Board discussions;
 - x. the Board knows and keep abreast of trends and issues affecting the market in which the Company competes
 - xi. the Board understands the business it is governing;
 - xii. the Board Members actively engage in networking for the benefit of the Company;
 - xiii. the Board Members have sufficient financial skills to ensure that the Board can discharge its governance responsibilities;
 - xiv. the Company have relevant internal reporting and compliance systems;
 - xv. the Board Members are aware of their risk assessment duties as Directors;
 - xvi. there is a clear understanding of the Company's business risk;
 - xvii. the Board encourages Directors to pursue opportunities for personal development;
 - xviii. the Board have a succession plan in place for the Directors, KMP and Senior Management Personnel;
 - xix. responsibilities have been effectively delegated amongst the Executive Directors, KMP and Senior Management Personnel;
 - xx. There is good communication between the Board and KMP.

The evaluation framework for assessing the performance of Committee(s) of Board of Directors inter-alia comprised of the following key areas:

- i. the Committees have been constituted in compliance with the requirement of Listing Regulations and the Companies Act, 2013 read with the Rules there under;
- ii. the role/terms of reference of the Committee Members is clearly defined and understood;
- iii. the composition of the Committee is sufficient to carry out the work required of it;
- iv. the Committee knows and understands the Company's mission, vision and strategy;
- v. the Committee's Meetings are properly conducted and agenda papers contain the correct amount and type of information;
- vi. all Committee Members participate in discussion making;
- vii. the Committee Members have sufficient skills to ensure efficient discharge of responsibilities;

- viii. There is good communication between the Committees and the Board.
- ix. the Committee has relevant internal reporting and compliance systems;

The performance evaluation process of individual Directors inter alia comprised of the following key areas:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising their duties;
- iii. exercise their responsibilities in a bona fide manner in the interest of the Company;
- iv. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- v. assist the Company in implementing the best corporate governance practices;
- vi. strive to attend all Meetings of the Board of Directors and of the Board committees of which they are members;
- vii. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between Management and Shareholder's interest;
- viii. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk Management are robust and defensible;
- ix. strive to safeguard the interests of all stakeholders, particularly the minority shareholders;
- x. balance the conflicting interest of the stakeholders;
- xi. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts;
- xii. keep themselves well informed about the Company and the external environment in which it operates;
- xiii. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- xiv. strive to attend the general Meetings of the Company;
- xv. acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xvi. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- xvii. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person. who uses such mechanism are not prejudicially affected on account of such use;
- xviii. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- xix. maintain confidentiality of information such as commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;

- xx. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc;
- xxi. they express concerns about the running of the Company or a proposed action and ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that the concerns are recorded in the Minutes of the Board Meeting;
- xxii. develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior Management of the Company;
- xxiii. fairly contribute towards proper functioning of Board or Committees of the Board.

The evaluation framework for assessing the performance of Independent Directors inter-alia comprised of the following key areas:

- i. satisfy the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Regulations;
- ii. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk Management, resources, key appointments and standards of conduct;
- iii. bring an objective view in the evaluation of the performance of Board and Management;
- iv. actively scrutinize the performance of Management in Meeting agreed goals and objectives and monitor the reporting of performance;
- v. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- vi. contribute to determine appointment and remuneration of executive Directors, Key Managerial Personnel (KMP) and senior Management;
- vii. exercise objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.

In terms of the Policy, a process of evaluation was undertaken by the Board for its own performance and that of its Committees and individual Directors. The evaluation process focused on various aspects of the functioning of the Board and Committees. Separate exercise was carried out to evaluate the performance of individual Directors on specified parameters.

The outcome of evaluation process was shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan for the identified areas.

45. INDEPENDENT DIRECTORS

In accordance with Section 149 (7) of the Companies Act, 2013, and Regulation 16(1)(b) of the Listing Regulations, as amended, each Independent Director of the Company has provided a written declaration

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confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Independent Directors fulfill the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Listing Regulations and are independent from Management.

46. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
4. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and any one-time settlement with any Bank or Financial Institution during the year under review.

47. ACKNOWLEDGEMENTS

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to your Company by its Shareholders, their employees, regulatory authorities and its bankers. Your Directors would also like to place on record their appreciation for the efforts put in by employees of the Company during the year.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR JAINEX AAMCOL LIMITED**

**Place: Mumbai
Date: 12/08/2022**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumarlal Kothari
Managing Director
DIN: 01486305**

ANNEXURES "A"
INFORMATION REQUIRED U/S 134 OF THE COMPANIES
ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014.

(A) CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

In past few years, the Company has taken several steps to conserve energy through its "Sustain ability" initiatives. The Company continues its endeavor to improve energy conservation and utilization. Steps taken to conserve energy include:

- At its Plants, the Company has carried out various actions to optimize energy consumption and reduce losses.
- Some of these measures include recovering waste heat.
- Energy efficient machines are been installed in order to optimize use of power.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

The Company has always been conscious of the need for conservation of energy. Energy conservation measures have been implemented at all its plants.

- Water wastage and compressed Air Wastages was avoided which resulted in energy saving.
- Avoided wastages of electrical energy by close monitoring of fixed energy consumption such as Air conditioners, fans, tube lights, street lights etc.
- All fluorescent tubes and bulbs were replaced by Light Emitting Diode (LED) Light in the entire plant premises.

(iii) The capital investment on energy conservation equipments :

The Energy Conservation Equipments are procured on need base. There was no significant capital investment made for Energy Conservation Equipments during the year under review.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATIONS

(i) The efforts made towards technology absorption:

The company had originally started manufacturing Hobs in collaboration with Messer. Klingelberg Verzahn technic, Gmbh of Germany and the collaboration ended in 1981. During the period of collaboration the company successfully absorbed the technology and since beginning, the company is continuing the manufacture of Gear Hobs and it is also keeping abreast with the latest technology development abroad.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

(ii) The Benefits derived like product improvement, cost reduction, product development or import substitution:

Due to the continuous efforts made by the Company towards technology absorption, the Company has derived various benefits like:

- Increased Customer satisfaction and salability
- Improved Brand name and Goodwill
- Cost Reduction through Quality and Productivity

(iii) In case of imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):

- (a) The details of technology imported : NIL;
(b) The year of import : Not Applicable;
(c) Whether the technology been fully absorbed : Not Applicable;
(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof : Not Applicable

(iv) The expenditure incurred on Research & Development (R & D) : Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the financial year 2021-22 is Rs. 302 Lakhs.

The Foreign Exchange outgo in terms of actual outflows during the financial year 2021-22 is Rs. 40 Lakhs.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited**

**Place: Mumbai
Date: 12/08/2022**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305**

ANNEXURE "B"

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

To,

The Members,

Jainex Aamcol Limited

405 & 406, Sharda Chambers,
15 Sir Vitthal Das Thackersey Marg,
New Marine Lines
Mumbai- 400020.

Dear Sir,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Jainex Aamcol Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure 'I'** for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign

irect Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999, now known as SEBI (Share based employees Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period), and;

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- b. Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; and
- c. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Customs Acts, we have relied on the Reports given by the Statutory Auditors of the Company.

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During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The Company has partially complied with Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 by not maintaining Website as specified in said Regulation.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

**M/s. Ramesh Chandra Bagdi & Associates
(Company Secretaries)**

**Date: 12/08/ 2022
Place: Mumbai
UDIN: F008276D000784326**

**Ramesh Chandra Bagdi
(Proprietor)
CP No.: 2871
Membership No.: 8276
Peer review No: 1560/2021**

Annexure I

To,
The Members,
Jainex Aamcol Limited
405 & 406, Sharda Chambers,
15 Sir Vitthaladas Thackersey Marg,
New Marine Lines (E)
Mumbai – 400002.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

M/s. Ramesh Chandra Bagdi & Associates
(Company Secretaries)

Ramesh Chandra Bagdi
(Proprietor)

CP No.: 2871

Membership No.: 8276

Peer review No: 1560/2021

Date: 12/08/2022

Place: Mumbai

UDIN: F008276D000784326

ANNEXURE "C"

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel (KMP)" means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective :

The objective of the policy is to ensure that:-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee :

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

- a) **Managing Director/Whole-time Director:**
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
An Independent Director shall hold office for a term up to five

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consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of Five (5) years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- 1) **Remuneration to Managing Director / Whole-time Directors:**
 - a) The Remuneration/Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for

the time being in force and the approvals obtained from the Members of the Company.

- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.

2) Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

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- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

ANNEXURE "D"**MANAGEMENT REMUNERATION & PARTICULARS OF
EMPLOYEES WITH RELATED DISCLOSURE
(details with respect to financial year 2021-22)**

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

1.	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year; (Median Salary : 26.230)	Mr. M Z Kothari – Rs. 27,81,246/- p.a. Ratio to median remuneration – 7.93: 1 Mr. Kunal Bafna - Whole Time Director/ Chief Financial Officer - Rs. 9,00,000/- p.a. Ratio to median remuneration – 2.57: 1 Other Directors of the Company are not being paid any remuneration.
2.	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	There is an increase of 69% in the remuneration of Managing Director. Gross remuneration of Managing Director is increased by Rs 11,39,260 /- p.a. higher increase in remuneration is due to restoration of voluntary reduction offered during COVID period of previous year 2020-21 as also increase in production incentive due to substantial increase in production/sales achieved during current fiscal. There is an increase of 80% in the remuneration of Whole Time Director/ Chief Financial Officer. Gross remuneration of Whole Time Director / Chief Financial Officer is increased by Rs. 4,00,000/- p.a. higher increase in remuneration is due to restoration of voluntary reduction offered during COVID period of previous year 2020-21.
2.	the percentage increase in the median remuneration of Employees in the financial; year	As on 31-03-2021, 94 permanent staff /worker monthly salary of Rs. 23,84,794/-, Average Rs. 26,230/- As on 31-03-2022 -93 permanent staff /worker monthly salary of Rs. 26,80,379/-, Average Rs. 29,230/- There was increase of Rs. 3,000/- i.e.11.44%.

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4.	the number of Permanent Employees on the rolls of the Company;	As on 31-3-2022 there are 93 Employees permanent on the roll of the Company.
5.	average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increased in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Salary increase of 10% on an average While Managing director's remuneration is increased during the period under review by 69% p.a. and WTD – CFO's remuneration is increased during the period under review by 80 % p.a. higher increase in remuneration is due to restoration of voluntary reduction offered during COVID period of previous year 2020-21 as also increase in production incentive due to substantial increase in production / sales achieved during current fiscal.
6.	The key parameters for any variable component of remuneration availed by the Directors;	It will depend on the Financial outcomes and profitability of the Company, Risk factors and regulatory guidelines and the variable pay shall not exceed 50 % of the fixed pay in a particular year.
7.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is affirmed that the remuneration is as per the remuneration policy adopted by the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
for Jainex Aamcol Limited

Place: Mumbai
Date: 12/08/2022

Kunal Bafna
Whole-time Director
DIN: 00902536

Mohanlal Zumbarlal Kothari
Managing Director
DIN: 01486305

ANNEXURE - E**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015)**

To,
The Members of
JAINEX AAMCOL LIMITED
405 & 406, Sharda Chambers,
15 Sir VitthalDas Thackersey Marg,
New Marine Lines, Mumbai – 400020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JAINEX AAMCOL LIMITED having CIN L74999MH1947PLC005695 and having registered office at 405 & 406, Sharda Chambers, 15 Sir VitthalDas Thackersey Marg, New Marine Lines, Mumbai – 400020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority..

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Rahul Dugar	00013704	31-07-2003
2	Mr. Kunal Bafna	00902536	10-10-2013
3	Mr. Mohanlal Zumbarlal Kothari	01486305	01-04-2007
4	Mr. Hitesh Mulraj Popat	00407897	27-03-2015
5	Mr. Sunil Sampatraj Parakh	01111159	27-03-2015
6	Mrs. Bharati Bafna	01089137	30-06-2021
7	Mr. Sachindra Misra	08943363	30-06-2021
8	Mr. Murli Dhar Motwani	09264470	03-08-2021

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Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Thane

Date: 12/08/2022

For Sonal Kothari & Associates

Sonal Shah

Proprietor

ACS: 24216

COP No.: 8769

UDIN: A024216D000784558

Peer reviewed No: 2069/2022

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY REVIEW

Operational Overview

Jainex Aamcol Limited is a leading manufacturer of gear hobs and special cutting tools, inspection tools & precision accessories under the brand "Aamcol" and is a part of Jainex Group. Jainex Group is a conglomerate with offices in all the leading cities of India. Jainex Group deals with steel, gear cutting tools, pneumatic brake systems for railways, and has a turnover of US\$ 20 million.

The Company has been catering to a wide range of customers including automobile industries, industrial and special gearbox manufacturers, machine tool manufacturers, and many others. The Company's product range includes Various Hobs for different applications such as Spur / Helical Gears, Chain Sprocket & Timer Pulleys, Worm Gears, Cutters, and other Inspection Tools & Precision Accessories. By producing international quality products, the company has not only saved country's foreign exchange but also generated it by exporting its products.

The objective of this report is to convey the Management's perspective on the external environment and market, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities, and internal control systems and their adequacy in the Company during the Financial Year 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. The Company continued its strategic focus on enhancing process efficiency, product quality and customer connect. With an emphasis on manpower training, automation and product innovation, the Company strengthened its positioning in the marketplace.

Productivity Enhancement

The Company undertook an array of measures for productivity enhancement like retrofitting/ reconditioning and automation, improvement in use of high-speed cutting tools and cycle time improvement to improve productivity.

Safety Measures

Being a safety conscious organization, the Company imbibes safety across various functions of the entire plant operation. In order to protect the health of workforce at the shop floor level, it curtails the use of hazardous material inside the plant premises.

ECONOMIC OVERVIEW

Global Economy

The war in Ukraine has triggered a costly humanitarian crisis that demands a

peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22. India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by Price water house Coopers.

INDUSTRY OVERVIEW

Domestic Auto-Components Industry

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 3.28% over FY16 to FY20 to reach US\$ 45.90 billion in FY21. The industry is expected to reach US\$ 200 billion by FY26.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry accounts for 7.1% of India's Gross Domestic Product (GDP) and employs as many as 5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market,

and an ever-increasing development in infrastructure have made India a favorable destination for investment.

The Government of India's Automotive Mission Plan (AMP) 2006-2026 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion.

In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion). In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). In February 2022, the government has received investment proposals worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore (US\$ 31.08 billion).

Government has come out with Automotive Mission Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country's GDP will rise to over 12%.
- Around 65 million incremental numbers of direct and indirect jobs will be created.
- End of life Policy will be implemented for old vehicles.

Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D. As per ACMA forecasts, automobile component export from India is expected to reach US\$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at ~4-5% by 2026.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

Opportunities, Threat and Mitigation Strategies:

Being a manufacturer of components for end-user industries, the Company is prone to market vagaries with rapid technological development and unique economic cycles. In addition, the regulatory and macroeconomic environments have a direct impact on the business. The Company has been quick to respond to any market challenges, thus making smart come backs. The Company has in place a robust mechanism to preempt merging risks and take meaningful corrective actions in a timely manner. Some of the key risks that may emerge are enlisted below, with the corresponding mitigation measures that can be adopted by the Company.

Product Risks:

Risk: The Company supplies to leading brands which have strict norms and insist on adherence to compliance with quality and technical standards for auto components used as raw materials. The Company has to ensure superior precision and quality, as the product quality directly impacts the reputation and profitability.

Mitigation: The Company invests in maintenance and up gradation of its manufacturing facilities and in employee skill development. It also follows various quality and productivity enhancing initiatives to maintain competitiveness. Regular feedback from clients aids in mitigating product quality risk. Adequate product liability insurance is also in place to safeguard the interests of the Company.

Market risks:

Risks: The Company derives most of its revenue from few large customers. Any glitch in the customer relations with them will have an adverse impact on the Company's revenues.

Mitigation: Our Company is currently having a large pool of customer base and has planned to diversify its base and is working accordingly. Our Company is not only working towards client diversification but also business diversification.

Financial Risks:

Risk: The Company is exposed to changes in foreign exchange rates, interest rates, credit availability and liquidity.

Mitigation: The Company has in place adequate hedging mechanisms and closely monitors macro policy changes to foresee any likely movements in interest rates.

Raw Material Risks:

Risks: Input costs being a primary cost for the Company, they have a significant impact on the financials of the organisation.

Mitigation: Robust procurement policy, expertise in inventory management, understanding of price fluctuation and long-lasting relationships with suppliers including pass-through clauses enables the Company in ensuring timely, regular and adequate supply of raw materials.

Technology Risks:

Risk: The Company supplies to reputed OEMs that are abreast with market changes on the technology front. These marquee players are constantly on the look-out for quality supplies with superior efficiency. The Company is challenged to promptly respond to the evolving demands and also needs to be prepared to face the risk of technological obsolescence.

Mitigation: Our Company is well focused on modernization and technology up gradation and has been a forerunner in terms of adding new and advanced gears to the industry.

Regulatory Risks:

Risk: The Company is exposed to changes in laws, regulations, policies and other Governmental actions including those affecting environmental matters, employee welfare, safety, wastage emissions.

Mitigation: The Company has a dedicated compliance team which foresees any regulatory changes and developments in laws that govern it and its clients. It takes course corrections in a timely fashion to avoid any such major disruption.

Segment wise or Product-wise Performance

The Company's segment-wise performance for the financial year 2021-22 is as under:

Sl. No.	Segment	Performance
1	Gear Hobs	12,70,97,108
2	Milling Cutters	3,36,55,096
3	Spline Gauges	1,62,78,825

Internal Control Systems and their Adequacy

The Company is committed to good corporate governance practices and has well-defined systems and processes covering all the corporate functions and units. It also has an Internal Audit Process to provide reasonable assurance regarding the effectiveness and efficiency of operations, safe-guarding of assets, reliability of financial records and reports and compliance with applicable laws and regulations. The Company has an elaborate system of identifying key business risks and taking mitigating steps.

In order to be future-ready, the Company is focused on creating an organizational culture which is built on a strong foundation of agility and innovation.

Well-documented policies and procedures enable the Company to strictly adhere to all applicable procedures, laws, rules and statutes. Any variance from budgetary allocations are promptly reported and corrected to ensure strict compliance.

The Audit Committee of the Board oversees the Audit function through regular reviews of audit findings and monitoring corrective actions taken on the same.

Discussion on Financial Performance With Respect to Operational Performance

During the financial year 2021-22 under review, there was increase in the turnover of the Company as compared with the previous year i.e. from Rs. 12,00,02,107/- to Rs. 18,76,68,527/-. The Company has reported Net Profit of Rs. 1,44,82,505/- against Net Profit of Rs. 11,57,365/- in the previous year.

SUPPORT SYSTEMS

The Company is constantly focusing on enhancing its process efficiency, product quality and customer connect. The Company believes that the employees are not a resource but the most valuable assets of the Company and will play a key role in its future growth. Planned efforts are made to develop and retain talent. The Company provides growth opportunities to internal talent by assigning them higher responsibilities with suitable exposure and training. The Company

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undertakes various training and development programmes regularly in order to upgrade its human resources and keep them abreast of the changing requirements.

Cautionary Statement

Statements in this Management Discussion and Analysis and Directors' Report describing the Company's objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon significant changes in political and economic environment, economic conditions, government policies and other incidental factors, environmental standards, tax laws, litigation and labour relations. Readers are cautioned not to place undue reliance on these forward-looking statements.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR JAINEX AAMCOL LIMITED**

**Place: Mumbai
Date: 12/08/2022**

**Kunal Bafna
Whole-time Director
DIN: 00902536**

**Mohanlal Zumberlal Kothari
Managing Director
DIN: 01486305**

Independent Auditors' Report

To,
The Members of
Jainex Aamcol Limited
Mumbai

Report on Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Jainex Aamcol Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2022**, the statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("INDAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022** and total comprehensive income (comprising profit and other comprehensive income), changes in its equity and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (Sas) specified under section **143(10)** of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No.	Key Audit Matters	How Audit addressed the key matters
1.	<p><u>Actuarial valuation, provisions of arrears and funding of Gratuity under Defined Benefit Plan.</u> The company's Employees Gratuity Fund Scheme is managed by the LIC of India as defined benefit plan. The present value of obligations based on past experience and actual valuation done by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements subject however to funding and payment of arrears to LIC as reflected in the company's financial statements Note No. 30 item (8)(b)(iii). Since the valuation of gratuity is done by LIC with their vast experience in the field at actuals, hence no third-party actuarial valuation is taken as the management is of the view that the company has made provision at actuals which in their view is generally marginally higher than the actuarial valuation if taken.</p>	<p>1. We have performed procedure to ensure that the provision for gratuity is adequately made up to the financial year under audit as per the computation made by the company under the Payment of Gratuity Act as amended from time to time vis-à-vis the computation of gratuity provided by LIC.</p> <p>2. The company is in arrear of Rs. 6.92 lakhs up to FY 2022 for funding to LIC.</p> <p>3. We assessed the disclosures in accordance with IND AS 19.</p>

<p>2.</p>	<p><u>Actuarial valuation and funding of leave salary</u> The company has provided for the actual leave encashment liability as per company rules at the balance sheet date based on permissible accumulated leave balance of the employees at last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial valuation is considered necessary by the management. However, provision / payment is made for leave encashment during the year and unpaid liability at year end is Rs. 15.28 lakhs.</p>	<ol style="list-style-type: none"> 1. We have performed procedure to ensure that the provision for leave salary (encashment) is adequately made up to the financial year under audit as per the actual computations made as per company rules for payment of leave salary at actuals and therefore no actuarial valuation is considered necessary by the management. 2. The unpaid liability at the year end is of Rs. 15.28 lakhs up to FY 2022. 3. We assessed the disclosures in accordance with IND AS 19.
<p>3. a.</p>	<p><u>Impairment of Assets</u> Impairment of assets has been recognized and losses wherever applicable has been charged to Profit & Loss account. As on each balance sheet date, the carrying amount of assets is tested for impairment so as to determine; the provision for impairment loss, if any, required, or the reversal, if any, required or impairment has been recognized in previous year.</p> <p>Non provision of impaired credit (doubtful debts) of Rs.70800/-</p>	<ol style="list-style-type: none"> 1. Our audit procedures included company's accounting policies with respect to impairment in accordance with IND AS 36 "Impairment of Assets". 2. We performed test of controls over impairment process through inspection of evidence of performance of these controls. 3. We performed the following tests of details: <ol style="list-style-type: none"> a) We obtained the management's impairment assessment. b) We have obtained and evaluated the technical and performance analysis. 4. We accordingly assessed the disclosures in accordance with INDAS 36 "Impairment of Assets" 5. We assessed the impaired credit not provided by the company in the financial statements for the

b.		<p>year which has been explained that the same is being closely followed up for recovery and therefore the management, being hopeful of recovery; has not provided for the same.</p> <p>Had the provision being made in the financial statement, the profit for the year would have reduced by Rs 70800/- with consequential impact on tax, debtors and retained earnings.</p>
4.	<p><u>Recognition of Tax Credits.</u></p> <p><u>a) Deferred Tax Liability of Rs. 33.82 lakhs</u></p> <p>Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per applicable tax rates and laws.</p> <p>Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax liability on timing differences, being the difference between taxable income and accounting income that originates in one period and capable of reversal in one or more subsequent periods.</p> <p><u>b) Minimum Alternate Tax (MAT) credits / entitlements.</u></p> <p>The company has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 69.48 lakhs as at 31st March, 2022.</p>	<ol style="list-style-type: none"> 1. Our audit procedures included company's accounting policies with respect to recognition of tax credits / debits in accordance with INDAS 12 "Income Taxes" 2. We performed test of controls over recognition of tax credits/debits through inspection of evidence of performance of these controls. 3. We involved our tax consultant who evaluated the tax positions by comparing it with prior years and past precedents. 4. We discussed the future business plans and financial projections with the company. 5. We assessed the management's long term financial projections and the key assumptions used in the projections by comparing it to approved business plans and projections. 6. We assessed the disclosures in accordance with IND AS 12 "Income Taxes"

5.	Company Secretary The company had no qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013 from 01-04-2021 till 19-11-2021.	In view of the efforts made, the company has been able to get a full-time qualified Company Secretary from 19-11-2021.
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Management's Responsibility for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial statements in terms of requirements of section 134(5) of the Act that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, the management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process of the Company.

Other Information, such as "Information Other than the Financial Statements and Auditor's Report thereon"

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report along with its annexures and financial highlights included in company's annual report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 1 Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 1 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- 1 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 1 Conclude on the appropriateness of management's use of the going concern basis of accounting, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention

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in our auditor's report to the related disclosure in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- I Evaluate the overall presentation, structure and the content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities of which we are the independent auditors and whose financial information we have audited, to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of the identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

Our opinion on the standalone financial statements and financial information certified by the management, and our report on Other Legal and Regulatory Requirements below, is not modified being the only statutory auditor of the company which has no branch or branch auditors.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure" A** a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
2. **(A) As required by Section 143(3) of the Act, we report that:**
 - a) We have sought and 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 it appears from our examination of those books and records.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit & Loss including the statement of other comprehensive income, Standalone statement of changes in equity and the Standalone cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on **March 31, 2022** taken on record by the Board of Directors, none of the directors are disqualified as on **March 31, 2022** from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this Report.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:**
 - a) The Company has disclosed the impact of pending litigations as at 31 March, 2022 on its financial position in its standalone financial statements – Refer Note 30(9) to the standalone financial statements;
 - b) The Company did not have any long-term contracts including derivative

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contracts for which there were any material foreseeable losses.

- c) There has been no occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- d)
- (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the financial statements, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - I directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - I provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that to the best of its knowledge and belief, as disclosed in the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - I directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - I provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.
- e) The Company has neither declared nor paid any dividend during the year.

(c) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The emuneration paid to any director is not in excess of the limit laid down under

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Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.

**For P. M. BHARGAVA & CO
CHARTERED ACCOUNTANTS
FRN 145087W**

**P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595**

**Place: Mumbai
Date: 30th May, 2022
UDIN: 22100595AJWSHH5751**

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of the Jainex Aamcol Ltd. on the standalone financial statement as of and for the year ended 31 March 2022

.....

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) a.
 - (i) As informed to us, the company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - (ii) As informed to us, the Company has maintained proper records showing full particulars of intangible assets.
 - b. As informed to us, Property, Plant and Equipment have been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No major discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deed of immovable leasehold property is held in the name of the company.
 - d. As informed to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
 - e. As informed to us and on the basis of our examination of the records of the company, there have not been any proceedings pending or initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) a. As informed to us and on the basis of our examination of the records of the company, physical verification of inventory has been conducted by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. As informed to us and on the basis of our examination of the records of the company, no discrepancies were noticed during the physical verification between the

physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

- b. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a),(b),(c),(d),(e) and (f) of the Order are not applicable to the Company.
- iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v) **In respect of Loans/Deposits taken**
The Company has carried forward unsecured loans/deposits received from five related parties viz. a body corporate as a shareholder, another body corporate, a director cum shareholder, a director (for part period of 3 months)/ promoter cum shareholder and a firm in which a director with his relatives are interested. Unsecured loans received from directors and their 3 relatives and intercorporate loans are not covered under definition of deposits as defined in the Acceptance of Deposit Rules 2014 as amended from time to time. During the year, the company has not accepted any deposits from public and does not have any unclaimed deposits as at March 31, 2022.
- vi) **In respect of Cost Audit**
As informed to us and on the basis of our examination of the records of the Company, the maintenance of the cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii) **In respect of Statutory Dues**
According to the information and explanation given to us.
(a) The company was generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, customs duty, GST and any other material statutory dues applicable to it with appropriate authorities.

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- (b) There were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, customs duty, GST and any other material statutory dues in arrears as at **31st March, 2022** for a period of six months from the date they became payable.
- (c) Details of dues set out herein below in respect of customs duty which has not been deposited as at **31st March, 2022** by the company with the appropriate authorities on account of disputes.

Name of Statute	Nature of Dues	Amount in Rs. lacs	Amount in Rs. lacs paid under protest	Period to which the amount relates	Forum where disputes is pending
Customs	Customs Duty	7.14	2.00	2008-2009	Customs and Excise Tribunal, Mumbai – Case is heard and matter is reverted back to the concerned assessing authority to re-look a fresh and is still pending for order.

There were no dues of income tax and GST which have not been deposited as at **31st March, 2022** on account of dispute.

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the income tax act, 1961 (43 of 1961).
- ix)
- (a) As informed to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As informed to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) As informed to us and on the basis of our examination of the records of the Company, the Company has not taken any fresh term loan during the year but the GECL working capital term loan availed from Bank of India was taken over by ICICI bank during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable for the year.
- (d) According to the information and explanations given to us and on an

overall examination of the standalone financial statement of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) As informed to us and on the basis of our examination of the records of the Company, the company does not have any subsidiaries, associates, or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) As informed to us and on the basis of our examination of the records of the Company, the Company does not have any subsidiaries, associates, or joint ventures. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable.

(x) In respect of money raised

- (a) According to the information and explanation given to us, the company has not raised any money by way of initial public offer, further public offer (including debt instruments). Accordingly, reporting on clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year. Accordingly, reporting on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) In respect of Fraud

- (a) According to the information and explanation given to us, no fraud on the company by its officers or employees or by the company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In respect of Nidhi Companies

According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In respect of transactions with related parties

In our opinion and according to the information and explanations given to us,

he transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv)

(a) Based on information and explanation provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit report of the company issued till date for the period under audit.

(xv) In respect of non-cash transactions under section 192

According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the clause (xv) of the Order is not applicable to the company.

(xvi) In respect of registration as NBFC under section 45-IA of RBI Act, 1934

As informed to us, the company is not required to get registered under 45-IA of the Reserve bank of India Act. Accordingly, clause 3(xvi) (b), (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3 (xviii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions relating to Corporate Social Responsibility under Section 135

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For P. M. BHARGAVA & CO
CHARTERED ACCOUNTANTS
FRN 145087W**

**P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595**

**Place: Mumbai
Date: 30th May, 2022
UDIN: 22100595AJWSHH5751**

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (A) (f) under "Report on Other Legal and Regulatory Requirements" section of the Independent Auditor's Report of even date to the members of the Jainex Aamcol Ltd on Standalone financial statements for the year ended 31 March, 2022)

Opinion

1. We have audited the internal financial controls with reference to financial statements of Jainex Aamcol Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respect, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March, 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the institute of Chartered Accountants of India (the "Guidance Note")

Management's Responsibility for Internal Financial Controls

2. The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and standards on Auditing, prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For P. M. BHARGAVA & CO
CHARTERED ACCOUNTANTS
FRN 145087W**

**P. M. BHARGAVA
(PROPRIETOR)
M. No. 100595**

**Place: Mumbai
Date: 30th May, 2022
UDIN: 22100595AJWSHH5751**

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Balance Sheet as at March 31, 2022

PARTICULARS	Note No.	As at 31st March, 22	As at 31st March, 21
		‘Rs. in Lakhs’	‘Rs. in Lakhs’
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
(a) Property, Plant and Equipment	2	452.79	552.47
(b) Intangible Assets	3	1.15	2.03
(c) <u>Financial Assets</u>			
(i) Others	4	81.23	46.28
(d) Deffered Tax Assets (Net)	5	0.00	28.70
<u>Total Non-Current Assets</u>		535.17	629.48
<u>Current Assets</u>			
(a) Inventories	6	491.15	341.38
(b) Financial Assets			
(i) Trade Receivables	7	488.27	378.33
(ii) Cash and Cash Equivalents	8	18.02	13.70
(iii) Other Bank Balances	9	0.15	0.15
(c) Other Current Assets	10	15.98	13.25
<u>Total Current Assets</u>		1013.57	746.81
<u>Total Assets</u>		1548.74	1376.29
<u>EQUITY AND LIABILITY</u>			
<u>Equity</u>			
(a) Equity Share Capital	11	149.94	149.94
(b) Other Equity	12	364.68	219.85
<u>Total Equity</u>		514.62	369.79
<u>Liabilities</u>			
<u>Non-Current Liabilities</u>			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	13	188.73	238.20
(ii) Others	14	0.00	0.00
(b) Provisions	15	3.90	3.90
(c) Deffered Tax Liabilities (Net)	5	33.82	0.00
<u>Total Non-Current Liabilities</u>		226.45	242.10

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Balance Sheet as at March 31, 2022 (Cond.)

PARTICULARS	Note No.	As at 31st March, 22	As at 31st March, 21
		‘Rs. in Lakhs’	‘Rs. in Lakhs’
<u>Current Liabilities</u>			
(a) Financial Liabilities			
i Borrowings	16	373.02	406.62
ii Trade Payables	17		
(a) Dues of micro and small enterprises		2.59	1.55
(b) Dues of creditors other than micro and small enterprises		307.72	198.05
iii. Other Financial Liabilities	18	310.31 0.00	199.60 0.56
(b) Other Liabilities	19	35.16	61.80
(c) Provisions	20	79.26	95.46
(d) Current Tax Liabilities (net)	21	9.92	0.36
<u>Total Current Liabilities</u>		807.67	764.40
<u>Total Liabilities</u>		1034.12	1006.50
<u>Total Equity and Liabilities</u>		1548.74	1376.29

Notes to the Financial Statements - Note Nos. 1 to 30

The accompanying notes form an integral part of Standalone financial statements.

As per our report of even date attached

For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

Place :- Mumbai
Dated :- 30th May, 2022

(Rahul Dugar)
Director
(DIN : 00013704)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Statement of Profit & Loss for the year ended March 31, 2022

PARTICULARS		Note No.	As at 31st March, 22	As at 31st March, 21
			'Rs. in Lakhs'	'Rs. in Lakhs'
	TOTAL INCOME			
I	Revenue from Operations	22	1876.69	1200.02
II	Other Income	23	14.40	2.03
III	Total Income (I+II)		1891.09	1202.05
IV	Expenses			
	Cost of Materials Consumed	24	446.98	272.41
	Change in Inventories of Work-in Progress and Finished Goods	25	6.53	9.07
	Employees Benefits Expenses	26	542.73	421.28
	Finance Costs	27	54.57	45.18
	Depreciation and Amortization Expense	28	112.23	113.69
	Other Expenses	29	519.11	333.06
	Total Expenses		1682.15	1194.69
V	Profit/(Loss) before Exceptional Items and Tax		208.94	7.36
VI	Exceptional Items (net)		0.00	0.00
VII	Profit/(Loss) before Tax (V-VI)		208.94	7.36
VIII	Tax Expense:			
	Current Tax		36.48	1.17
	Tax for earlier year		0.00	0.00
	Deferred Tax Credit(-)/Debit(+)		62.52	-4.23
	MAT Credit Carried forward		-34.88	-1.15
			64.12	-4.21
IX	Profit/(Loss) for the year (VII-VIII) from continuing operations		144.82	11.57
X	Profit/(Loss) for the year from discontinuing operations		0.00	0.00
XI	Tax from discontinuing operations		0.00	0.00
XII	Profit/(Loss) for the year from discontinuing operations after tax		0.00	0.00
XIII	Other Comprehensive Income/(loss)			
A.	Item that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0.00	0.00
	(ii) Income tax effect on above		0.00	0.00
B.	Item that may be reclassified to profit or loss:			
	(i) Re-measurement gains/(losses) on defined benefit obligations		0.00	0.00
	(ii) Income tax effect on above		0.00	0.00
	Total Other Comprehensive Income/(Loss) for the year (A+B)		0.00	0.00
XIV	Total Comprehensive Income/(Loss) for the period comprising profit/ (loss) and other Comprehensive Income (IX+XII+XIII)		144.82	11.57
XV	Earnings/(Loss) per equity share (of ` 10 each) from continuing operations as there is no discontinued operation		9.68	0.77
	Basic and Diluted (in ` per share)		9.68	0.77
	Notes to the Financial Statements - Note Nos. 1 to 30			
	The accompanying notes form an integral part of the Standalone financial statements.			

As per our report of even date attached

For P. M. BHARGAVA & CO.

CHARTERED ACCOUNTANTS

(P.M.BHARGAVA)

PROPRIETOR

Membership No. : 100595

Firm Regn. No.: 145087W

Place :- Mumbai

Dated :- 30th May, 2022

(M. Z. Kothari)

Managing Director

(DIN : 01486305)

(Kunal Bafna)

Chief Financial Officer

& Whole-time Director

(DIN : 00902536)

(Rahul Dugar)

Director

(DIN : 00013704)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Statement of Change in Equity for the year ended March 31, 2022

A Equity Share Capital

	No. of Shares	Amount in 'In Lakhs'
Balance as at April 1, 2020	1496338	149.94
Issued during the year	0	0
Balance as at March 31, 2021	1496338	149.94
Issued during the year	0	0
Balance as at March 31, 2022	1496338	149.94

B Other Equity

Particulars	Reserves and Surplus				Amount in 'In Lakhs'		
	Capital Reserve	Capital Redemption Reserve	Share Premium Account	Retained Earnings	Total Reserve other than OCI	Item of other comprehensive item	Total
	(a)	(b)	(c)	(d)	(e)=(a to d)	(f)*	(g)= (e + f)
Balance as at April 1, 2020	15.00	38.97	240.00	-53.83	240.14	-31.86	208.28
Profit/(Loss) for the year FY 2021 Other Comprehensive Income/(loss) for FY 21				11.57	11.57		11.57
Balance as at March 31, 2021	15.00	38.97	240.00	-42.26	251.71	-31.86	219.85
Profit/(Loss) for the year FY 2021 Other Comprehensive Income/(loss) for FY 2021				144.83	144.83		144.83
Balance as at March 31, 2022	15.00	38.97	240.00	102.57	396.54	-31.86	364.68

* Represents arrears of gratuity effect untill March 2018 consequent upon IND AS impact where after effects are given in Profit & Loss Account

Notes to the Financial Statements - Note Nos. 1 to 30

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

Place :- Mumbai
Dated :- 30th May, 2022

(Rahul Dugar)
Director
(DIN : 00013704)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Cash Flow Statement for the year ended 31st March, 2022

Sr. No.	PARTICULARS	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
A.	<u>Cash flow from operating activities</u>		
1	Net Profit / (Loss) before extraordinary items and tax	208.94	7.36
	<u>Adjustments for:</u>		
	Depreciation and amortisation	112.22	113.69
	Impairment in respect of Other Property and Plant & Equipment	0.00	0.00
	Amortisation of share issue expenses and discount on shares	0.00	0.00
	(Profit)/Loss on sale of Assets	0.00	0.00
	Finance costs	54.57	45.18
	Interest income	(0.27)	(0.32)
2	Operating profit / (loss) before working capital changes	375.46	165.91
	<u>Changes in working capital:</u>		
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	149.77	44.25
	Trade receivables	109.94	85.61
	Financial assets - Loans		
	Other current assets	2.73	(7.72)
	Non current - Loans	34.95	0.70
		297.39	122.84
	<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
	Trade payables	110.72	(12.09)
	Others	0.00	0.00
	Current Financial Liabilities	(0.56)	0.56
	Other Current Liabilities	(26.64)	(16.09)
	Current Provisions	(16.20)	27.27
	Current tax liabilities (net)	9.56	0.36
		76.88	0.01
	Cash flow from extraordinary items	0.00	0.00
	Cash generated from operations	220.51	122.83
	Net income tax (paid) / refunds (including MAT effect)	(1.60)	(0.02)
3	Net cash flow from / (used in) operating activities (A)	153.35	43.06
B.	<u>Cash flow from investing activities</u>		
	Capital expenditure on fixed assets, including capital advances	(11.66)	(5.20)
	Proceeds from sale of fixed assets	0.00	0.00
	Interest received	0.27	0.32
	Cash flow from extraordinary items	0.00	0.00
	Net cash flow from / (used in) investing activities (B)	(11.39)	(4.88)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Cash Flow Statement for the year ended 31st March, 2022

Sr. No.	PARTICULARS	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
C.	Cash flow from financing activities		
	Proceeds from long-term borrowings (TLs/Usl)	(49.47)	(178.35)
	Net increase / (decrease) in working capital borrowings	(33.60)	192.05
	Proceeds from other short-term borrowings	0.00	0.00
	Finance cost	(54.57)	(45.18)
	Net cash flow from / (used in) financing activities (C)	(137.64)	(31.48)
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	4.32	6.70
	Cash and cash equivalents at the beginning of the year	13.85	7.15
	Cash and cash equivalents at the end of the year (Refer Note 8)	18.17	13.85
	Reconciliation of Cash and cash equivalents with the Balance Sheet:		
	Cash and cash equivalents as per Balance Sheet (Refer Note 8 + 9)	18.17	13.85
	* Comprises:	0.00	0.00
a)	Cash on hand	0.47	0.31
b)	Balances with banks	0.00	0.00
	(i) In current accounts	17.55	13.39
	(ii) In earmarked accounts	0.15	0.15
		18.17	13.85
Notes to the Financial Statements - Note Nos. 1 to 30			
The accompanying notes form an integral part of the Standalone financial statements.			

As per our report of even date attached

For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

Place :- Mumbai
Dated :- 30th May, 2022

(Rahul Dugar)
Director
(DIN : 00013704)

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

1 SIGNIFICANT ACCOUNTING POLICIES

Sr. No.	Particulars
1	COMPANY INFORMATION Jainex Aamcol Limited ("the company") is a public limited company having its Registered Office in Mumbai, Maharashtra, India. The company is listed on the Bombay Stock Exchange (BSE). The company has a manufacturing unit in Aurangabad, Maharashtra for manufacture of Gear Cutting Tools viz. gear hobs, milling cutters and spline gauges. The functional and presentation currency of the company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the company operates. As on 31st March, 2022, Jainex Foods Pvt Ltd owns 38.62% of the equity shares of the company, and has the ability to influence the company's operations. The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on May 30, 2022.
2	SIGNIFICANT ACCOUNTING POLICIES
2.01	ACCOUNTING CONVENTION The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.
a)	Statement of compliances The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended by MCA amending Schedule III (Balance Sheet and Profit and Loss Accounts format) of the Companies Act 2013.
b)	Basis of preparation The financial statements have been prepared under the historical cost convention on the basis of going concern and in accordance with generally accepted accounting principles and IND AS of ICAI as per provisions of the Companies Act 2013 read with notes appearing in financial statements.
c)	USE OF ESTIMATES AND ACCOUNTING JUDGEMENTS
(i)	Use of estimates The preparation of the financial statements require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates, are recognised in the periods in which the results are known / materialised.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
(ii)	<p><u>Impairment (IND. AS 36)</u> Impairment of assets has been recognized and losses, where ever applicable; has been charged to Profit & Loss account.</p> <p>As of each balance sheet date, the carrying amount of assets is tested for impairment so as to determine -</p> <ol style="list-style-type: none"><li data-bbox="172 427 756 459">i. the provision for impairment loss, if any, required, or<li data-bbox="172 459 996 508">ii. the reversal, if any, required or impairment has been recognized in previous year.
(iii)	<p><u>Useful life of property, plant and equipment and intangible assets :- (IND. AS 16)</u> The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each report period. The re-assessment may result in change in depreciation and amortization expense in future periods.</p>
(iv)	<p><u>Taxes on Income and evaluation of Deferred Tax Assets :- (IND AS 12)</u> Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per applicable tax rates and laws.</p> <p>Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originates in one period and capable of reversal in one or more subsequent periods as described in relevant Note to financial statements.</p>
(v)	<p><u>Provisions , contingent liabilities and contingent assets (IND AS 37)</u></p> <p>a) <u>Provisions</u> The provisions are recognised and measured by using a substantial degree of estimation.</p> <p>Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date.</p> <p><u>Constructive obligation is an obligation that derives from an entity's actions where:</u></p> <ol style="list-style-type: none"><li data-bbox="172 1344 1018 1425">(i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;<li data-bbox="172 1450 1018 1507">(ii) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
	<p>b) <u>Contingent liabilities</u> Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p> <p>c) <u>Contingent assets</u> Contingent assets are disclosed after a careful evaluation of the facts and legal aspects of the matter involved in the issue.</p>
(vi)	<p><u>Fair value measurements of financial instruments (IND AS 32)</u> The company has no financial instruments / investments hence fair value measurement is not applicable.</p>
(vii)	<p><u>Employee Benefits and Retirement obligations (IND AS 19)</u></p> <p>a) <u>Defined Contribution Plan</u> The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid / payable under the schemes are recognised during the year in which the employee renders the related services.</p> <p>b) <u>Defined Benefit Plan/ Long Term Compensated Absences.</u> The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on past experience and actual valuation done by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements. Since the valuation by LIC is based on their vast experience at actuals, no third party actuarial valuation is taken by the management.</p> <p>c) <u>Compensated Absences</u> The company has provided for the actual leave encashment liability at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial valuation is considered necessary by the management.</p>
2.02	<p><u>Property, plant and equipment (IND AS 16)</u> Tangible and intangible property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes all direct costs and expenditure incurred to bring the asset to its working condition and location for its intended use. Related trial run expenses (net of revenue), borrowing cost during construction/irresection period and commissioning are capitalised where ever and whenever applicable. The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognized in the statement of profit and loss.</p>
2.03	<p><u>Depreciation and amortization of property, plant and equipment and intangible assets</u></p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
a)	Depreciation is provided under straight line method (SLM) to the extent depreciable based on the useful life of most of the assets as prescribed in Schedule II of the Companies Act, 2013
b)	Depreciation on additions is provided on pro-rata basis from the date of intended use. Depreciation on deletions is provided on pro-rata basis till the date of its effective use.
c)	No depreciation has been provided on fixed assets where written down value has reached to 5% of the original cost and also on fixed assets not put to use.
2.04	<u>Leases (IND AS 17)</u> The company's '95 years Leasehold Land at MIDC Aurangabad was aquired on annual economic rent of Rupee One in 1974.
2.05	a <u>Financial assets</u> (i) <u>Cash and bank balances</u> <u>Cash and bank balances consist of</u> (i) Cash and cash equivalents includes cash in hand, balances held with banks which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value. These balances with banks are unrestricted for withdrawal and usage. (ii) Other bank balances which includes balances and deposits with banks that are restricted for withdrawal and usage. (iii) Other financial assets are taken at cost or net realisable value as the case may be.
2.05	b <u>Financial Liabilities</u> <u>Trade and other payables / liabilities</u> (i) Trade and other payables / liabilities are initially measured at fair value / cost as recorded in the books. (ii) Interest bearing bank loans, overdrafts ,term liabilities and other debts are initially measured at fair value / cost as recorded in the books using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss. (iii) The company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
2.06	<p><u>Inventories - (INDAS 02)</u></p> <p>(i) Inventories of finished goods and scrap are stated at the lower of cost and net realizable value. Cost is ascertained on a weighted average basis in respect of raw materials. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition in respect of work in progress. Net realizable value is the price at which the inventories can be realized in the normal course of business.</p> <p>(ii) Stores and spare parts are carried at lower of cost and net realizable value.</p> <p>(iii) Provisions are made to cover slow moving and obsolete items based on historical experience of utilization on a product category basis, which involves individual businesses considering their product lines and market conditions.</p> <p>(iv) However, based on above, the inventories are valued as under</p> <p>a) Raw materials are valued at cost. b) Work in Progress is valued at raw material cost + overheads. c) Finished Goods are carried at lower of cost or market value which ever is less. d) Stores are valued at cost. e) Tools and Spares are valued at cost . f) Scraps are valued at realisable value</p>
2.07	<p><u>Non-current assets held for sale and discontinued operations</u></p> <p>The company had classified as non current fixed assets held for sale as mentioned in note to financial statements under the head Property, Plant and Equipments in year FY 19 and has written off as impairment under the head depreciation, amortisation, impairment in FY 20 due to obsolescence and thus impaired value of such assets has been considered at net realisable scrap value The company has not discontinued any operations during the year.</p>
2.08	<p><u>Revenue from operations.</u></p> <p>(i) <u>Sales and other operational income</u> Revenue from sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership and no longer retains control over the goods sold. The amount of revenue can be measured reliably. It is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports, sale delivery is completed on issuance of bill of lading / air way bill.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts

SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Sr. No.	Particulars
2.09	<p>(ii) <u>Other income</u></p> <p>(a) Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.</p> <p>(b) Other income viz exchange gain / loss , misc. receipts, bad debts recovery etc. are accounted on generally accrual basis except recovery of bad debts, misc receipts which are accounted on receipt basis.</p> <p><u>Foreign currency transactions and translations</u></p> <p>Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are re-translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and re-statement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not re-translated.</p> <p>Assets and liabilities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date and such profit or loss arising on translation of such items has been charged to profit and loss account and no translation reserve has been created as there no such assets or liabilities having impact during the year.</p>
2.10	<p><u>Borrowing costs (IND AS 23)</u></p> <p>Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of such assets till such time as the assets are ready for their intended use. Qualifying assets are assets that necessarily require a substantial period of time to get ready for their intended use. All the other borrowing cost is recognized as an expense on accrual basis.</p>
2.11	<p><u>Earnings per share (IND AS 33)</u></p> <p>Basic/Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the number of equity shares outstanding during the year.</p>
2.12	<p><u>Segment reporting (IND AS 108)</u></p> <p>The company's main product lines are in gear cutting tools viz. gear hobs and milling cutters which contributes over 91% of its revenue. The contribution from the balance operation viz. spline guage is mostly involving common processes and use of the same machineries of main product lines and thus the company's operations is considered as a single segment.</p>
2.13	<p><u>Change in Accounting Policy (IND AS 8)</u></p> <p>There is generally no change in accounting policy.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
	NOTE No. [4]		
	Financial Assets :		
	Others - Non-Current		
	Un-secured, considered good		
a	Security Deposits	9.75	9.68
b	Deposit with Custom's Appeal - Capital item	2.00	2.00
c	MAT Credit Entitlements	69.48	34.60
		81.23	46.28
	NOTE No. [5]		
	Deferred Tax Assets (Net)		
	<u>Tax effect on items constituting deferred tax liability</u>		
a)	On difference between book balance and tax balance of fixed assets.	42.45	58.53
b)	<u>Tax effect on items constituting deferred tax assets</u>		
	Leave Encashment	1.48	3.50
	On Employees benefits - Gratuity	1.80	9.98
	On bonus	5.19	6.62
	Unabsorbed depreciation c/f - as per Income Tax	0.16	67.13
		8.63	87.23
	Net Deferred Tax Assets (+) /Liabilities (-) (a-b)	-33.82	28.70
	NOTE No. [6]		
	Inventories		
a	Raw Materials	342.23	198.29
b	Work-in-Progress	49.14	29.65
c	Finished Goods - Internally Manufactured	56.42	79.82
d	Stores	31.02	27.98
e	Tools & Spares	12.34	3.02
f	Scraps	0.00	2.62
		491.15	341.38
	For mode of valuation refer Note No. 1 - (2.06) of Significant Accounting Policies		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'																																																																																																																							
	NOTE No. [7] Financial Assets : Current : Trade Receivables Considered good - unsecured Credit Impaired - unsecured Less: Provision for credit impaired Ageing of trade receivables schedule as at March 31,2022	487.56 0.71 488.27 0.00 488.27	378.33 0.00 378.33 0.00 378.33																																																																																																																							
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No any debts/receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. </td> </tr> </tbody> </table>	Particular	Not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Undisputed-considered good	254.38	212.22	2.67	7.88	10.41		487.56	Undisputed-credit impaired			0.71				0.71	Disputed-considered good								Disputed-credit impaired								Total								Ageing of trade receivables schedule as at March 31,2021									Outstanding for following periods from due date of payment								<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Particular</th> <th style="width: 10%;">Not due</th> <th style="width: 10%;">Less than 6 months</th> <th style="width: 10%;">Less than 1 year</th> <th style="width: 10%;">1-2 years</th> <th style="width: 10%;">2-3 years</th> <th style="width: 10%;">More than 3 years</th> <th style="width: 10%;">Total</th> </tr> </thead> <tbody> <tr> <td>Undisputed-considered good</td> <td style="text-align: center;">172.76</td> <td style="text-align: center;">187.77</td> <td style="text-align: center;">1.39</td> <td style="text-align: center;">12.61</td> <td style="text-align: center;">3.28</td> <td style="text-align: center;">0.52</td> <td style="text-align: center;">378.33</td> </tr> <tr> <td>Undisputed-credit impaired</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">0.00</td> </tr> <tr> <td>Disputed-considered good</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Disputed-credit impaired</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Particular	Not due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Undisputed-considered good	172.76	187.77	1.39	12.61	3.28	0.52	378.33	Undisputed-credit impaired							0.00	Disputed-considered good								Disputed-credit impaired																Note : No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. 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JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
	NOTE No. [8]		
	Financial Assets :		
	Current : Cash and Cash Equivalents		
i	Cash on Hand	0.47	0.31
ii	Balances with Banks In Current Accounts	17.55	13.39
		18.02	13.70
	NOTE No. [9]		
	Financial Assets :		
	Current : Other Bank Balance		
	Other Bank Balances		
	In TDR Accounts		
	held as margin against BG/LCs	0.15	0.15
		0.15	0.15
	NOTE No. [10]		
	Current		
	Other Assets		
	Unsecured, considered good		
a	Prepaid Expenses	0.77	1.00
b	Balances with Govt Authorities		
	Balance with GST	4.12	4.87
		4.12	4.87
c	Others	11.09	7.38
		15.98	13.25
	NOTE No. [11]		
	Equity Share Capital		
a)	Authorised		
	Equity Shares of Rs. 10/- each. ₹	300.00	300.00
	Number of shares	3000000	3000000
b)	Issued, Subscribed & Paid up		
	Equity Shares of Rs. 10/- each. ₹	149.63	149.63
	Number of shares	1496338	1496338
	Less : Calls in Arrears from others	0.03	0.03
		149.60	149.60
	Add : Forfeited Shares		
	Equity Shares of Rs. 2.50/- each. ₹	0.34	0.34
	Number of shares	13662.00	13662.00
		149.94	149.94

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'	
c)	Reconciliation of number of shares			
	Issued, subscribed and fully paid up outstanding at the beginning of the year	1496338	1496338	
	Add :- Shares issued during the year	0	0	
	Outstanding shares at the year end	1496338	1496338	
d)	Shareholder holding more than 5% of the equity shares at the end of the year:			
		31.03.2022	31.03.2021	
		No. of Shares	No. of Shares	
		% of holding	% of holding	
	1 Jainex Foods Private Ltd	577956	577956	38.62%
	2 Bharti Bafna	212700	212700	14.21%
3 Kunal Bafna	94700	94700	6.33%	
	885356	885356	59.17%	
e)	Details of promoters' sharaholding % in the company is as below:			
		21-22	20-21	
		% held	% held	No. of Ordinary Shares
				No. of Ordinary Shares
	<u>Name of promoter</u>			
	Bhagat Singh Dugar	4.18	4.18	62597
	<u>Name of promoter group</u>			
	Bharti Bafna	14.21	14.21	212700
	Kunal Bafna	6.33	6.33	94700
	Ketaki Mazumdar	3.92	3.99	58720
	Nandita Dugar	1.64	1.64	24500
	Rahul Dugar	1.39	1.39	20750
	Ronojoy Mazumdar	3.58	3.58	53495
S.Mazumdar	1.04	1.04	15575	
Pravin Chimanlal Vora	0.00	0.00	10	
Jainex Foods Private Ltd	38.62	38.62	577956	
	74.92	74.98	1121003	
			1122003	

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
f)	<u>Equity shares movement during the 5 years preceding March 31, 2022</u>		
i.	Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	0	0
ii.	Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	0	0
iii.	Aggregate number and class of shares bought back	0	0
		0	0
g)	Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date.	0	0
g)	Terms/rights attached to equity shares The Company has only one class of shares capital, i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share held.		
	NOTE No. [12]		
	Other Equity		
a)	Capital Reserve As per last Balance Sheet	15.00	15.00
b)	Capital Redemption Reserve As per last Balance Sheet	38.97	38.97
c)	Share Premium Account As per last Balance Sheet (On Preferential Allotment in FY 13)	240.00	240.00
d)	Retained Earnings As per last Balance Sheet	-42.26	-53.83
	Add :- Profit for the year	144.83	11.57
		102.57	-42.26
e)	Other Comprehensive Income (OCI) As per last Balance Sheet	-31.86	-31.86
		-31.86	-31.86
	Total Other Equity	364.68	364.68

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'
	Nature and purpose of reserves:		
a)	<u>Capital Reserve</u> Capital Reserve represents central subsidy received from central government in respect of its Aurangabad unit/project set up in 1976.		
b)	<u>Capital Redemption Reserve</u> Capital Redemption Reserve created out of profits represents amount on account of redemption of preference shares with requisite approval.		
c)	<u>Share Premium Account</u> Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.		
d)	<u>Retained Earnings</u> Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company. However the Company had negative carried forward retained earnings at the beginning of the year.		
e)	<u>Other Comprehensive Income (OCI)</u> This represents provisions of arrears of employees gratuity on applicability of IND AS until FY 18 and will be suitably dealt with in next financial year in view of more or less adequate and additional contribution made to LIC during the year.		
	<u>NOTE No. [13]</u>		
	<u>Financial Liabilities :</u>		
	<u>Borrowings - Non Current</u>		
a	<u>Term Loans</u>		
	<u>from Banks (secured)</u>		
1	Star GECL from Bank of India	0.00	33.75
2	GECL from ICICI Bank	22.18	0.00
3	Vehicle Loan from ICICI Bank	3.30	0.00
	Total a	25.48	33.75
	Loans from related parties (Unsecured) total b	163.25	204.45
	(total a+b)	188.73	238.20

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Nature of Security and terms of repayment for Long Term secured borrowings:			
		Nature of Security	Terms of Repayments - as per bank sanction
1	GECL from Bank of India		
	Term Loan (GECL) of ` NIL (Previous Year of ` 47.13 Lacs)		Repayable in 36 monthly Instalments starting from June 2021 with moratorium of 12 months. Last Instalment due on June, 2024. Since closed by takeover by ICICI Bank
	Prime security		
	Above Term Loan (GECL) is secured by hypothecation of Stocks and Book Debts upto 90 days and is collaterally secured by Equitable Mortgage of Land and Building situated at L/3, Chikhalthana, MIDC Indl Estate, Aurangabad. Charge on above is vacated pursuant to takeover by ICICI Bank		Rate of interest on above Term Loan is 7.85% p.a. (previous year 7.85% p.a.) .
2	GECL from ICICI India		
	Term Loan (GECL) of ` 46.97 Lacs (Previous Year of NIL)		Repayable in 36 monthly Instalments starting from June 2021 with moratorium of 12 months. Last Instalment due on June, 2024.
	Prime security		
	Above Term Loan (GECL) is secured by hypothecation of Stocks and Book Debts and is collaterally secured by Equitable Mortgage of Land and Building situated at L/3, Chikhalthana, MIDC Indl Estate, Aurangabad.		Rate of interest on above Term Loan is 8.25% p.a. (previous year NIL) .
3	Vehicle Loan from ICICI Bank		
	Vehicle Loan of ` 4.49 Lacs (Previous Year of NIL)		Repayable in 60 monthly Instalments of Rs. 9191 starting from 10.09.2021. Last Instalment due on 10.08.2026.
	Security		
	Above Vehicle Loan is secured by hypothecation of Maruti ECO bearing registration No. MH20 FU-8783		Rate of interest is 8.50 % p.a. (previous year NIL).
Sr. No.	Particulars	As at 31.03.2022 ‘Rs. in Lakhs’	As at 31.03.2021 ‘Rs. in Lakhs’
	NOTE No. [14]		
	Other Financial Liabilities :		
	Others - Non-Current	0.00	0.00
		0.00	0.00
	NOTE No. [15]		
	Provisions - Non-Current		
	Claims of Ex-employees	3.90	3.90

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	As at 31.03.2022 'Rs. in Lakhs'	As at 31.03.2021 'Rs. in Lakhs'																																			
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	NOTE No. [18]																																					
	Other Financial Liabilities :																																					
	Interest accrued but not due to Bank of India	0.00	0.56																																			
		0.00	0.56																																			
	NOTE No. [19]																																					
	Other Liabilities																																					
a	Statutory dues	32.19	57.13																																			
b	Advance/ Credit balance of customers	2.97	4.67																																			
		35.16	61.80																																			
	NOTE No. [20]																																					
	Current Liabilities :																																					
	Provisions																																					
a	Provision for Employee Benefits																																					
1	Salary & Reimbursements	62.22	80.19																																			
2	Contribution to PF	1.76	1.83																																			
3	Leave Encashment	15.28	13.44																																			
		79.26	95.46																																			
	NOTE No. [21]																																					
	Current Tax Liabilities (net)																																					
	Income Tax	9.92	0.36																																			
		9.92	0.36																																			

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2022 'Rs. in Lakhs'	For the year ended on 31.03.2021 'Rs. in Lakhs'
	NOTE No. [22]		
	Revenue from operations		
a)	Sale of Products		
		Sales	Returns
		Net	
	Gear Hobs	1295.49	24.52
	Milling Cutters	338.30	1.75
	Spline Gauges	165.13	2.34
		1798.92	28.61
		1270.97	790.99
		336.55	245.30
		162.79	111.45
		1770.31	1147.74
	Total Sales	1770.31	1147.74
b)	Other Operative Revenues		
	Job Work Charges	52.77	36.61
	Scrap /Misc. Sales	46.90	15.67
	Export incentive / MEIS	6.71	0.00
		106.38	52.28
	Total (a+ b)	1876.69	1200.02
	includes export	302.40	145.92
	NOTE No. [23]		
	Other Income		
	Income Tax Refund	0.00	0.00
	Misc. Receipts/write-off(net)	10.19	0.17
	Interest Received	0.27	0.32
	Exchange Gain on Export (net)	1.43	0.27
	Exchange Gain on Import (net)	0.63	1.27
	Profit on sales of assets	0.41	0.00
	Bad debts recovered	1.47	0.00
		14.40	2.03
	NOTE No. [24]		
	Cost of Raw Material Consumed		
	Inventory at the beginning of the year	198.29	143.60
	Add : Purchase (net of GST, returns and freight)	590.92	327.10
		789.21	470.70
	Less : Inventory at the end of the year	342.23	198.29
		446.98	272.41
	Details of Raw Material Consumption		
a)	Import	21.22 Qty. in Kgs.	21.21 Qty. in Kgs.
		227	315
		0.80%	1.69%
b)	Indigenous/ Local purchase	28258	18372
		99.20%	98.31%
		28485	18687
		100.00%	100.00%
		10.96	16.38
		2.45%	6.01%
		436.02	256.03
		97.55%	93.99%
		446.98	272.41
		100.00%	100.00%

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2022 'Rs. in Lakhs'	For the year ended on 31.03.2021 'Rs. in Lakhs'
	NOTE No. [25]		
	Changes in Inventories		
a	Inventories at the end of the year:		
	Finished Goods	56.42	79.82
	Work-in-Progress	49.14	29.65
	Scrap	0.00	2.62
		105.56	112.09
b	Inventories at the beginning of the year:		
	Finished Goods	79.82	74.26
	Work-in-Progress	29.65	39.93
	Scrap	2.62	6.97
		112.09	121.16
	Net (Increase)/Decrease	6.53	9.07
	NOTE No. [26]		
	Employees Benefits Expenses		
a	Salaries, Wages & Allowances (*)	490.00	368.42
b	Contribution to Provident and Other Funds	21.07	16.48
c	Gratuity Fund Contribution	8.15	14.72
d	Staff Welfare Expenses	23.51	21.66
		542.73	421.28
	(*)		
	Includes Remuneration to Whole Time Directors	36.81	21.42
	NOTE No. [27]		
	Finance Cost		
a)	Interest expense on:		
	Borrowings from Bank (WC + TL)	19.63	21.89
	Borrowings from Others	29.62	18.54
b)	Other borrowing costs	5.32	4.75
		54.57	45.18
	NOTE No. [28]		
	Depreciation, amortisation, impairment and obsolescence		
	Depreciation	112.23	113.69
	Impairment	0.00	0.00
		112.23	113.69

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	For the year ended on 31.03.2022 'Rs. in Lakhs'	For the year ended on 31.03.2021 'Rs. in Lakhs'
	NOTE No. [29]		
	<u>Other Expenses</u>		
a	<u>Manufacturing Expenses</u>		
	Consumption of Stores etc.	50.10	28.50
	Consumption/Write off of Tools and Spares	14.35	17.65
	Consumption of Packing Materials	12.91	7.22
	Labour Charges (Mfg.)	83.72	38.35
	Power and Fuel	67.88	59.16
	Repairs and Maintenance - Buildings	0.62	0.09
	Repairs and Maintenance - Machinery	61.98	27.31
	Repairs and Maintenance - Others	4.59	4.32
		296.15	182.60
b	<u>Administrative & Other Expenses</u>		
	Travelling and Conveyance	18.09	2.88
	Sales Commission	98.66	72.79
	Consignment Expenses	24.67	14.69
	Legal and Professional	32.04	22.99
	Miscellaneous Expenses	49.50	37.11
		222.96	150.46
	Total (a+b)	519.11	333.06
	NOTE No. [30] - Additional information		
1	<u>Contingent liabilities</u> (To the extent not provided for)		
	(i) Claims against the company not acknowledged as debt	0.00	0.00
	(ii) Letters of credits opened awaiting shipment / delivery.	0.00	0.00
	(iii) Guarantees	0.00	0.00
2	<u>Commitments</u>		
	(i) Commitment pending on capital accounts - net of advance	0.00	0.00
	(ii) Uncalled liability on shares and other investments partly paid	0.00	0.00
	(iii) Other commitments (specify nature)	0.00	0.00
	(iv) Non provision of impaired credit (Doubtful debt)	0.71	0.00
		0.71	0.00

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Financial Statements (Contd.)

Sr. No.	Particulars	FY 2021-22 'Rs. in Lakhs'	FY 2020-21 'Rs. in Lakhs'
3	<u>Payment to Auditors</u>		
	a) Statutory Auditor	0.75	0.75
	b) Tax Auditor	0.25	0.25
	i) Tax Audit Fees	0.15	0.15
	ii) Taxation & Other Matters	0.25	0.25
	iii) Banking Matters	0.12	0.12
	iv) GST	0.77	0.77
		1.52	1.52
4	<u>Value of Imports</u>		
	i. Raw Materials;	5.33	17.96
	ii. Components and Spare Parts;	4.90	3.15
		10.23	21.11
5	<u>Expenditure in Foreign Currency</u>		
	Travelling	0.0	0.00
	Commission	10.20	7.15
	Exhibition Expenses	0.00	0.00
	Books and Periodicals	0.00	0.00
	spares for Plant & Machinery (SMS)	29.91	10.57
6	<u>Earning in Foreign Exchange</u>		
	Export of goods	302.40	145.92
7	<u>Earning per Share (EPS) - Basic & Diluted - computed as per INDAS 33</u>		
	(i) Profit after tax		
	(ii) Number of shares fully paid up (net of forfeiture)	144.83	11.57
	(iii) Nominal value of equity shares (in Rs.)	1496338	1496338
	(iv) Basic earning per share (in Rs.)	10.00	10.00
	(v) Diluted earning per share (in Rs.)	9.68	0.77
		9.68	0.77
8	<u>The Disclosure on "Employee Benefits" as per Ind AS 19 and the Companies (Accounting Standards) Rules, 2006.</u>		
	a) <u>Defined Contribution Plan</u>		
	The state governed Provident Fund Scheme, Employees State Insurance Scheme and Employee Pension Scheme are defined contribution plans. The contribution paid/payable under the schemes are recognised during the year in which the employee renders the related services.		

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2021-22 'Rs. in Lakhs'	FY 2020-21 'Rs. in Lakhs'
	Contribution to Defined Contribution Plan, recognised and charged off during the year are as under.		
	Employer's Contribution to state governed Provident Fund	6.09	4.43
	Employer's Contribution to state governed Pension Schemes	13.24	10.70
	Employer's Contribution to state governed Employees State Insurance Scheme.	1.00	2.22
		20.33	17.35
	b) <u>Defined Benefit Plan/ Long Term Compensated Absences.</u>		
	The company's Employees Gratuity Fund Scheme managed by the LIC of India is a defined plan. The present value of obligations based on previous experience and actual valuation given by LIC read with the compliance of applicable IND AS in this regard has been considered and provided in the financial statements subject however to payment of arrears as reflected in the company's financial statements under the head ' Other Comprehensive Income (OCI) '. Since the valuation by LIC is based on their vast experience and at actuals , no third party actuarial advice was considered necessary by the management.		
	The amount of obligation as at the year end is determined as per actual valuation by Company's Employees Group Gratuity Scheme maintained with LIC Aurangabad under their master policy no. 66567 and policy no.703000405.		
	i) <u>Value of obligation as at 1st April 2021</u>	107.07	93.88
	Interest Cost	5.75	2.96
	Current Service Cost	8.90	8.37
	Actual Losses/(Gains) additional provision	-1.37	5.23
	Benefit paid	4.57	3.37
	<u>Value of obligation as at 31st March 2022</u>	115.78	107.07
	ii) <u>Fair value of Assets</u>		
	(a) <u>with LIC</u>		
	Plan Assets at beginning of period	57.92	34.30
	Expected return on Plan Assets	5.75	2.96
	Actual Company Contribution	48.63	24.03
	Benefits paid	-4.57	-3.37
	Net Asset at the end of period	107.73	57.92
	(b) Bank balance in Gratuity trust account	1.12	10.76
	Total fair value of assets	108.85	68.68

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2021-22 'Rs. in Lakhs'	FY 2020-21 'Rs. in Lakhs'
	iii Excess/(Short) payments (i-ii) (provided but not funded)	(6.93)	(38.39)
	c) Compensated Absences The company has provided for the actual leave encashment liability as per company rules at the balance sheet date based on permissible accumulated leave balance of the employees at the last salary drawn. Since leave encashment liability at actual is fully provided, no actuarial advice is considered necessary by the management. However, provision made for leave encashment during the year and unpaid liability at year end are as under. Provision made for the year in Profit & Loss account Unpaid Liability (non funded) under leave encashment at year end	5.70 15.28	0.00 13.44
9	Amounts not provided for		
	a) Import against LC (DA/DP) for purchase of raw materials.	0.00	0.00
	b) Claims by ex-employees On account of claims by two ex-employees recorded in the accounts as liability amounting to Rs. 0.67 lacs and Rs. 3.23 lacs out of which the claim of Rs. 3.23 lacs has been decided in favour of the late ex-employee for their claim on LIC. Any additional probable liability arising in connection with the said cases; will be provided at the time of claim by LIC on the company.	0.00	0.00
	c) On account of additional custom duty demand of Rs. 7,13,812/- on a CNC machine imported in FY 07 - 08 and contested in appeal before the Customs , Excise and Service Tax Appellate Tribunal at Mumbai against which an amount of Rs. 2,00,000/- was deposited to admit the appeal. The custom authorities issued SCN (show cause notice) in the said matter demanding the said amount as CVD instead of basic custom duty. The matter came up in hearing before Tribunal, at Mumbai on 3rd May 2018. The counsel for the company represented and argued that the issue of SCN was bad in law as it did not pertain to issue under SCN / dispute. The Hon'ble Tribunal had remanded back the matter to the concerned authority but no fresh notice of hearing has been issued till date. The above provisions being possible but not probable have not been made as the company believes that none of the above contingencies would have material adverse impact on the company's financial conditions, results of operations or cash flows.	7.14	7.14

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2021-22 'Rs. in Lakhs'	FY 2020-21 'Rs. in Lakhs'
	<u>Disclosure as required by Clause 32 of listing Agreement.</u> Amount of Loans/Advances in nature of loans outstanding from Subsidiaries and Associates during the year		
	Subsidiaries :	NIL	NIL
	Associates :	NIL	NIL
	Key Management Personnel :	NIL	NIL
	Relatives of Key Management Personnel :	NIL	NIL

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars	FY 2021-22 'Rs. in Lakhs'	FY 2020-21 'Rs. in Lakhs'
11	Related Party Disclosures		
a)	Related Party and their Relationship		
	Subsidiaries : NIL		
	Associates : Jainex Foods Private Limited Jainex Limited Jainex Imports & Exports Private Limited Jainex Enterprise Bohmis Industries Private Limited Dugar Brothers & Company Metagame Venture Private Limited		
	Key Management Personnel : Mr. B. S. Dugar (Chairman) (ceased wef 30/06/2021) Mr. M. Z. Kothari (Managing Director) Mr. Kunal Bafna (Whole Time Director and CFO)		
b)	Relatives of Key Management Personnel : NIL		
		Amount	Amount
	Transactions with Related Party	FY 2021-22	FY 2020-21
	Subsidiaries :	Nil	Nil
	Directors :	Nil	Nil
		Interest Paid	14.97
		2.20	2.34
		Nil	7.70
		Nil	Nil
		Nil	Nil
		107.82	41.66
	<u>Body Corporates</u>	Nil	Nil
		Nil	Nil
		150.00	30.00
		78.51	Nil
		14.62	2.34
		9.13	7.70
	<u>Relatives of Director</u>	Nil	Nil
		Nil	Nil
	<u>a Firm in which directors are partner</u>	12.59	1.20
		Nil	Nil
		Nil	Nil
		105.63	Nil
	Key Management Personnel :	36.81	21.42
		Nil	Nil
	Relatives of Key Management Personnel :	Nil	Nil
c)	Balances with the related parties :		
	<u>Loans taken (credit)</u>	160.06	58.95
	Jainex Foods Pvt. Ltd.	0.00	15.00
	Jainex Imports & Exports Pvt Ltd	145.25	238.29
	Dugar Brothers & Co	0.00	105.60
		5.54	5.56

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

12 Financial Ratios						
Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
a) Current Ratio (No. of times)	Current Assets	Current Liabilities	1.25	0.98	27.55%	Current ratio has improved in view of improvement in sales and profits during the year.
b) Debt-Equity Ratio (No. of times)	Total Borrowings including unsecured loans	Average Shareholders Equity	1.27	1.77	-28.25%	Debt equity ratio has improved due to repayment of loans out of profits during the year and improvement in networth with increase in profits.
c) Debt Service Coverage Ratio (No. of times)	Profit before interest on long term debt, depreciation, tax and exceptional items	Total interest on long term debt together with principal repayments of long-term debt excluding unsecured loans during the period and cash flow on settlement of derivatives contracts related to borrowings	37.21	42.44	-12.32%	
d) Return on Equity Ratio (%)	Profit after tax	Average equity (Equity share capital + other equity)	32.75%	3.18%	930.05%	This ratio has improved in view of improvement in sales and consequential increase in profits
e) Inventory turnover Ratio (No of times)	Cost of goods sold	Average inventory	1.09	0.88	23.86%	
f) Trade Receivables turnover Ratio (No. of times)	Revenue from operations	Average Trade Receivable	4.33	3.58	20.95%	
g) Trade payables turnover ratio (No. of times)	Cost of material purchased + other expenses	Average Trade Payable	6.48	5.26	23.19%	
h) Net capital turnover ratio (No. of times)	Revenue from operations	Average Working Capital i.e. average current assets-average current liabilities	6.42	9.22	-30.37%	Net Capital turnover ratio has decreased due to increase in turnover over the previous year which was covid affected year.
i) Net profit ratio (%)	Profit after tax	Revenue from operations	7.72%	0.96%	700.15%	Due to increase in turnover and consequent increase in profits
j) Return on Capital employed (%)	Earnings before interest and taxes - other Income	Average Capital Employed = (Total Assets-Current liabilities)	36.04%	6.58%	447.48%	Due to increase in turnover and consequent increase in profits
k) Return on investment (%)	Other Income (excluding dividend)	Average Cash, Cash equivalents and other marketable securities	NA	NA	NA	

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars
	<p><u>Additional regulatory information</u></p> <p>a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.</p> <p>b) The Company has utilised the funds towards the purposes for which the sid loans were raised.</p> <p>c) Statements and reports as required at timely intervals have been submitted to the bank and are in agreement with the books of accounts.</p> <p>d) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.</p> <p>e) The Company has not entered into any type of transactions with companies struck off.</p> <p>f) The Company does not have any pending charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.</p> <p>g) The Company is in compliance with number of layers of companies as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.</p> <p>h) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.</p> <p>i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.</p> <p>j) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.</p> <p>k) Title deeds of immovabel property are held in the name of the Company.</p> <p>l) The Company has not revalued its Property, Plant and Equipment for the current year</p> <p>m) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.</p> <p>n) The Company has not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income TaxAct, 1961.</p> <p>o) The Company is not covered under section 135 of the Companies Act regarding CSR activities.</p>

JAINEX AAMCOL LIMITED ANNUAL REPORT 2021-22

Notes forming part of the Accounts (Contd.)

NOTE No. [30] - Additional information (Contd.)

Sr. No.	Particulars
	p) There has been no Capital work in progress for the current year of the company.
	q) There are no Intangible assets under development in the current year.
14	<u>Company Secretary</u> The company had no qualified Company Secretary as required under Section 203(1)(ii) of Companies Act, 2013 from 01-04-2021 till 19-11-2021.
15	<u>Confirmation of Balances</u> The balances of trade receivables, trade payables, unsecured loans and loans and advances, GST (input and output reconciliation) are subject to confirmation.
16	Figures for previous year have been rearranged/regrouped wherever necessary.

Notes to the Financial Statements - Note Nos. 1 to 30

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

**For P. M. BHARGAVA & CO.
CHARTERED ACCOUNTANTS**

(M. Z. Kothari)
Managing Director
(DIN : 01486305)

(P.M.BHARGAVA)
PROPRIETOR
Membership No. : 100595
Firm Regn. No.: 145087W

(Kunal Bafna)
Chief Financial Officer
& Whole-time Director
(DIN : 00902536)

Place :- Mumbai
Dated :- 30th May, 2022

(Rahul Dugar)
Director
(DIN : 00013704)

If Undelivered please return to :

JAINEX AAMCOL LIMITED

CIN : L74999MH1947PLC005695

405 & 406, Sharda Chambers,
15, Sir Vitthaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.