



Date: 7<sup>th</sup> July, 2020

To,

Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai,  
Maharashtra – 400 001.

Dear Sir/ Madam,

**SUB: Annual Report 2019-20 including Notice of Thirty-fourth Annual General Meeting  
(34<sup>th</sup> AGM) of the Company**

**REF: Security Code - 541167**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that the Thirty-fourth Annual General Meeting of the Members of the Company will be held on Wednesday, July 29, 2020 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI).

In this regard, we would like to submit herewith Notice of the 34<sup>th</sup> AGM and Annual Report for the financial year 2019-20 of the Company, which is also being sent through electronic mode to the Members.

Further, the Annual Report of the Company along with the Notice of the Meeting will also be available on website of the Company at [www.yashoindustries.com](http://www.yashoindustries.com).

This is for your information and record.

Thanking you,

Yours faithfully,

**For Yasho Industries Limited**

**Parag Vinod Jhaveri**  
**Managing Director**  
**DIN: 01257685**



**YASHO INDUSTRIES LIMITED**

(FORMERLY KNOWN AS YASHO INDUSTRIES PVT. LTD.)

Encl: a/a

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CIN No. L74110MH1985PLC037900



**INVESTING IN THE PRESENT.  
INSPIRED BY THE FUTURE.**

**2019-20**  
ANNUAL REPORT

YASHO INDUSTRIES LIMITED

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# ALONG A CREDIBLE PATH TO VALUE

We are an innovation-driven company, which confirms our value strategy to drive future success and sustainable growth.

We are a manufacturer of specialty and performance chemicals. Having emerged as a leading chemical manufacturing brand, we supply value-added quality products across the globe.

## Investing in the present

We continue to make investments in plant and research infrastructure to enhance efficiency, capacity and product quality.

## Inspired by the future

In the next decade, the fine and specialty chemical industry is expected to grow, despite the impact of COVID-19 on economic activities in general, and the Indian chemical industry in particular. We foresee that the economy will revive by the end of 2020, and with it, the demand for specialty chemicals will also rise.

**9,200** MT

Manufacturing capacity

₹ **5,779.45** Lakhs

Net Worth

**42**

Number of Countries we are present in

₹ **12,534.08** Lakhs

Market Capitalisation

**441**

Number of Employees

**5**

Categories



# ABOUT YASHO INDUSTRIES LIMITED

Yasho Industries Limited was founded in 1985 by Mr. Vinod Jhaveri in Mumbai. It is one of the leading manufacturers of specialty chemicals, food antioxidants, aroma chemicals, rubber accelerators and lubricant additives. The Company's shares are listed on the BSE under the SME category.

## What we produce

We manufacture a varied range of chemicals. These chemicals primarily serve five key industry categories – Specialty Chemicals, Aroma Chemicals, Food Antioxidants, Rubber Accelerators and Lubricant Additives.

## What differentiates us

We are a customer-focussed producer, with the ability to deliver as per the specifications desired by our buyers.

## We added new segments

Well supported by our continuing R&D efforts and expansion in manufacturing capacity, we added chemicals during the year for lubricant additives and specialty applications.

### One of India's leading manufacturers and suppliers of:

#### Specialty Chemicals

Acrylics, printing inks/coating, unsaturated polyester, resin and thermoplastic polyurethane



#### Food Antioxidants

Edible oils, confectioneries, animal feed, vitamin premix and nutraceuticals



#### Aroma Chemicals

Flavours and fragrances, agro chemicals as pheromones, pharma intermediates and several industrial applications



#### Rubber Chemicals

Tyres, conveyor belts, automobile profile, surgical gloves, condoms, balloons and latex gloves



#### Lubricant Additives

Grease, hydraulic/turbine/engine/gear oils, metal working fluids and coolants



### Augmenting capacities

Our manufacturing facilities are strategically located within 200 Kms from Nhava Sheva Sea Port, at GIDC, Vapi, Gujarat. This facilitates easy access for import of raw materials and export of finished goods. Further, debottlenecking of Unit-I during the year enhanced our production capacity by 850 MT.

	Capacity (MTPA)	Area	Capacity Utilisation
<b>Unit-1</b>	3,450	6,957 square metres	92%
<b>Unit-2</b>	3,000 (earlier capacity) + 1,550 (New capacity added)	5,000 square metres	72%
<b>Unit-3</b>	1,200	5,082 square metres (includes warehousing facility for finished goods)	40-50% (Estimated by FY 2020-21)

### Winning recognition

Excellent Supplier Award by Kemin Industries (Zuhai) for supply performance in FY 2016-17	Certificate of Appreciation by Indian Oil for participation in Servo Vendor Meet	Certification of Participation and involvement in Environment Drive 2017	Won an award from Dun & Bradstreet for excellence in the chemicals sector (mid-corporate) for FY 2018-19
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### Our global operations

We serve the domestic and global markets in 42 different countries across Europe, America, Middle East and Asia. During FY 2019-20, our overseas operations contributed 56.72% to our total revenues.

- USA
- Germany
- France
- Belgium
- Spain
- Italy
- Brazil
- Malaysia
- Iran
- South Korea
- Indonesia
- China
- Japan
- Taiwan
- Pakistan
- Netherlands
- Argentina
- Mexico
- United Arab Emirates
- Turkey
- Egypt
- United Kingdom
- Kenya
- South Africa
- Georgia
- Sri Lanka
- Iraq
- North Korea
- Bolivia
- Saudi Arabia
- Sudan
- Thailand
- Russia
- Djibouti
- Australia
- Bangladesh
- Nepal
- Vietnam
- Lebanon
- Guatemala
- Singapore
- Morocco



Map not to scale. For illustrative purposes only.



# ENCOMPASSING DIFFERENT DIMENSIONS OF OUR BUSINESS

We operate in the domain of Specialty and Fine Chemicals. We address varying customer needs through our diversified product portfolio, as we supply high quality, globally benchmarked and accepted products. Our strong presence in these industries reduces our risk of over-dependency on any specific product or industry segment.

## 1. Specialty Chemicals

These value-added chemicals are used as stabilisers for acrylics, printing inks, UPR resins and fibre composite resins, as cross linkers for thermoplastics urethanes, electroplating chemicals, intermediates for API and bulk drugs, and agrochemicals.



## 2. Food Antioxidants

Fatty oils and oil-based foods are prone to auto-oxidation that results in a rancid taste and unpleasant odour. Our antioxidants help inhibit the negative effects of oxidation. The YANTQ brand of synthetic antioxidants has superior antioxidative power and finds application in foodstuff. It helps enhance the food nutrient content, keeps it fresh and makes it more appetising. This is also used in animal feed, vitamin pre-mixes and in nutraceuticals.



### 3. Aroma Chemicals

We are the leading suppliers of essential oils in India. We are the market leaders for clove oil and its derivatives. Our products find application primarily in the growing industries of Flavours & Fragrances. They also find application in the Pharmaceutical industry, as a pain relief agent and in cough and cold formulations. It is also utilised in dentifrices and oral care preparations including toothpaste, tooth powder and mouthwash. It is also used as an insect repellent.



### 4. Rubber Chemicals

Our range of rubber chemicals is used to manufacture rubber products like tyres, automotive components like hoses, seals, conveyor belts, and others. They are also used in the manufacture of surgical gloves, condoms, balloons and latex gloves.



### 5. Lubricant Additives

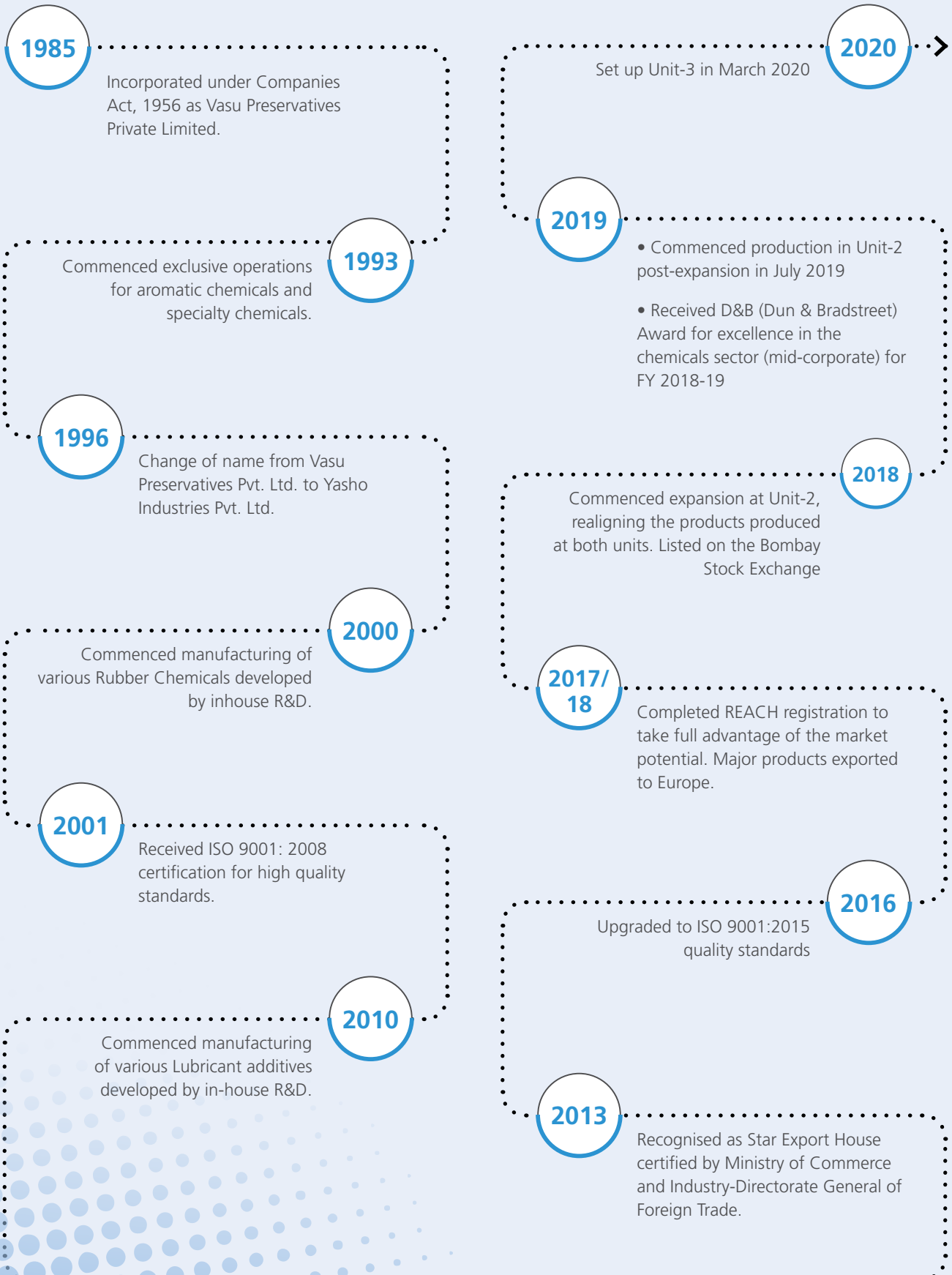
Our Lubricant additives improve the performance of lubricants by providing critical performance parameters. They improve boundary lubricity, extreme pressure properties, inhibit corrosion and improve oxidation resistance. It finds application in hydraulic, turbine, engine and gear oils, metal working fluids and greases.







# NAVIGATING OUR CHANGING ECOSYSTEM



# A YEAR OF PROGRESS

## Revenue from Operations

(₹ in Lakhs)

FY 2015-16	17,962.52
FY 2016-17	19,527.87
FY 2017-18	24,980.44
FY 2018-19	34,005.85
FY 2019-20	29,706.30

## EBITDA

(₹ in Lakhs)

FY 2015-16	2,033.29
FY 2016-17	2,470.14
FY 2017-18	3,159.53
FY 2018-19	4,005.75
FY 2019-20	4,179.33

## PAT

(₹ in Lakhs)

FY 2015-16	152.85
FY 2016-17	367.31
FY 2017-18	797.13
FY 2018-19	1,189.04
FY 2019-20	1,199.14

## Net Worth

(₹ in Lakhs)

FY 2015-16	1,362.62
FY 2016-17	1,729.94
FY 2017-18	3,378.17
FY 2018-19	4,571.44
FY 2019-20	5,779.45

## Net Fixed Assets

(₹ in Lakhs)

FY 2015-16	5,453.42
FY 2016-17	5,827.70
FY 2017-18	6,933.87
FY 2018-19	9,596.16
FY 2019-20	11,426.30

## Earnings Per Share

(₹)

FY 2015-16	1.53
FY 2016-17	3.67
FY 2017-18	7.96
FY 2018-19	10.91
FY 2019-20	11.00

# CHAIRMAN & MD'S LETTER TO SHAREHOLDERS



A clear vision  
guiding our  
actions

## Dear Shareholders,

In FY 2019-20, we made further progress on our journey to extend our leadership as a specialty chemicals company. Today, we are well recognised and globally accepted as a quality conscious producer of specialty chemicals. An experienced and empowered R&D team, infrastructure and several success stories makes us poised to leverage the growing market opportunities to the fullest.

We spent the past year in working closely with our corporate clients, domestic and MNCs, to serve them with their next-generation needs and develop new chemistries. We are happy that our cost competitiveness and quality standard gives us an edge over our competitors, particularly those from Europe and China.

## How we performed

During the year, the Company witnessed sustainable growth. Revenues were lower by 12.64% to ₹ 29,706.30 lakhs, from ₹ 34,005.85 lakhs in the previous year as raw material prices decreased, based on which sale prices also decreased. Turnover volume decreased marginally by 0.37% at 6,388 MT, from 6,412 MT in the previous year. This year, 56.72% of our total revenues were contributed by exports, compared with 59% in the previous year. EBITDA grew by 19.43% to ₹ 4,179.33 lakhs, from ₹ 4,005.75 lakhs in the previous year. Despite the outbreak of COVID-19 in the last quarter of FY 2019-20, our financial performance was driven by new product development, continued better capacity utilisation and enhanced production.

Net profit grew marginally by 0.85% at ₹ 1,199.14 lakhs, from ₹ 1,189.04 lakhs. This was owing to higher demand from Europe and US markets and also due to upscaling of demand owing to pollution issue in China. We clocked almost full capacity utilisation at one of our plants during the year. Value-added chemicals, particularly Rubber, Lubricants and Specialty segment, contributed a significant amount to our profitability this year. With demand for these chemicals constantly increasing in the international market, we expect specific segments to perform well and continue contributing to our future profitability.

## Key operational highlights

During the year, de-bottlenecking, expansion and automation helped increase throughput, while also facilitating us in maintaining our

quality and consistency. We successfully commissioned our expansion project at Unit-2 facility, which added 1,550 MT to our capacity for industrial and lubricant chemicals. Our manufacturing plant at Unit-1 ran at full capacity, while Unit-2 was operated at 72% capacity, post expansion. The year also witnessed commissioning of Unit-3. This Unit contains a warehousing facility for finished goods and a small facility for manufacturing of specialty industrial chemicals, with a capacity of 1,200 MT. In this Unit, we are hoping to achieve 40-50% capacity utilisation by the end of FY 2020-21. During the year, we also continued the export of lubricant additives and specialty chemicals to China.

### The growing specialty chemicals market

Sales of rubber, industrial and specialty chemicals, which is primarily used by auto components and construction industries, was sluggish during the year. However, demand picked up in the latter part of the year. The Indian specialty chemicals market is increasingly gaining favour with multinational corporations owing to the geo-political shift, as the world looks to reduce its dependence on China.

Globally, Specialty Chemicals is estimated to be a US\$ 589.80 billion market by 2025, growing at a CAGR of 5.30%. India's specialty chemicals sector is also expected to grow steadily, and will be driven by increased application in different products. A unique combination of talented, knowledgeable manpower and low-cost production makes India an ideal production hub for global markets. The market is estimated to double by 2025, clocking 10% CAGR.

### Ensuring quality and consistency

Quality and consistency is of paramount importance to us. We understand the criticality of our business for downstream companies and ultimately the end-users. As we maintain high standards of quality, we consistently attract new customers and retain the existing ones. Our stringent checks and a quality control team ensures quality is maintained through every process – right from procurement of raw materials to delivery.

We also adhere to all the national and international quality standards. Our manufactured products are first sent to the Quality Department, where quality of the finished products is inspected on a sample basis, putting them through various test parameters and testing methods. Regular quality audits are also undertaken by the in-house quality control team.

Also, being a specialty chemicals company, our plant processes are mechanised as far as possible. Our plant facilities are designed to be 'multi-purpose', giving us the advantage of manufacturing several products using the same machinery and equipment. Over time, we have incorporated SCADA and PLC systems to eliminate human error and minimise labour, wherever possible.

### Outlook

With COVID-19 having battered supply chains the world over, we are closely analysing its impact on the chemical market globally and in India. The extended lockdowns in India reduced local demand. We are thus working on increasing our reliance on exports to fill capacities, especially for the industrial and specialty chemicals segments. Several European and American companies are already scouting for non-Chinese sources as an alternative supplier for raw material, after Chinese factories were shut down earlier this year, resulting in a shortfall of key raw materials. We are expecting to grow higher in regions like Latin America, North America, Europe and Asian countries, such as Japan and Korea.

### Road ahead

As we invest in the present, we remain inspired by a strong and healthier future. We are currently working on future expansion plans, which we believe will take the organisation to a new orbit of growth. We commenced the expansion of Unit-3 in July 2019. We are also adding products in the Lubricant and Specialty Chemicals segments, which will help us achieve better numbers in the coming year. Further, we are also exploring the growing opportunities in specialty and performance chemicals to develop chemical additives for lubricants, fuel and specialty applications.

As we move ahead, we hope to deliver more value for all our stakeholders. We aim to achieve this by engaging more deeply with our customers, making it easier for them to do business with us, developing more compelling solutions for them, and acting with increased agility, speed and efficiency.

### In conclusion

On a personal note, I would like to thank our customers, shareholders and other stakeholders for the confidence they have shown in Yasho over the years. I would also like to thank our employees for their hard work and dedication, as we seek to combine day-to-day performance with a profound, customer-focussed transformation.

We remain pleased with the progress we are making, yet we are conscious that we still have a way to go. We believe that the combination of our sense of purpose, innovation strength, culture of customer-centricity and a deep commitment towards continuous improvement is a compelling recipe for us, as we move towards a better future.

Thank you  
Warm regards,

**Parag Jhaveri**  
Managing Director



# COMMITTED TO INNOVATION & CONTINUOUS IMPROVEMENT

We identify the evolving industry trends and understand our customers' requirements. This is what leads us towards development of innovative products and helps us gain higher market share. We also leverage the existing chemistries to discover newer and more efficient ways to synthesise products.

## Delivering new and relevant products

Our technologically advanced products are widely accepted in North and South America, Europe, Africa and Asia. We strive to meet the evolving needs of our customers with better, relevant and more innovative products. Our diversification into newer segments such as Rubber and Lube Chemicals has been driven by our advanced developmental capabilities.

Timely identification of customers' needs helps us explore the growing initiatives, develop new products and ensure strong demand for existing products. Further, our plant is designed

to produce multiple products using the same equipment and machinery. With our multi-purpose plant facilities, we leverage the advantage of manufacturing several products using the same machinery and equipment.

## Furnishing a cross range of products

Our chemistry is widely used in a cross range of products. During the year, we added a few high-value, low volume products. Many of our products have multiple applications, which helps us gain an advantage on our EBITDA. This also facilitates us in growing more products and catering to newer segments in the marketplace.



### De-risking the portfolio

Our distributed product portfolio catering to multiple industries insulates us from downturns in specific industries. It also gives us more avenues to market our innovative products and solutions. While Food Antioxidants and Aroma Chemicals segments witnessed robust demand during FY 2019-20, Industrial and Specialty Chemicals businesses remained sensitive to economic cycles. Further, although the automobile industry slowdown affected sale of rubber chemicals, our Specialty Chemicals segment witnessed strong demand and rising sales.



# A SUSTAINABLE RESEARCH & DEVELOPMENT MODEL

**We continue to make sustained investments in R&D to increase our productivity and operating efficiency, and to penetrate existing and new market segments.**

The R&D team at Yasho works in collaboration with production engineers to improve production processes and make them more efficient and environmentally sound. We have been ramping up our research and development (R&D) activities to study various industry verticals and identify new products and process inefficiencies. An R&D focussed approach helps undertake continuous efforts to check on quality, and to analyse and develop the latest manufacturing and plant processes.

A dedicated R&D lab is endorsed by Bureau Veritas. Our quality assurance meets the most stringent ISO 9001: 2008 / FSSC 22000 norms. The processes in our new plant is based on semi-automatic batch processing. We continue our efforts in introducing more automation to achieve improved efficiency, consistent quality, and lower manpower requirement.

## **Continuous quality monitoring**

We understand that quality is of utmost importance in performance chemicals. R&D also plays an important role in ensuring product quality by developing robust manufacturing processes. Our state-of-the-art instruments help us monitor the quality of our products. They also provide us with a distinct edge to satisfy customers' specific requirements and quality standards. All our batches comply within laid-out specifications for quality control.



### Greening our operations

Our Research & Development capabilities help identify process bottlenecks and undertake specific initiatives to enhance efficiencies. This leads to cost optimisation and ensures higher capacity utilisation. An R&D focussed approach facilitates in making our operations more and more sustainable.

To illustrate, several process changes undertaken as a result of R&D helped reduce waste generated at the facilities. Further, the use of environment-friendly catalysts in the units help in eliminating toxic metal waste generation. We improved several processes to reduce water consumption by more than 50%. We also continued our efforts towards new product development in the emerging fields of electric vehicles and Euro-VI fuels.



### Modern quality control methods and sophisticated instrumentation

- Atomic Absorption Spectrophotometer (AAS)
- Digital Polarimeter
- Differential Scanning Calorimetry (DSC)
- Fourier-Transform Infrared Spectroscopy (FTIR)
- Gas Chromatography (GC)
- High-Performance Liquid Chromatography (HPLC)
- Refractometer UV Spectrophotometer
- Liquid Chromatography Mass Spectroscopy (LCMS)
- Induction Coupled Plasma Spectroscopy (ICP-OES)
- Pressure Differential Scanning Calorimeter (PDSC)

### R&D areas of focus

- Identifying new products in line with industries operated in
- Developing new products based on customer requirements
- Developing processes considering commercial feasibility, sustainability challenges, and overall, impact on the environment
- Working closely with production team to scale up plant processes and ensure they are run smoothly





# CREATING VALUE FOR EACH EMPLOYEE

Employees play a vital role in Yasho's journey from growth to the acceleration phase. To foster a dynamic and inspirational corporate culture, we provide tailored trainings to strengthen internal capabilities, and skills of people, to sustain an engaging work culture and nurture continuous learning.

Our key focus is to develop the skills of our employees. We train the quality assurance team on certification programmes in industries we operate in, while training and safety programmes are organised for the plant workers. We also identify chemists with a willingness to learn and provide them with special training in advanced instruments.

We constantly work towards building the right talent to enhance the Company's value. We provide every opportunity to our employees to help them improve their skills, build better careers and continue contributing to their performance.





### Ensuring worker safety

Safety of our people is our key priority. We use a combination of orientation, practice and oversight to implement safe practices. We not only identify potential hazards and material risks, but also enforce measures to create awareness on safety. We provide our employees with safety equipment, protective gear and other appropriate tools to ensure safety.

### Learning from diversity

Our team consists of professionals that intermingle, exchange thoughts and points of view for further enrichment. Chemical engineers, Ph.D researchers, administrative officers, sales and technical officers and cost controllers form a part of our team. Their skills and expertise helps us enhance our manufacturing processes, develop new chemistry, smoothen our operations and build a sustainable growth trajectory.



### Transforming people into performers

We transform people into performers, and make performers turn into champions. We have a continuous process of training, grooming, operational exposure. We promote, groom and mentor young talent to advance their careers. We also organise training programmes to upskill and improve work efficiency of our employees. By following a regular pattern of attracting young talent, we groom our employees through methods of training, exposure and experience.

# OUR BOARD OF DIRECTORS

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## Mr. Parag Jhaveri

*Chairman and Managing Director*

Mr. Parag Jhaveri has a Master of Science degree in Chemistry from Mumbai University. He has over three decades of experience in the chemical industry. He played a key role in ensuring the robust growth of the organisation with oversight over the functions of sales, finance, R&D and marketing along with our founder promoter. Under his visionary leadership, the Company has built a model for a sustainable future.

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## Mr. Vinod Jhaveri

*Chief Financial Officer & Whole Time Director*

Mr. Vinod Jhaveri is one of the founding promoters of the Company. He is a Commerce graduate from Gujarat University. He remains the main guiding force behind the growth and business strategy of our Company. He currently plays a crucial role in the accounts and finance function. He played a key role in ensuring the consistent growth of the Company and has helped build a robust framework for excellence in implementation.

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## Mr. Yayesh Jhaveri

*Whole Time Director*

Mr. Yayesh Jhaveri is a Commerce graduate from Mumbai University. With experience of more than 25 years in the chemical industry, he has played an eminent role in the growth of the Company by handling the purchase, logistics, supply chain and production planning. He also played an integral part in setting up Unit-II and Unit-III. His consistent perseverance and hard work has immensely contributed to the evolution of the Company over the years.

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## Mrs. Mila Desai

*Non-Executive Independent Director*

Mrs. Mila Desai is a Commerce graduate and has completed her Master's Degree from Calcutta University. She has to her credit various diplomas in fields such as Foundation and Advanced Course in Learning Disabilities and Diploma in Early Childhood Teacher Education. As an Independent Director, she provides her expertise and inputs, to ensure the growth of the Company.

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## Mr. Ashok Malaviya

*Non-Executive Independent Director*

Mr. Ashok Malaviya is a Commerce graduate from Mumbai University. He has over 20 years of experience in handling exports, worldwide parcel service, bulk cargo handling and trading of special hazardous chemicals. Currently, he works as an analyst and investor in share market. As an Independent Director, he provides his expertise and inputs, to ensure that the Board adheres to the required corporate governance requirements.

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## Dr. Prakash Bhate

*Non-Executive Independent Director*

Dr. Prakash Bhate has done his Ph.D. in Organic Chemistry from the Ohio State University, Columbus. He has over 37 years of experience in the chemical industry. As a professor at the Institute of Chemical Technology in Mumbai, he has taught organic chemistry and technology to students and guided several doctoral and master's students. He has been elected as the Fellow of Society of Dyers and Colourists (UK) in 2011-12, and is a member of the American Chemical Society. After retiring in 2018, he continues to be a visiting professor at the Institute of Chemical Technology, Mumbai.

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# Management Discussion & Analysis

## GLOBAL SCENARIO

Global growth is projected at -4.9% in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021, global growth is projected at 5.4%. Overall, this would leave 2021 GDP some 6½ percentage points lower than in the pre-COVID-19 projections of January 2020 (Source: IMF).

The downward revision to growth prospects for emerging market and developing economies over FY 2020-21 (2.8 percentage points) exceeds the revision for advanced economies (1.8 percentage points). Excluding China, the downward revision for emerging market and developing economies over FY 2020-21 is 3.6 percentage points. (Source: IMF).

## INDIAN ECONOMY OVERVIEW

India continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. India is the fastest-growing trillion-dollar economy in the world and the fifth-largest overall, with a nominal GDP of US\$2.94 trillion. India has become the fifth-largest economy in 2019, overtaking the United Kingdom and France. The country ranks third when GDP is compared in terms of purchasing power parity at US\$11.33 trillion. When it comes to calculating GDP per capita, India's high population drags its nominal GDP per capita down to US\$2,170. The Indian economy was just US\$189.438 billion in 1980, ranking 13<sup>th</sup> on the list globally.

## OVERVIEW OF INDIAN SPECIALTY CHEMICALS INDUSTRY

Indian chemicals sector is highly diversified, covering more than 70,000 commercial products. It is broadly classified as basic chemicals, specialty chemicals and agrochemicals. India's proximity to the Middle East, the world's source of petrochemicals feedstock, makes for economies of scale. India is a strong global dye supplier amounting to approximately 16% of the world production of dyestuff and dye intermediates. 100% Foreign Direct Investment (FDI) is permitted under automatic route for the sector. Chemicals sector is delicensed except for few hazardous chemicals. Upcoming Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) and Plastic Parks will provide state-of-the-art infrastructure for the chemicals and petrochemicals sector.

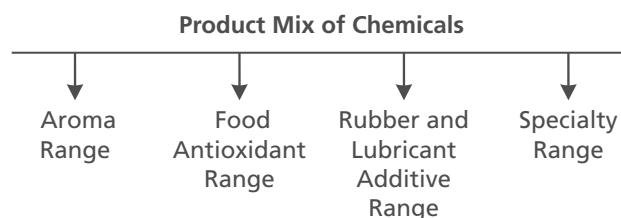
Specialty chemicals business is referred to as 'knowledge-based' because it caters to different applications that make the business more complex. Here manufacturers can create a niche for products which have higher and more stable margins. The Indian specialty chemical industry is characterised by substantially lower penetration against a user base that has been a witness to increasing globalisation and higher disposable income. Besides these, the industry is also benefiting from macro-economic trends.

The specialty chemicals market in India was valued at ₹ 2,356.92 billion in FY 2017-18 and is expected to reach ₹ 4,527.36 billion by FY 2023-24, expanding at a compound annual growth rate (CAGR) of ~11.9% during FY 2019-24 period. Driven by a strong growth outlook for end use industries, the domestic market for specialty chemicals is expected to grow strongly, buoyed also by the increased adoption of specialty chemicals and their usage in different product categories. Paints coating and construction chemicals, colourants, Active Pharmaceutical Ingredients (APIs), personal care chemicals, and flavours and fragrances are some specific segments that are expected to do well in the Indian market.

Indian specialty chemical companies are also strong in the export market with colourants, dyes and pigments being the key export products. India exports specialty chemicals to Asia-Pacific countries where it scores on competitive scale of production. India also exports to developed countries of Europe and the US. India has talented, low cost manpower in addition to the low cost of production, and this is a huge advantage in the export markets. India has also ensured that it is abreast of global regulations and competitive manufacturing practices. These measures have also enhanced the competitiveness and cost effectiveness of the manufacturers in the local market.<sup>1</sup>

## COMPANY PROFILE AND PERFORMANCE

The Company has been engaged in manufacturing of varied re-engineered chemicals for the past two decades:



**Aroma Range Chemicals:** Chemicals like fatty esters and natural essential / aroma oils cater to a gamut of personal care products such as cosmetics and toiletries. They are also used for flavours and fragrances, and in pharmaceutical segments.

<sup>1</sup> Source: <https://www.businesswire.com/news/home/20200221005369/en/India-Specialty-Chemicals-Market-Expected-Generate-Chemicals-Market-Outlook>



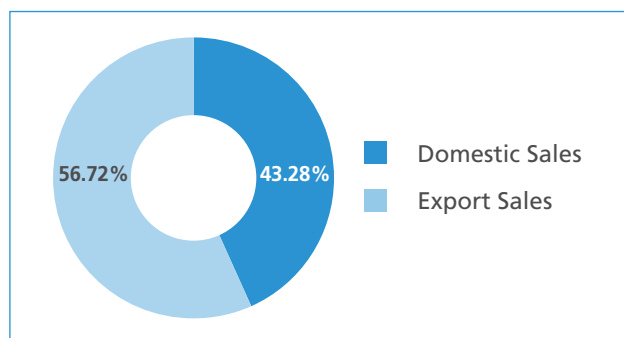
**Food Antioxidant Range Chemicals:** Tertiary-butyl hydroquinone (TBHQ), Butylated Hydroxy Anisole (BHA), Ascorbyl Palmitate (AP) and other complementary antioxidants are used in various food products.

**Rubber and Lubricant Additive Range:** Additives such as Aminic antioxidants, Molybdenum based extreme pressure and anti-wear additives and corrosion inhibitors and chemicals like Benzotriazole and Tolytriazole and Molybdenum are required by the petroleum and synthetic lubricants industry. The Company also caters to leading processors of rubber in the auto ancillary, tyre industry, construction, industrial machinery and white goods sector.

**Speciality Range Chemicals:** Specialty chemicals are used in different segments of the industry such as Electroplating chemicals, Intermediates for API/ Bulk Drugs, UPR Resins / Fibre Composites Resins, Thermoplastics Urethanes (Polyurethanes), Printing Inks and Agrochemicals.

We market, sell and distribute our wide range of products to our diverse customers based in India and abroad. Over the years, we have established our sales network both in domestic and international markets. Our products are exported to various countries i.e. the US, South America, Europe, Iran, Australia, South Africa, Singapore, Germany and Asia. The following diagram depicts the breakup of revenue, percentage-wise for a six-month period ending 31<sup>st</sup> March, 2020 on the basis of Domestic Sales and Export Sales.

#### Revenue Model on the basis of Domestic and Export Sales:



We are focussed on consistently upgrading the technology used in our products as well as the processes used in manufacturing varied products through our research and development (R&D) efforts. We have a dedicated R&D centre located at our manufacturing facilities. Our state-of-the-art laboratory uses modern quality control methods and sophisticated instrumentation such as Atomic Absorption Spectrophotometer (AAS), Digital Polarimeter, Differential Scanning Calorimetry (DSC), Fourier-Transform Infrared Spectroscopy (FTIR), Gas Chromatography (GC), High-performance liquid chromatography (HPLC), Refractometer, UV

Spectrophotometer. R&D centre is equipped with various equipments as required for processing of the chemicals.

We have two manufacturing units located close to each other at Vapi, Gujarat. Yasho Industries Limited is certified by ISO 9001:2015, which is assessed and certified by Bureau Veritas Certification Holding SAS-UK Branch. It confirms to the requirements of the management standard for manufacturing of various chemicals. The Company has pre-registered certain products under Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation, wherein the manufacturers and importers of substances have a general obligation to submit a registration to the European Chemicals Agency for each substance manufactured or imported in quantities of 1 tonne or more per year per company. The Company exports some of its products to European countries and hence, has pre-registered certain products under REACH Regulation. We have received various certifications confirming our products to be in line with national and international standards i.e. HALAL Certifications, STAR KOSHER Certifications, NSF Certifications, FAMIQS Certification, FSSC Certification.

#### THE ROAD AHEAD

##### Outlook & Opportunities:

- The Indian specialty chemicals market is growing at almost twice the global average. Further, India's large population base with lower per-capita consumption of chemicals and relatively strong GDP growth outlook (7-8% over the next few years) suggests a vast untapped potential. Being an established supplier of specialty chemicals to leading players from various industries, we are well positioned to take advantage of this growth.
- The Government's 'Make in India' initiative will facilitate the industry with common infrastructure and a consequent rapid flow of FDI into the sector which will accelerate growth.
- As an environmentally conscious company, we stand to benefit from stricter environment norms.
- The Indian specialty chemicals industry continues to enjoy advantages in terms of labour costs.
- The Company enjoys additional advantages of product development capabilities, branding and distribution, in addition to having a parent company with strong research capabilities, which can be applied in domestic products as well.
- The chemical industry in India has been encumbered with added taxations on its production capacity as well as its consumption demands. With the introduction of GST, double taxation will be pre-empted because all state and central taxes will

be rationalised and made consistent across the country. Consequently, future production facilities will be based more on logistical considerations while supply to consuming industries will be market driven.

#### Challenges:

- **Fragmentation and lack of scale:** Only a few Indian companies have the ability to compete with global giants on product development and innovation. It is an advantageous situation as it is one of the larger specialty chemical companies in India. It also benefits from research inputs from its parent company, enabling it to achieve more robust, sustainable growth.
- **Commoditisation:** Only niche products enable companies to protect their margins. Focussing more on this segment would be of greater benefit.
- **Regulations:** The cost of compliance could make operations increasingly economically unviable for small players. Ability to scale up, offering differentiated products through innovations, implementing an effective sales and marketing strategy and maintaining high levels of regulatory standards will clearly separate winners from the crowd in this space.

## FINANCIAL AND OPERATIONAL PERFORMANCE REVIEW

The major items of the financial statement are shown below:

	(₹ in Lakhs)	
	2019-20	2018-19
Net Sales & Other Income	29,706.30	34,005.85
Profit before Interest & Depreciation	4,179.33	4,005.75
Interest	1,548.56	1,579.58
Depreciation	944.60	747.03
Profit/(Loss) before exceptional item and tax	1,686.17	1,679.14
Less: Exceptional Item	-	-
Less: Provision for Tax (Net)	487.04	490.10
Profit After Tax	1,199.14	1,189.04
Balance available for Appropriation	4,680.65	3,481.52

#### Risks and Concerns:

The Company follows Enterprise Risk Management (ERM) tools to define, identify and assess, report and drive the mitigation of risk throughout the group. The tool is designed to provide risk score measures for each of the potential risks as well as its financial, reputational and operational impact. It also provides risk improvement plans, critical success factors and target dates to control risks.

The Company has aligned its policy on risk assessment with the global approach, and risk assessment reports are reviewed at regular intervals. The Company has also adopted a focussed approach towards risk management in the form of a corporate insurance programme. The goal of this programme is to optimise the financing of insurable risks by using a combination of risk retention and risk transfer. The programme covers all potential risks relating to the business operations of the Company at its various locations. As part of the global policy, the relevant parameters for all manufacturing sites are analysed to minimise the risk associated with protection of environment, safety of operations and health of people at work. These are then monitored regularly with reference to statutory regulations prescribed by government authorities and guidelines defined by the Company. The Company fulfils its legal requirements concerning emission, waste water and waste disposal. Improving workplace safety continues to be a top priority at all manufacturing sites.

The Company continues its focus on compliance in all areas of its business operations by rationalising and strengthening controls. This is also an important component of the Company's code of conduct. The Company has set in place the requisite mechanism for meeting with the compliance requirements and periodic monitoring to avoid any deviation. The Company aims to set exemplary and sustainable standards, not only through products, services and performance, but also through integrity and behaviour. As part of our efforts to ensure that we maintain such exemplary standards and to provide employees with a good understanding of the demands of anti-bribery and corruption laws, the Company has launched intranet-based training modules on the topic of Preventing Bribery and Corruption.

The business operations of the Company are exposed to a variety of financial risks such as market risk (foreign exchange risk, interest rate risk and price risk); credit risk, liquidity risk etc. The risk management programme focusses on unpredictability of financial markets and seeks to reduce potential adverse effects on the financial performance. The Company's business critical software is operated on a server with regular maintenance and back-up of data and is connected to a centralised computer centre with physically separated server parks operated by the Company group. The system's parallel architecture overcomes failures and breakdowns. The global communication network is managed centrally and is equipped to deal with failures and breakdowns.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control procedures commensurate with its size and nature of business in India and also at its subsidiaries abroad. The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control systems. The adequacy of Internal Control Systems, which encompasses the Company's business processes



and financial reporting systems, is examined by the management as well as by its internal auditors at regular intervals.

The internal auditors carry out audits at regular intervals in order to identify weaknesses and suggest improvements for better functioning. The observations and recommendations of the Internal Auditors are discussed by the Audit Committee to ensure effective corrective action.

## HUMAN RESOURCES

The Company acknowledges that its committed and talented workforce is the key factor driving sustainable performance and growth. As one of the most critical assets of the Company, its people are responsible for its competitive advantage. In line with its business imperatives, emphasis continues to be on recruiting and

retaining the most relevant talent. These resources are then nurtured, developed, motivated and empowered so that their performance is optimised.

It continuously seeks to inculcate within its employees a strong sense of business ethics and social responsibility. Relations with the employees at all levels remained cordial during the year. The Company has 441 permanent employees as on 31<sup>st</sup> March, 2020.

For & On behalf of the Board

**Mr. Vinod Jhaveri**  
(CFO & Whole-Time Director)  
(DIN: 01655692)

**Mr. Parag Jhaveri**  
(Managing Director)  
(DIN: 01257685)

# Directors' Report

To

## The Members

### Yasho Industries Limited

Your Directors have the pleasure in presenting the Thirty Fourth Annual Report of the Company on the business and operations of the Company, together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

## 1. FINANCIAL SUMMARY OR PERFORMANCE OF THE COMPANY

(₹ in Lakhs)

Particulars	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Total Income	30,028.15	34,341.97
Profit before Tax	1,686.17	1,679.14
Less: Tax	487.04	490.10
Profit after tax	1,199.14	1,189.04
Add: Balance brought forward	2,707.22	1,518.18
Net Profit available for appropriation	3,906.36	2,707.22

## 2. STATE OF COMPANY'S AFFAIRS

a) The Company has reported total income of ₹30,028.15 Lakhs for the current year as compared to ₹34,341.97 Lakhs in the previous year. The Net Profit for the year under review amounted to ₹1,199.14 Lakhs in the current year as compared to ₹1,189.04 Lakhs in the previous year.

### b) Statement of IPO fund Utilization:

During the year IPO funds are fully utilized for the purpose for which it has been raised. Further there was no deviation or variation of IPO fund Utilization from the objects stated in the prospectus.

## 3. TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve. However the Company has retained the current year profit in the accumulated Profit and Loss account.

## 4. DIVIDEND

In a view of the requirements of own funds for expansion of business of the company, the Directors of the company does not recommended dividend for the Financial Year ended 31<sup>st</sup> March, 2020.

## 5. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2020 was ₹ 1089.92 Lakhs divided into

1,08,99,200 equity shares of ₹10/- each. During the year under review, the Company has not issued any equity shares with or without differential voting rights.

## 6. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

a) The Company has been listed and traded on the SME Platform of BSE (www.bsesme.com) for more than two years and hence eligible to migrate to the Main Board. The Board of Directors vide their meeting held on 01<sup>st</sup> May, 2020 proposed to migrate from BSE SME Segment to Main Board of BSE as it will enhance participation of retail investors in large numbers and overall market capitalization of the Company may also get increase.

b) On dated 14<sup>th</sup> June, 2020 shareholders of the Company has also unanimously approved the migration of the Company from SME Platform of BSE to Main Board in terms of Regulation 277 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018

c) Following the COVID-19, a Country wide lockdown was announced on March 27, 2020. Post lifting of the lockdowns, both partial and complete, the Company has been running production capacities sub-normally bearing in mind safety of its workforce and demand for its products. Production, dispatches, sales and account receivables have been affected but is improving. An assessment conducted on the recoverability of the carrying value of assets such as property, plant and equipment, inventory, trade receivable, investment and other current assets as at Balance Sheet date concludes that there is no material impact of COVID-19 thereon. Further, an assessment of the Company's capital, financial resources, liquidity positions, ability to service debt and other financing arrangements for the next one year, indicates financial stability. An evaluation of impact of COVID-19 on internal financial controls over financial reporting concluded that there is no impact of COVID-19 thereon. There is no materially adverse impact of COVID-19 on the financial statements/ results of the Company for the financial year ended 31<sup>st</sup> March, 2020.





Further, there have been no material changes and commitments, except as mentioned above affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements related and the date of the report.

#### **7. PROVISION OF FINANCIAL ASSISTANCE TO THE EMPLOYEES OF THE COMPANY FOR THE PURCHASE OF ITS OWN SHARES**

The company has not provided any financial assistance to its employees as per section 67 of the Companies Act, 2013. Further employees of the company do not exercise any voting right in the company directly or indirectly.

#### **8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **9. SUBSIDIARY COMPANY**

As on 31<sup>st</sup> March, 2020, the Company does not have any subsidiary.

#### **10. STATUTORY AUDITOR & AUDIT REPORT**

M/s V J Shah & Co Chartered Accountants, having firm registration number 109823W was appointed as a Statutory Auditors at the Annual General Meeting of the Company held on 04<sup>th</sup> August, 2018 for the period of 2 years starting from 1<sup>st</sup> April, 2018 till the AGM of the company to be held in calendar year 2020.

The Board in its meeting held on 22<sup>nd</sup> June, 2020 approved and recommended the re-appointment of M/s V J Shah & Co., Chartered Accountants, (FRN. 109823W) as statutory auditors of the Company for a period of five years with effect from ensuing AGM of the Company until the conclusion of the Annual General Meeting to be held in the calendar year 2025. The auditors have confirmed that, their appointment would be in accordance with the provisions of Section 139 of the Act, and the rules made thereunder and that they are not disqualified in terms of Section 141 of the Act.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **11. COST AUDITOR**

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and

Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained.

The Board of Directors, on the recommendations of the Audit Committee, has approved the re-appointment of M/s. Kishore Bhatia and Associates, Cost Accountant (FRN: 00294), as Cost Auditor of the Company for the financial year ending 31<sup>st</sup> March, 2021, under section 148 of the Companies Act, 2013, and recommends ratification of his remuneration by the shareholders at the forthcoming Annual General Meeting of the Company.

#### **12. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company

#### **13. DETAILS OF CHANGE IN COMPOSITION OF DIRECTORS OR KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152 of the Act, Mr Yayesh Jhaveri (DIN: 01257668), Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting. Brief profile of Mr Yayesh Jhaveri has been given in the Notice convening the Annual General Meeting.

Mr. Hiren Goradia (DIN: 08067076), Director of the Company resigned from the position of independent Director of the Company with effect from 2<sup>nd</sup> May, 2020. The Board of Directors places on record its appreciation towards contributions of Mr. Garodia during his tenure as Director of the Company. Further, on the recommendations of the Nomination and Remuneration Committee, Dr. Prakash Bhate (DIN: 08739162) was appointed as an Independent Director of the Company with effect from 19<sup>th</sup> May, 2020 who is entitled to hold office up to the date of the ensuing annual general meeting. The Board decided to recommend the appointment of Dr. Prakash Bhate as an Independent Director of the Company at the ensuing Annual General Meeting. Further, there was no change in the composition of key managerial personnel of the Company

#### **14. DEPOSITS**

The Company has not invited/ accepted any deposits from the public during the year ended 31<sup>st</sup> March, 2020. There were no unclaimed or unpaid deposits as on 31<sup>st</sup> March, 2020.

## 15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - A".

## 16. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - B" to this report and is also available on the Company's website at [www.yashoindustries.com](http://www.yashoindustries.com)

## 17. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered by the Company during the financial year were in the ordinary course of business and at arm's length basis given in the notes to the Financial Statements. There is no material related party transaction and therefore no disclosures are required to be made in Form AOC-2. The Form AOC-2 is annexed herewith as "Annexure - C" to this report

## 18. CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has focused in the areas of education, preventive health care and Rural Development. These projects are in accordance with Schedule VII of the Act and the Company's CSR policy. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure 'D' and forms an integral part of this Report.

The Policy has been uploaded on the Company's website at [https://yashoindustries.com/uploads/1/2/7/0/12704555/csr\\_policy.pdf](https://yashoindustries.com/uploads/1/2/7/0/12704555/csr_policy.pdf)

## 19. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Company has appointed M/s. Dhruvil M Shah & Co., a Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure 'E' and forms an integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## 20. PARTICULARS OF EMPLOYEE

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the is given in an "Annexure F" and forms part of this Report.

## 21. NUMBER OF MEETING OF THE BOARD

During the year 2019-20, the Board of Directors met 5 times.

## 22. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3) (C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the profit and loss of the company for that period;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis;
- v. The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have furnished declarations in accordance with the provisions of Section 149(7) of the Companies Act, 2013 regarding meeting the criteria of Independence as provided under Section 149 (6).

## 24. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING



### **QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178**

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee carried out evaluation of every Director's performance and the Board has carried out formal annual evaluation of its own performance and that of its Committees and individual Directors has been made. Further, the evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The Directors were satisfied with the evaluation results, which reflect the overall engagement of the Board and its Committees and on the basis of the Report of the said evaluation, the present term of appointment of Independent Directors shall be continued with the Company.

### **25. AUDIT COMMITTEE**

The Company has constituted Audit Committee under Section 177(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

### **26. ESTABLISHMENT OF VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy for Directors and Employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism.

The Whistle Blower Policy has been posted on the website of the Company at [https://yashoindustries.com/uploads/1/2/7/0/12704555/vigil\\_mechanism\\_policy\\_yasho.pdf](https://yashoindustries.com/uploads/1/2/7/0/12704555/vigil_mechanism_policy_yasho.pdf)

### **27. DISCLOSURE WITH RESPECT TO DIRECTORS' AND KEY MANAGERIAL PERSONNELS' REMUNERATION**

The company has complied with the provisions of section 197(12), 197(14) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of remuneration of Directors and Key Managerial Personnel are disclosed in the Annexure B to the Report.

### **28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **29. INTERNAL CONTROL SYSTEMS, THEIR ADEQUACY AND INTERNAL AUDITOR**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

The Company continues to engage M/s Varma & Associates, Chartered Accountants as its Internal Auditor.

### **30. RISK MANAGEMENT POLICY**

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

### **31. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is committed to create and maintain an atmosphere in which employees can work together without fear of sexual harassment and exploitation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and the Company. During the year under review, there was no complaint of any sexual harassment at work place.

### **32. ACKNOWLEDGMENTS**

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra and Gujarat, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

**Parag Vinod Jhaveri**

Chairman

Place: Mumbai

Date: June 22, 2020

DIN: 01257685

## ANNEXURE A

## Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

## (A) CONSERVATION OF ENERGY

1	the steps taken or impact on conservation of energy;	The Company has regularly conducted the seminars to educate the employees of the Company to conserve the energy.
2	the steps taken by the company for utilizing alternate sources of energy;	The Company is evaluating necessary steps for utilizing alternate sources of energy
3	the capital investment on energy conservation equipments;	NIL

## (B) TECHNOLOGY ABSORPTION

1	the efforts made towards technology absorption;	Through continues Research in the filed of Technology, the efforts are made to bring the innovative Technology to increase the productivities.
2	the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
3	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);	NIL
3	the expenditure incurred on Research and Development;	NIL

## (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	₹ in Lakhs)	
	2019-20	2018-19
Export of goods calculated on F.O.B. basis	16,229.88	19,227.43
<b>Total Foreign Exchange Received</b>	<b>16,229.88</b>	<b>19,227.43</b>
<b>Expenditure</b>		
i) C.I.F value of Goods Imported	14,680.87	18,311.86
ii) Commission	23.21	45.76
iii) Re-imbusement Expenses		
iv) Foreign Travel Expenses	36.03	21.14
v) Certificate Expenses	2.87	1.48
vi) Membership & Subscription	2.13	5.65
<b>Total Foreign Exchange used</b>	<b>14,745.11</b>	<b>18,385.87</b>



## ANNEXURE B

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.

### I. REGISTRATION & OTHER DETAILS

i	CIN	L74110MH1985PLC037900
ii	Registration Date	30-10-1985
iii	Name of the Company	YASHO INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Company limited by Shares/ Non- Government Company
v	Address of the Registered office & contact details	Office No.101/102, Peninsula Heights, CD Barfiwala Marg, Juhu Lane, Andheri (West), Mumbai, Mumbai City, MH-400058, India.
vi	Whether listed company	Listed
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited, 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp: Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059. Phone: 022 62638200

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of Chemicals	2011	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
1	-	-	-	-

### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01 <sup>st</sup> April, 2019)				No. of Shares held at the end of the year (31 <sup>st</sup> March, 2020)				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. PROMOTERS</b>										
<b>(1) Indian</b>										
a) Individual/HUF	44,45,300	-	44,45,300	40.79%	51,25,300	-	51,25,300	47.02%	6.24%	
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-	
c) Bodies Corporates	-	-	-	-	-	-	-	-	-	
d) Bank/FI	-	-	-	-	-	-	-	-	-	
e) Any other	-	-	-	-	-	-	-	-	-	
Directors Relative	36,30,900	-	36,30,900	33.31%	29,49,700	-	29,49,700	27.06%	-6.25%	
<b>Sub Total:(A) (1)</b>	<b>80,76,200</b>	<b>-</b>	<b>80,76,200</b>	<b>74.10%</b>	<b>80,75,000</b>	<b>-</b>	<b>80,75,000</b>	<b>74.09%</b>	<b>0.01%</b>	
<b>(2) Foreign</b>										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	
b) Other Individuals	-	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	

Category of Shareholders	No. of Shares held at the beginning of the year (01 <sup>st</sup> April, 2019)				No. of Shares held at the end of the year (31 <sup>st</sup> March, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>80,76,200</b>	-	<b>80,76,200</b>	<b>74.10%</b>	<b>80,75,000</b>	-	<b>80,75,000</b>	<b>74.09%</b>	<b>0.01%</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non Institutions</b>									
a) Bodies corporates	8,83,554	-	8,83,554	8.11%	13,18,800	-	13,18,800	12.10%	3.99%
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	2,68,446	500	2,68,946	2.47%	1,45,700	-	1,45,700	1.34%	-1.13%
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	12,27,600	1,50,100	13,77,700	12.64%	11,44,800	1,50,100	12,94,900	11.88%	-0.76%
c) Others (specify)									
Hindu Undivided Family	-	-	-	0.00%	12,000	-	12,000	0.11%	0.11%
Trusts									
Clearing Member	3,600	-	3,600	0.03%	-	-	-	0.00%	-0.03%
Non Resident Indians (NRI)	1,200	-	1,200	0.01%	6,000	-	6,000	0.06%	0.04%
Directors Relatives									
Market Maker	2,88,000	-	2,88,000	2.64%	46,800	-	46,800	0.43%	-2.21%
Employee	-	-	-	-	-	-	-	-	-
Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
IEPF	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(2):</b>	<b>26,72,400</b>	<b>1,50,600</b>	<b>28,23,000</b>	<b>25.90%</b>	<b>26,74,100</b>	<b>1,50,100</b>	<b>28,24,200</b>	<b>25.91%</b>	<b>0.01%</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>26,72,400</b>	<b>1,50,600</b>	<b>28,23,000</b>	<b>25.90%</b>	<b>26,74,100</b>	<b>1,50,100</b>	<b>28,24,200</b>	<b>25.91%</b>	<b>0.01%</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	-	-	-	0.00%	-	-	-	0.00%	-
<b>Grand Total (A+B+C)</b>	<b>1,07,48,600</b>	<b>1,50,600</b>	<b>1,08,99,200</b>	<b>100.00%</b>	<b>1,07,49,100</b>	<b>1,50,100</b>	<b>1,08,99,200</b>	<b>100.00%</b>	

## ii) Share Holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Parag Jhaveri	8,45,000.00	7.75%	0	8,45,000.00	7.75%	0	0.00%
2	Parag Jhaveri (HUF)	4,15,000.00	3.81%	0	4,15,000.00	3.81%	0	0.00%
3	Vinod Jhaveri	26,65,300.00	24.45%	0	33,45,300.00	30.69%	0	6.24%
4	Vinod Jhaveri (HUF)	3,90,000.00	3.58%	0	3,90,000.00	3.58%	0	0.00%
5	Niranjana Jhaveri	6,80,000.00	6.24%	0	-	0.00%	0	-6.24%
6	Yayesh Jhaveri	9,35,000.00	8.58%	0	9,35,000.00	8.58%	0	0.00%
7	Yayesh Jhaveri (HUF)	4,45,000.00	4.08%	0	4,45,000.00	4.08%	0	0.00%
8	Nilesh Jhaveri (HUF)	2,30,000.00	2.11%	0	2,30,000.00	2.11%	0	0.00%
9	Neha Jhaveri	7,75,000.00	7.11%	0	7,75,000.00	7.11%	0	0.00%
10	Payal Jhaveri	6,55,000.00	6.01%	0	6,55,000.00	6.01%	0	0.00%
11	Rajnikant Desai (HUF)	4,900.00	0.04%	0	4,900.00	0.04%	0	0.00%
12	Rajnikant Desai	25,200.00	0.23%	0	24,000.00	0.22%	0	-0.01%
13	Kalpana Desai	10,800.00	0.10%	0	10,800.00	0.10%	0	0.00%
	<b>Total</b>	<b>80,76,200.00</b>	<b>74.10%</b>	<b>0</b>	<b>80,75,000.00</b>	<b>74.09%</b>	<b>0</b>	<b>-0.01%</b>

## iii) Change in Promoters' Shareholding

Sr. No.	Name of the Promoter	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Niranjana Jhaveri</b>				
	At the beginning of the year	6,80,000	6.24%	6,80,000	6.24%
	Changes during the year				
	Less: Share Transmission dated 27/12/2019	6,80,000	6.24%	6,80,000	6.24%
	At the end of the year	-	0.00%	-	0.00%
<b>2</b>	<b>Vinod Jhaveri</b>				
	At the beginning of the year	26,65,300	24.45%	26,65,300	24.45%
	Changes during the year				
	Add: Share transmission received dated 27/12/2019	6,80,000	6.24%	6,80,000	6.24%
	At the end of the year	33,45,300	30.69%	33,45,300	30.69%
<b>3</b>	<b>Rajnikant Desai</b>				
	At the beginning of the year	25,200	0.23%	25,200	0.23%
	Changes during the year				
	Less: Sale on 17/05/2019	1,200	0.01%	1,200	0.01%
	At the end of the year	24,000	0.22%	24,000	0.22%

## iv) Top Ten Non Promoters Movement

Sr. No.	Name	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	Jignesh Amrutlal Thobhani	4,71,600	30-Mar-19	0		4,71,600	4.33
		4,71,600	31-Mar-20	0		4,71,600	4.33
2	Nopea Capital Services Private Limited	2,36,400	30-Mar-19	0		2,36,400	2.17
			05-Apr-19	38400	Buy	2,74,800	2.52
			12-Apr-19	63600	Buy	3,38,400	3.10
			31-May-19	6000	Buy	3,44,400	3.16
			21-Jun-19	7200	Buy	3,51,600	3.23
			28-Feb-20	58800	Buy	4,10,400	3.77
		4,10,400	31-Mar-20	0		4,10,400	3.77
3	Viney Corporation Private Limited	3,32,400	30-Mar-19	0		3,32,400	3.05
		3,32,400	31-Mar-20	0		3,32,400	3.05
4	Sajankumar Rameshwarlal Bajaj	2,98,800	30-Mar-19	0		2,98,800	2.74
			21-Jun-19	-7200	Sale	2,91,600	2.68
			05-Aug-19	-13200	Sale	2,78,400	2.55
			09-Aug-19	-69600	Sale	2,08,800	1.92
			13-Dec-19	-1200	Sale	2,07,600	1.90
			27-Dec-19	-7200	Sale	2,00,400	1.84
		2,00,400	31-Mar-20	0		2,00,400	1.84
5	Aryaman Capital Markets Limited	2,88,000	30-Mar-19	0		2,88,000	2.64
			05-Apr-19	-2400	Sale	2,85,600	2.62
			12-Apr-19	-102000	Sale	1,83,600	1.68
			19-Apr-19	-36000	Sale	1,47,600	1.35
			03-May-19	1200	Buy	1,48,800	1.37
			10-May-19	1200	Buy	1,50,000	1.38
			24-May-19	1200	Buy	1,51,200	1.39
			31-May-19	-7200	Sale	1,44,000	1.32
			07-Jun-19	-18000	Sale	1,26,000	1.16
			14-Jun-19	6000	Buy	1,32,000	1.21
			21-Jun-19	-13200	Sale	1,18,800	1.09
			28-Jun-19	4800	Buy	1,23,600	1.13
			05-Jul-19	-19200	Sale	1,04,400	0.96
			12-Jul-19	-18000	Sale	86,400	0.79
			19-Jul-19	55200	Buy	1,41,600	1.30
			26-Jul-19	22800	Buy	1,64,400	1.51
			02-Aug-19	7200	Buy	1,71,600	1.57
			09-Aug-19	-25200	Sale	1,46,400	1.34
			11-Oct-19	-15600	Sale	1,30,800	1.20
			25-Oct-19	-12000	Sale	1,18,800	1.09
			01-Nov-19	-4800	Sale	1,14,000	1.05
			15-Nov-19	1200	Buy	1,15,200	1.06
			29-Nov-19	1200	Buy	1,16,400	1.07
	13-Dec-19	1200	Buy	1,17,600	1.08		
	20-Dec-19	1200	Buy	1,18,800	1.09		
	27-Dec-19	-24000	Sale	94,800	0.87		
	03-Jan-20	-2400	Sale	92,400	0.85		
	17-Jan-20	-1200	Sale	91,200	0.84		
	21-Feb-20	1200	Buy	92,400	0.85		
	28-Feb-20	-54000	Sale	38,400	0.35		
	20-Mar-20	4800	Buy	43,200	0.40		
	27-Mar-20	3600	Buy	46,800	0.43		
	46,800	31-Mar-20	0		46,800	0.43	



Sr. No.	Name	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
6	Arc Finance Limited	1,66,800	30-Mar-19	0		1,66,800	1.53
			12-Apr-19	20400	Buy	1,87,200	1.72
			25-Oct-19	15600	Buy	2,02,800	1.86
			01-Nov-19	4800	Buy	2,07,600	1.90
			27-Dec-19	31200	Buy	2,38,800	2.19
			31-Mar-20	0		2,38,800	2.19
7	Geeta A Mehta	1,50,100	30-Mar-19	0		1,50,100	1.38
			31-Mar-20	0		1,50,100	1.38
8	Emerald Commercial Limited	0	30-Mar-19			0	0.00
			05-Jul-19	19200	Buy	19,200	0.18
			12-Jul-19	19200	Buy	38,400	0.35
			19-Jul-19	13200	Buy	51,600	0.47
			09-Aug-19	61200	Buy	1,12,800	1.03
			31-Mar-20	0		1,12,800	1.03
9	Nishigandha Polymers P Ltd	45,600	30-Mar-19	0		45,600	0.42
			07-Jun-19	18000	Buy	63,600	0.58
			31-Mar-20	0		63,600	0.58
10	Goodpoint Commoddeal Private Limited	0	30-Mar-19			0	0.00
			26-Jul-19	19200	Buy	19,200	0.18
			05-Aug-19	13200	Buy	32,400	0.30
			09-Aug-19	24000	Buy	56,400	0.52
			31-Mar-20	0		56,400	0.52
11	Amrutlal Gordhandas Thobhani	52,800	30-Mar-19	0		52,800	0.48
			31-Mar-20	0		52,800	0.48
12	Hiren Jaysukhbhai Mehta	50,400	30-Mar-19	0		50,400	0.46
			31-Mar-20	0		50,400	0.46
13	Chirag Jaysukhbhai Mehta	50,400	30-Mar-19	0		50,400	0.46
			31-Mar-20	0		50,400	0.46

#### v) Shareholding of Directors & KMP

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Yayesh Vinod Jhaveri</b>				
	At the beginning of the year	9,35,000	8.58%	9,35,000	8.58%
	Changes during the year	-	-	-	-
	At the end of the year	9,35,000	8.58%	9,35,000	8.58%
2	<b>Parag Vinod Jhaveri</b>				
	At the beginning of the year	8,45,000	7.75%	8,45,000	7.75%
	Changes during the year	-	-	-	-
	At the end of the year	8,45,000	7.75%	8,45,000	7.75%
3	<b>Vinod Harilal Jhaveri</b>				
	At the beginning of the year	26,65,300	24.45%	26,65,300	24.45%
	Changes during the year				
	Increased: Shares Trasmitted on 27/12/2019	6,90,000	6.33%	6,90,000	6.33%
	At the end of the year	33,55,300	30.78%	33,55,300	30.78%

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	11,643.00	3,408.41	-	15,051.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>11,643.00</b>	<b>3,408.41</b>	<b>-</b>	<b>15,051.41</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	3,058.46	-	-	3,058.46
Reduction	-	(1244.41)	-	(1244.41)
Net Change	-	-	-	1,814.05
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	14,701.46	2,164.00	-	16,865.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>14,701.46</b>	<b>2,164.00</b>	<b>-</b>	<b>16,865.46</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time Director and/or Manager:**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD			Total Amount % of total shares of the company
		Parag Jhaveri	Vinod Jhaveri	Yayesh Jhaveri	
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	91.00	86.13	91.00	268.13
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				Not Applicable
4	Commission as % of profit others (variable pay & Bonus)				
5	Others, please specify				
	<b>Total (A)</b>	<b>91.00</b>	<b>86.13</b>	<b>91.00</b>	<b>268.13</b>
	<b>Ceiling as per the Act</b>				Not Applicable



## B. Remuneration to Other Directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Names of the Director			Total Amount
		Ashok Malaviya	Hiren Goradia	Mila Desai	
1	Independent Directors				
	(a) Fee for attending board committee meetings	0.35	0.45	0.45	1.25
	(b) Commission				
	(c) Others, please specify				
	Director Remuneration				
	<b>Total (1)</b>				
2	Other Non Executive Directors		Not Applicable		
	(a) Fee for attending board committee meetings				
	(b) Commission				
	(c) Others, please specify.				
	<b>Total (2)</b>				
	<b>Total (B)=(1+2)</b>	0.35	0.45	0.45	1.25
	<b>Total Managerial Remuneration</b>				-
	<b>Overall Ceiling as per the Act.</b>				

## C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Neketa Jain (Company Secretary)	Mr. Vinod Jhaveri (CFO)
1	<b>Gross Salary</b>		Nil
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2.53	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others, specify		
5	Others, please specify		
	<b>Total</b>	2.53	Nil

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			Not Applicable		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			Not Applicable		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			Not Applicable		
Compounding					

**ANNEXURE C**  
**FORM NO. AOC 2**  
**EXTRACT OF ANNUAL RETURN**

Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NOT APPLICABLE							

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
NOT APPLICABLE					



**ANNEXURE D**  
**YASHO INDUSTRIES LTD**  
**ANNUAL REPORT ON CSR ACTIVITIES**

**1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN**

The Company has framed CSR Policy with aim and object to promote education, protect environment, employment, health care, Rural Development etc. In compliance with provision of the Companies Act, 2013 and rules made thereunder.

The same is placed at Companies website at [https://yashoindustries.com/uploads/1/2/7/0/12704555/csr\\_policy.pdf](https://yashoindustries.com/uploads/1/2/7/0/12704555/csr_policy.pdf)

**2. THE COMPOSITION OF CSR COMMITTEE**

- Mr. Parag Jhaveri - Chairman of the CSR Committee/ Managing Director
- Mr. Yayesh Jhaveri - Member of the CSR Committee/Wholetime Director
- Mr. Vinod Jhaveri - Member of the CSR Committee/ Wholetime Director/CFO
- Mr. Prakash Goradia - Member of the CSR Committee/ Independent Director

**3. AVERAGE NET PROFIT OF THE COMPANY FOR THE LAST THREE FINANCIAL YEARS:**

₹ 1082.86 Lakhs

Sr. No	Computation of profit for CSR	Amount in ₹ (in Lakhs)	
1.	Net Profit as per section 198:		
	• FY 2016-17	5,49.46	
	• FY 2017-18	1,019.99	
	• FY 2018-19	1,679.14	3,248.59
2.	Average net profit of last three years		1,082.86

**4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE): ₹ 21.66 LAKHS**

Total Prescribed CSR Expenditure will be ₹ 21.66 Lakhs

**5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR.**

- a. Total amount spent for the financial year : - ₹ 3.12 Lakhs
- b. Amount unspent : - ₹ 18.54 Lakhs
- c. Manner in which the amount spent during the financial year –

							(₹ In Lakhs)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Or other specify area or other (2) specify the state and district where project where programs was under taken	Amount outlay (budget) Project or programs wise	Amount spent on projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period Apr to March	Amount spent : Direct Or through Implementing agency
1	Environmental	-	Mahogany Trees plantation at Vapi	-	37,800	37,800	Through implementing agency- RR Farm & Nursery

(₹ In Lakhs)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Or other specify area or other (2) specify the state and district where project where programs was under taken	Amount outlay (budget) Project or programs wise	Amount spent on projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period Apr to March	Amount spent : Direct Or through Implementing agency
2	Health Care	Health care and Education	Inner Wheel Club of Bombay Airport Area Charitable Trust- Mumbai Upnagar seva mandal, Rashtiyahala Road, Vile Parle-west Mumbai- 400056	-	10,000	10,000	Through implementing agency-Inner Wheel Club of Bombay Airport Area Charitable Trust
3	Education	Education	Uniform- Kocharva School vapi	-	1,46,971	1,46,971	Through implementing agency-Kocharva School vapi
4	Health and Education	Health care and Education	Sightsavers – 45, Second Floor, Okhla Industrial Estate, Phase III, New Delhi – 110020	-	60,000	60,000	Through implementing agency-Sightsavers
5	Environmental	Environmental	Rotary Club of Mumbai, (Tree Plantation Drive) Coastline, Mumbai	-	3,400	3,400	Through implementing agency-Rotary Club of Mumbai
6	Environmental	Environmental	Mahogany Trees plantation at Vapi	-	54,200	54,200	Through implementing agency-Nitish M. Patel
					<b>3,12,371</b>		

6. **Reasons for not spending two percent of the average net profit of the last financial year:** In view of the fund requirements for the future expansion of business of the Company, the committee members have decided to partially spend the fund on the CSR Activities. However during the current financial year the Company has spend ₹ 15 Lakhs towards CSR Expenditure in COVID Relief Fund of Central Government and State Government.
7. The implementation and monitoring of CSR policy in line with CSR objective and Policy of the Company.

**Parag Jhaveri**  
Chairman of  
CSR Committee

**Yayesh Jhaveri**  
Whole time Director

**Mr Vinod Jhaveri**  
CFO / Whole time  
Director

**Dr. Prakash Bhate**  
Independent Director



**ANNEXURE E**  
**FORM NO MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**YASHO INDUSTRIES LIMITED**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by YASHO INDUSTRIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute 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, I hereby report that in my opinion, the company has, during the financial year ended on March 31, 2020 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
- 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, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable to the company for the financial year ended March 31, 2020.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable to the company for the financial year ended March 31, 2020.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the company for the financial year ended March 31, 2020;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- Not applicable to the company for the financial year ended March 31, 2020; and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the "Food Safety and Standards Act, 2006, rules and regulations thereunder" applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act,

Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent Directors and Woman Directors.

Adequate notice is given to all Directors to schedule Board and Committee Meetings, agenda and detailed notes on agenda were sent 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.

All the decisions have been taken unanimously and no dissent recorded in Board Meetings.

I 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.

For **Dhruvil M Shah & Co.**  
UDIN: F008021B000393307

**Dhruvil M Shah**  
Practising Company Secretary  
CP 8978; FCS 8021  
PR No 400/2016

Place: Mumbai  
Date: 22<sup>nd</sup> June, 2020

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





## Annexure I

(to the Secretarial Audit Report)

To,  
The Members,  
**YASHO INDUSTRIES LIMITED**

My 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. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I 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 the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I 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, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhruvil M Shah & Co.**  
UDIN: F008021B000393307

**Dhruvil M Shah**  
Practising Company Secretary  
CP 8978; FCS 8021  
PR No 400/2016

Place: Mumbai  
Date: 22<sup>nd</sup> June, 2020

## ANNEXURE F

## STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year.	<b>Name of the Director</b>	<b>Ratio (in x times)</b>
		Mr. Vinod Jhaveri	36.40
		Mr. Parag Jhaveri	38.46
		Mr. Yayesh Jhaveri	38.46
		Mr. Ashok Malaviya	-
		Mrs. Mila Desai	-
		Mr. Hiren Goradia	-
		a. The median remuneration of all the employees of the Company was ₹ 2.37 Lakh.	
		b. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration.	
		c. Figures have been rounded off wherever necessary.	
2	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year.	<b>Name of the Director</b>	<b>%increase in Remuneration</b>
		Mr. Vinod Jhaveri – WTD & CFO	10.42%
		Mr. Parag Jhaveri – MD	16.67%
		Mr. Yayesh Jhaveri – WTD	16.67%
		Mr. Ashok Malaviya	-
		Mrs. Mila Desai	-
		Mr. Hiren Goradia	-
		Ms.Nekata Jain – CS	
3.	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2020, the percentage Increase in the median remuneration of employees as compared to previous year was approximately 7.88%	
4	The number of permanent employees on the rolls of Company.	There were 441 employees as on March 31, 2020	
5	The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration is 8.70% for Employees other than Managerial Personnel and 14.60% for Managerial Personnel <sup>1</sup> .	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed.	

Disclosure pursuant to sub rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company



# Independent Auditors' Report

To the Members of **YASHO INDUSTRIES LIMITED,**

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the standalone financial statements of Yasho Industries Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2020, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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 opinion.

### Key Audit Matters

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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit Matter 1 – Impact of COVID-19 pandemic on financial reporting

On 11 March 2020 the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. We have identified the impact of and uncertainty related to the COVID-19 pandemic as

a key element and consideration for overall financial reporting by the Company. The extent to which COVID-19 pandemic will impact the Company will depend on future events which are highly uncertain.

#### How our audit addressed the key audit matter

Our audit procedures considered the guidance laid down by ICAI, especially in relation to –

- Impairment of assets
- Revenue recognition
- Provisions and contingent liabilities
- Going concern assessment
- Post balance sheet events
- Audit evidence through electronic mode

We considered the above points and appropriately modified our audit procedures to obtain sufficient and appropriate audit evidence and reached appropriate conclusions thereon.

Key audit Matter 2 – Accuracy of measurement of capital expenditure in light of substantial capital expenditure incurred

The company has incurred capital expenditure towards purchase / construction of tangible fixed assets amounting to ₹ 2,557.00 Lakh (including ₹ 1,156.36 Lakh capital work in progress) during the financial year.

Considering that this amount is substantial and errors in measurement can lead to material impact on carrying amount of tangible fixed assets as well as profit for the year we have considered this as a key audit matter

#### How our audit addressed the key audit matter

- Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around measurement of capital expenditure
- Assessment of deviations from budgeted expenditure, if any and enquiry into reasons thereof.
- We undertook substantive audit procedures to test whether any revenue expenditure is classified as capital expenditure or capital expenditure is classified as revenue expenditure.
- We tested the adherence to Accounting Standard 10 "Property, Plant & Equipment" and Accounting Standard 16 "Borrowing Costs" to verify accuracy of measurement of expenditure and adequacy of disclosures made.

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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. Those Board

of Directors are also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- 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)(i) of the Act, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government

of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.
- c) The Balance Sheet, the Statement of Profit and Loss and the 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 & 26 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For V J SHAH & CO  
Chartered Accountants  
FRN: 109823W

CHINTAN V. SHAH  
(PARTNER)  
Membership No.164370  
UDIN: 20164370AAAAAZ4013

Place: Mumbai  
Date :- June 22<sup>nd</sup>, 2020

## Annexure “A” Auditors’ Report

Annexure referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of the Independent Auditor’s Report on the Accounts of YASHO INDUSTRIES LIMITED (“the company”) for the year ended 31st March, 2020.

### I) In respect of Fixed Assets:

- (a) The company has maintained the fixed assets register showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties are held in the name of the company.

### II) In respect of Inventories:

- (a) As explained to us, the inventory has been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company has maintained proper records of inventory and there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

- III) In respect of loans, secured or unsecured, the company has not granted to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

The company has not granted any loans therefore sub clause (iii) (a), (b) and (c) are not applicable.

- IV) According to the information and explanations given to us, the company has complied with the provisions of section 185 & 186 of The Act in respect of loans, investments, guarantees and securities.
- V) The company has not accepted deposits, therefore the clause (v) is not applicable.
- VI) We have broadly reviewed the cost records maintained by the company pursuant to the Rules made by the Central Government for the

maintenance of cost records under sub section (1) of section 148 of the Companies Act, and are of the opinion that prima facie, the prescribed cost records have been made and maintained as per the documentary evidence provided by the management. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

### VII) In respect of statutory dues:

- (a) According to the information & explanation given to us, the company was generally regular in depositing dues in respect of Employees Provident Fund, Employees State Insurance Fund, Income Tax and other statutory dues with the appropriate authority during the year.
- (b) According to records examined by us and the information and explanation given to us, there are no undisputed amounts due in respect of income tax, sales tax, excise duty, Employees Provident Fund, Employees State Insurance Fund and other statutory dues at the end of the year.

However the following dues have not been deposited by the Company on account of disputes:

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount
The Customs Act, 1962	Custom Duty	Commissioner of Customs	F.Y. 2014-15	13,68,558/-

- VIII) Based on our audit procedures and on the basis of information and explanations given by the management the company has not defaulted in the repayment of dues to bank, financial institution and Debentures holders during the year.

- IX) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which those were raised.

- X) In our opinion and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.



- XI) In our opinion and according to the information and explanations given managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 with Schedule V to the Companies Act, 2013.
- XII) In our opinion the company is not a Chit Fund, Nidhi or Mutual Benefit activity and therefore the provisions of Clause 3(xii) of the said order are not applicable.
- XIII) In our opinion and according to the information and explanations, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and details are disclosed in the Financial statement as per Accounting Standard 18.
- XIV) The company has not made any preferential allotment to parties and companies covered under register maintained under section 42 of the Companies Act, 2013, during the year, therefore the provisions of Clause 3(xiv) of the said order are not applicable.
- XV) In our opinion according to the information and explanations, company has not entered into any non-cash transaction with directors or persons connected with him as per provision of section 192 of Companies Act, 2013.
- XVI) According to the information and explanations given to us, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For V J SHAH & CO**  
**Chartered Accountants**  
**FRN: 109823W**

**CHINTAN V. SHAH**  
**(PARTNER)**  
**Membership No.164370**  
**UDIN: 20164370AAAAAZ4013**

**Place: Mumbai**  
**Date :- June 22<sup>nd</sup>, 2020**

# Annexure “B” Auditors’ Report

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the internal financial controls over financial reporting of Yasho Industries Limited (“the Company”) as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (ICAI). 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 Act.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

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 system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting 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.

For V J SHAH & CO  
Chartered Accountants  
FRN: 109823W

CHINTAN V. SHAH  
(PARTNER)  
Membership No.164370  
UDIN: 20164370AAAAAZ4013

Place: Mumbai  
Date :- June 22<sup>nd</sup>, 2020





# Balance Sheet

as at 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	Note No.	As At 31 <sup>st</sup> March, 2020		As At 31 <sup>st</sup> March, 2019	
<b>I. EQUITY AND LIABILITIES</b>					
1 Shareholders funds					
(a) Share capital	1	1,089.92		1,089.92	
(b) Reserves & surplus	2	4,689.53	5,779.45	3,490.40	4,580.32
2 Non current liabilities					
(a) Long term borrowings	3	6,054.90		6,411.17	
(b) Deferred tax liabilities (net)		931.74		733.86	
(c) Long term provisions	4	119.74	7,106.38	125.82	7,270.85
3 Current liabilities					
(a) Short term borrowings	5	9,466.45		7,593.02	
(b) Trade payables - msme		493.03		505.58	
Trade payables - others	6	2,803.83		3,568.69	
(c) Other current liabilities	7	1,459.49		1,142.76	
(d) Short term provisions	8	327.72	14,550.52	322.21	13,132.27
<b>Total</b>			<b>27,436.36</b>		<b>24,983.44</b>
<b>ii. ASSETS</b>					
1 Non current assets					
(a) Fixed assets					
i Tangible assets	9	8,761.89		5,864.84	
ii Intangible assets		1,508.05		1,465.21	
iii Capital work in progress		1,156.36	11,426.30	2,266.11	9,596.16
(b) Non current investments	10		13.61		13.61
(c) Long term loans and advances	11		587.42		521.63
2 Current assets					
(a) Inventories	12	7,342.60		6,816.86	
(b) Trade receivables	13	6,021.57		5,828.89	
(c) Cash and cash equivalents	14	837.11		753.37	
(d) Short term loans and advances	15	1,207.74	15,409.03	1,452.93	14,852.04
<b>Total</b>			<b>27,436.36</b>		<b>24,983.44</b>

## Notes to the Financial Statements

The notes referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

As per our report of even date

**For V J SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.

**CHINTAN SHAH**  
Partner  
Membership No. 164370  
Firm Registration No. : 109823W

Date: 22<sup>nd</sup> June, 2020  
Place: Mumbai

For and on behalf of the Board

**PARAG JHAVERI**  
(Chairman & Md)  
DIN: 01257685

**VINOD JHAVERI**  
(CFO & WTD)  
DIN: 01655692

**YAYESH JHAVERI**  
(WTD)  
DIN: 01257668

**NEKATA JAIN**  
(Company Secretary)

# Statement of Profit and Loss

for the period ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	Note No.	As At 31 <sup>st</sup> March, 2020	As At 31 <sup>st</sup> March, 2019
<b>I. REVENUE FROM OPERATIONS</b>	16	29,706.30	34,005.85
<b>II. OTHER INCOME</b>	17	321.85	336.12
<b>III. TOTAL REVENUE (I+II)</b>		<b>30,028.15</b>	<b>34,341.97</b>
<b>IV. EXPENDITURE</b>			
Cost of materials consumed	18	19,678.66	22,415.38
Changes in inventories of finished			
Goods and stock in trade	19	-829.86	669.40
Employee benefit expense	20	2,085.33	1,741.77
Finance costs	21	1,548.56	1,579.58
Depreciation	9	944.60	747.03
Other expenses	22	4,914.69	5,509.66
Total expenditure		<b>28,341.97</b>	<b>32,662.83</b>
<b>V. PROFIT BEFORE EXTRAORDINARY ITEMS &amp; TAX (III-IV)</b>		<b>1,686.17</b>	<b>1,679.14</b>
<b>VI. LESS EXTRAORDINARY ITEMS</b>		-	-
<b>VII. PROFIT BEFORE TAX</b>		<b>1,686.17</b>	<b>1,679.14</b>
<b>VIII. LESS PROVISION FOR TAX</b>	23		
1. Current tax		294.61	362.09
2. Mat credit		-5.45	90.11
3. Deferred tax		197.88	37.90
		<b>487.04</b>	<b>490.10</b>
<b>IX. NET PROFIT/(LOSS) AFTER TAX</b>		<b>1,199.14</b>	<b>1,189.04</b>
<b>X. BASIC &amp; DILUTED EARNINGS PER SHARE</b>	24	<b>11.00</b>	<b>10.91</b>
Notes to the Financial Statements	27 - 34		

The notes referred to above form an integral part of the Balance Sheet

This is the Profit and Loss account referred to in our report of even date

As per our report of even date

**For V J SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.

**CHINTAN SHAH**  
Partner  
Membership No. 164370  
Firm Registration No. : 109823W

Date: 22<sup>nd</sup> June, 2020  
Place: Mumbai

For and on behalf of the Board

**PARAG JHAVERI**  
(Chairman & Md)  
DIN: 01257685

**VINOD JHAVERI**  
(CFO & WTD)  
DIN: 01655692

**YAYESH JHAVERI**  
(WTD)  
DIN: 01257668

**NEKATA JAIN**  
(Company Secretary)



# Cash Flow Statement

for the period ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	As At 31 <sup>st</sup> March, 2020	As At 31 <sup>st</sup> March, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Profit & Loss Account	1,686.17	1,679.14
ADJUSTMENTS FOR :		
Add : Depreciation and Amortisation	944.60	747.03
Add : Loss on sale of Fixed Asset	15.33	0.09
Add : Interest on Loans	1,459.65	1,434.25
Less : Dividend Income	(0.04)	(0.04)
Less : Interest Income	(47.54)	(38.66)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>4,058.16</b>	<b>3,821.81</b>
Increase/(Decrease) in Trade Payables	(777.42)	786.29
Increase/(Decrease) in Short Term Provision	5.51	12.77
Increase/(Decrease) in Other Current Liabilities	316.73	384.55
Increase/(Decrease) in Earmarked Bank Balances	(117.03)	922.07
(Increase)/Decrease in Inventories	(525.75)	435.41
(Increase)/Decrease in Trade Receivables	(192.68)	(351.98)
(Increase)/Decrease in Short term Loans & Advances	245.18	(141.09)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>3,012.71</b>	<b>5,869.84</b>
Less : Taxes Paid	(289.15)	(452.20)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>2,723.56</b>	<b>5,417.64</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase/(Decrease) in Long Term Provisions	(6.08)	27.06
Net Proceeds from (Purchase)/Sale of Fixed Assets	(2,790.07)	(3,409.40)
Dividend Income	0.04	0.04
Interest Income	47.54	38.66
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(2,748.56)</b>	<b>(3,343.64)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings Taken/(Repaid) During the Year	1,873.43	(2,257.23)
Increase/(Decrease) in Long Term Borrowings	(356.27)	1,610.98
Loans given during the year	(65.79)	42.54
Interest paid	(1,459.65)	(1,434.25)
Expenses attributable to new issue of shares	-	4.23
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(8.28)</b>	<b>(2,033.73)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(33.28)</b>	<b>40.27</b>
<b>ADD : CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>85.46</b>	<b>45.19</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>52.17</b>	<b>85.46</b>
<b>RECONCILIATION OF CASH &amp; CASH EQUIVALENTS WITH BALANCE SHEET</b>		
CASH & CASH EQUIVALENTS AS PER BALANCE SHEET	837.11	753.37
LESS: OTHER EARMARKED BALANCES	(784.94)	(667.92)
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR AS PER CASH FLOW</b>	<b>52.17</b>	<b>85.46</b>

The notes referred to above form an integral part of the Balance Sheet

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date

**For V J SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.

**CHINTAN SHAH**  
Partner  
Membership No. 164370  
Firm Registration No. : 109823W

Date: 22<sup>nd</sup> June, 2020  
Place: Mumbai

For and on behalf of the Board

**PARAG JHAVERI**  
(Chairman & Md)  
DIN: 01257685

**VINOD JHAVERI**  
(CFO & WTD)  
DIN: 01655692

**YAYESH JHAVERI**  
(WTD)  
DIN: 01257668

**NEKATA JAIN**  
(Company Secretary)

# Notes to Financial Statements

## 1. SHARE CAPITAL

(₹ in Lakhs)

Authorised	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
1,50,00,000 Equity Shares of ₹ 10/- Each (Py: 1,50,00,000 Equity Shares of ₹ 10/- Each)	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
1,08,99,200 Equity Shares of ₹ 10/- each fully paid up (Py: 1,08,99,200 Equity Shares of ₹ 10/- each fully paid up)	1,089.92	1,089.92
<b>Total</b>	<b>1,089.92</b>	<b>1,089.92</b>

### Details of Shareholders holding more than 5% in the Company

	As at 31 <sup>st</sup> March 2020		As at 31 <sup>st</sup> March 2019	
	No. of Shares	% Holding	No. of Shares	% Holding
Vinod Jhaveri	33,45,300	30.69	26,65,300	24.45
Parag Jhaveri	8,45,000	7.75	8,45,000	7.75
Niranjana Jhaveri	-	-	6,80,000	6.24
Yayesh Jhaveri	9,35,000	8.58	9,35,000	8.58
Payal Jhaveri	6,55,000	6.01	6,55,000	6.01
Neha Jhaveri	7,75,000	7.11	7,75,000	7.11

### Reconciliation of Shares outstanding at the beginning and at the end of the year

	As at 31 <sup>st</sup> March 2020		As at 31 <sup>st</sup> March 2019	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Shares outstanding at the beginning of the year	1,08,99,200	10,89,92,000	1,08,99,200	10,89,92,000
Consolidation of shares from 10 shares to 1	-	-	-	-
Additions during the year	-	-	-	-
Deductions during the year	-	-	-	-
Shares outstanding at the end of the year	1,08,99,200	10,89,92,000	1,08,99,200	10,89,92,000

### Terms/Rights attached with Equity shares

- 1 Company has one class of equity shares having a par value of ₹ 10/- each.
- 2 Each shareholder is eligible for one vote per share held.
- 3 In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.



# Notes to Financial Statements

## 2. RESERVE & SURPLUS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
A. Capital Reserve	8.88	8.88
B. General Reserve	114.70	114.70
C. Securities Premium		
Opening Balance	774.29	770.06
Add/(Less): Expenses attributable related to shares issued	-	4.23
<b>Closing Balance</b>	<b>774.29</b>	<b>774.29</b>
D. PROFIT & LOSS		
Opening Balance	2,592.53	1,403.48
Add: Profits made during the year	1,199.14	1,189.04
<b>Closing Balance</b>	<b>3,791.66</b>	<b>2,592.53</b>
<b>Total (A+B+C+D)</b>	<b>4,689.53</b>	<b>3,490.40</b>

**Note:** The capital reserve relates to the subsidy received by the company from the office of the district industries centre under the state government scheme for selected backward area and growth centres in the district of Gujarat

## 3. LONG TERM BORROWINGS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>SECURED LOANS</b>		
Motor car loans	3.69	10.60
Term loans	4,551.21	3,800.57
<b>Total A</b>	<b>4,554.90</b>	<b>3,811.17</b>

### Notes

- Term loans facility avail from the saraswat co-operative bank ltd are secured by composite hypothecation of stock book debts, movable machinery and other movables along with personal guarantee of the directors and an equitable mortgage on specified immovable properties
- Motor car loans secured against the respective motor car purchased

### Unsecured Loans

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>FROM DIRECTORS</b>	1,500.00	2,600.00
<b>Total - B</b>	<b>1,500.00</b>	<b>2,600.00</b>
<b>Total (A + B)</b>	<b>6,054.90</b>	<b>6,411.17</b>

## 4. LONG TERM PROVISIONS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Provision for Gratuity	119.74	125.82
	<b>119.74</b>	<b>125.82</b>

# Notes to Financial Statements

## 5. SHORT TERM BORROWINGS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>SECURED LOANS</b>		
Buyers credit	2,163.22	-
Bank overdraft	3,505.97	3,584.66
Loan against Bill Discounting	712.30	620.50
Export Packing Credit	2,420.95	2,579.44
<b>Total-A</b>	<b>8,802.45</b>	<b>6,784.61</b>

### Note :

- Cash credit account and fbp a/c. Facility avail from the saraswat co-operative bank ltd are secured by composite hypothecation of stock book debts, movable machinery and other movables along with personal guarantee of the directors and an equitable mortgage on specified immovable Properties.
- The Saraswat CO-OP Bank Ltd F.B.P. Represents export bills discounted with the respective bank.

### Unsecured Loans

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>FROM DIRECTORS</b>	664.00	808.41
<b>Total - B</b>	<b>664.00</b>	<b>808.41</b>
<b>Total (A + B)</b>	<b>9,466.45</b>	<b>7,593.02</b>

## 6. TRADE PAYABLES

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
For Goods	2,239.96	2,793.34
For Expenses	563.87	775.36
<b>Total</b>	<b>2,803.83</b>	<b>3,568.69</b>

Micro, Small and medium enterprises have been identified by the Company on the basis of the information available.

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
a. Dues remaining unpaid as at 31 <sup>st</sup> March		
Principal	493.03	505.58
Interest on the above	-	-
b. Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed day during the year.	-	-
Principal paid beyond the appointed date	-	-
Interest paid in terms of Section 16 of the act	-	-
c. Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
d. Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-
e. Amount of interest accrued and remaining unpaid as at 31 <sup>st</sup> March	-	-



# Notes to Financial Statements

## 7. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Current Maturity of Long Term Loans	1,344.11	1,047.22
Advance Received from Debtors	115.39	95.54
	<b>1,459.49</b>	<b>1,142.76</b>

## 8. SHORT TERM PROVISIONS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
For Government Dues	49.45	85.78
For Staff Dues	238.14	200.40
For Gratuity	-	11.58
For Other Outstanding Expenses	40.13	24.45
<b>Total</b>	<b>327.72</b>	<b>322.21</b>

# Notes to Financial Statements

## 9. FIXED ASSETS (CONSOLIDATED)

Particular	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	Rate	As At 1 <sup>st</sup> April 2019	Additional During The YEAR	Deduction During The YEAR	Assets Write Off As Per CO. ACT 2013	As At 31 <sup>st</sup> March 2020	Accumulated Up To 1 <sup>st</sup> April 2019	During The Year	Deduction For Disposals	Assets Write Off As Per CO. ACT 2013	Up To 31 <sup>st</sup> March 2020	As On 31 <sup>st</sup> March 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>I) Tangible Assets</b>												
Factory Plot	0%	143.19	-	-	-	143.19	-	-	-	-	143.19	143.19
Factory Building	3.17%	2,114.56	821.63	-	-	2,936.19	639.47	84.20	-	-	1,475.09	2,212.52
Plant & Machinery	6.33%	5,894.92	2,244.68	-	-	8,139.60	2,561.56	497.79	-	-	3,333.36	5,080.25
Furniture & Fixture	9.50%	192.06	11.37	-	-	203.43	59.06	19.49	-	-	133.01	124.89
Air Conditioner	6.33%	36.23	3.60	-	-	39.83	11.07	2.22	-	-	25.16	26.54
Computer	31.67%	90.82	21.04	-	-	111.86	64.36	12.35	-	-	26.45	35.14
Pollution Control	6.33%	203.14	-	-	-	203.14	98.95	13.11	-	-	104.18	91.07
Scooter	9.50%	2.92	-	-	-	2.92	0.82	0.23	-	-	2.11	1.88
Motor Car	11.88%	63.69	21.14	17.87	-	66.96	0.96	14.11	0.24	-	62.73	52.12
Electric Fixture	9.50%	735.09	339.76	-	-	1,074.85	389.66	64.03	-	-	345.43	621.16
Laboratory Equipment	9.50%	287.32	199.20	-	-	486.52	89.81	39.86	-	-	197.51	356.85



# Notes to Financial Statements

Particular	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Rate	As At 1 <sup>st</sup> April 2019	Additional During The YEAR	Deduction During The YEAR	Assets Write Off As Per CO. ACT 2013	As At 31 <sup>st</sup> March 2020	Accumulated Up To 1 <sup>st</sup> April 2019	During The Year	Deduction For Disposals	Assets Write Off As Per CO. ACT 2013	Up To 31 <sup>st</sup> March 2020	As On 31 <sup>st</sup> March 2019
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Cycle	9.50%	0.39	0.08	-	-	0.47	0.26	0.02	-	0.28	0.13	0.18
Office Equipment	19.00%	17.49	2.14	-	-	19.63	8.18	2.74	-	10.91	9.31	8.71
CC TV & Camara	19.00%	11.25	2.12	-	-	13.37	4.08	1.92	-	6.00	7.17	7.37
Total		9,793.08	3,666.75	17.87	-	13,441.96	3,928.24	752.08	0.24	4,680.08	5,864.84	8,761.89
<b>ii) Intangible Assets</b>												
Reach Cost	10.00%	1,684.05	235.60	-	-	1,919.65	218.84	192.76	-	411.60	1,465.21	1,508.05
<b>Current Year</b>		<b>11,477.13</b>	<b>3,902.36</b>	<b>17.87</b>	-	<b>15,361.61</b>	<b>4,147.08</b>	<b>944.84</b>	<b>0.24</b>	<b>5,091.68</b>	<b>7,330.05</b>	<b>10,269.94</b>
<b>Last Year</b>		<b>10,357.58</b>	<b>1,144.94</b>	<b>25.39</b>	-	<b>11,477.13</b>	<b>3,423.70</b>	<b>747.03</b>	<b>23.65</b>	<b>4,147.08</b>	<b>6,933.87</b>	<b>7,330.05</b>

# Notes to Financial Statements

## 10. NON CURRENT INVESTMENTS

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
₹ in Lakhs		
<b>UNQUOTED INVESTMENT IN PREFERENCE SHARES</b>		
Lypanosys (nz) limited (4,364 15% Series 'A' Preference Shares of US\$ 1.65/- each)	2.64	2.64
<b>UNQUOTED INVESTMENT IN EQUITY INSTRUMENTS</b>		
Lypanosys (NZ) Limited (74,000 Equity Shares of US\$ 4.94/- each)	10.71	10.71
The Saraswat CO-OP Bank Ltd (2,500 Equity Shares of ₹ 10/- each)	0.25	0.25
<b>Total</b>	<b>13.61</b>	<b>13.61</b>

## 11. LONG TERM LOANS AND ADVANCES

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
₹ in Lakhs		
Security Deposits	250.76	190.42
Mat Credit Entitlement	336.66	331.21
<b>Total</b>	<b>587.42</b>	<b>521.63</b>

## 12. INVENTORIES

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
₹ in Lakhs		
Stores & Spares	144.65	43.10
Raw Material	2,052.27	2,356.38
Semi-Finished Goods	2,007.51	1,776.13
Finished Goods	3,138.18	2,641.24
<b>Total</b>	<b>7,342.60</b>	<b>6,816.86</b>

## 13. TRADE RECEIVABLES

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
₹ in Lakhs		
(Unsecured, Considered Goods Unless Otherwise Stated)		
Outstanding For Over Six Months	7.39	6.61
Others	6,014.18	5,822.28
<b>Total</b>	<b>6,021.57</b>	<b>5,828.89</b>

## 14. CASH AND CASH EQUIVALENTS

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
₹ in Lakhs		
On Hand	3.34	2.23
With Scheduled Banks		
In Current Accounts	48.83	83.23
Earmarked Balance In Axis Bank Escrow Account	-	-
Other Earmarked Balances	784.94	667.92
<b>Total</b>	<b>837.11</b>	<b>753.37</b>



# Notes to Financial Statements

## 15. SHORT TERM LOANS AND ADVANCES

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
(Unsecured, Considered Good Unless Otherwise Stated)		
Advances recoverable in cash or in kind Or for value to be received	337.11	335.80
Advances recoverable in cash or in kind	62.69	-
Prepaid expenses	23.50	29.13
Balances with government authorities	142.10	617.63
Currency option margin money	26.75	22.85
Advance to creditors	615.59	447.51
<b>Total</b>	<b>1,207.74</b>	<b>1,452.93</b>

## 16. REVENUE FROM OPERATIONS

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>SALES</b>		
Domestic Sales	12,697.64	13,872.76
Export Sales	16,642.19	19,581.43
Jobwork Sales	-	1.62
Sale of meis license	-	103.70
	<b>29,339.83</b>	<b>33,559.51</b>
<b>OTHER OPERATING INCOME</b>		
Duty drawback	36.06	31.35
Meis license received	330.41	414.99
	<b>29,706.30</b>	<b>34,005.85</b>

## 17. OTHER INCOME

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Bank Interest Received	42.53	33.77
Foreign Exchange gain	271.70	295.83
Dividend	0.04	0.04
Interest on G.E.B. Deposit	5.01	4.88
Insurance claim received	-	1.56
Testing fees (Income)	-	0.02
Write back	2.56	-
<b>Total</b>	<b>321.85</b>	<b>336.12</b>

## 18. COST OF RAW MATERIAL CONSUMED

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Opening Stock	2,356.38	2,122.40
Purchase	19,374.54	22,649.37
	<b>21,730.92</b>	<b>24,771.76</b>
Less Closing Stock	2,052.27	2,356.38
<b>Total</b>	<b>19,678.66</b>	<b>22,415.38</b>

# Notes to Financial Statements

## 19. CHANGES IN INVENTORIES OF FINISHED GOODS, AND STOCK IN TRADE

	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>OPENING STOCK</b>		
Semi Finished Goods	1,776.13	2,839.83
Finished Goods	2,641.24	2,253.77
Other Spares	43.10	36.28
	<b>4,460.47</b>	<b>5,129.88</b>
<b>CLOSING STOCK</b>		
Semi Finished Goods	2,007.51	1,776.13
Finished Goods	3,138.18	2,641.24
Other Spares	144.65	43.10
	<b>5,290.34</b>	<b>4,460.47</b>
<b>Total</b>	<b>829.86</b>	<b>(669.40)</b>

## 20. EMPLOYEE BENEFITS COST

	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Salaries, Wages & Bonus	1,843.53	1,526.49
Company's Contribution to Provident and Other Funds	75.07	77.19
Staff Welfare Expenses	129.48	102.52
Current Service cost - Gratuity Liability	37.24	35.58
<b>Total</b>	<b>2,085.33</b>	<b>1,741.77</b>

## 21. FINANCE COSTS

	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Interest Expenses on:		
Borrowings From Bank	1,197.38	1,083.62
Other Borrowings	350.59	480.61
Others	0.59	15.35
<b>Total</b>	<b>1,548.56</b>	<b>1,579.58</b>

## 22. OTHER EXPENSES

	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Advertisement	1.46	1.34
Audit Fees	6.25	5.00
Carriage Inward	100.42	121.62
Carriage Outward	528.45	454.95
Commission	111.50	141.89
Consumable Stores	229.86	229.99
CSR Exp.	3.12	12.80
Duties & Taxes Write off	5.44	20.51
E.C.G.C. Exp	10.84	35.04
Electric Charges	805.18	633.22
Export Expenses	31.06	69.99
Foreign Tour Exp.	63.21	35.22



# Notes to Financial Statements

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Freight & Transportation	22.37	21.99
Fuel Charges	959.07	1,140.19
Import Expenses	151.12	197.68
Insurance	184.58	50.06
Job Work	237.70	747.90
Office Expense	24.47	25.32
Other Expense	283.46	241.56
Packing Expenses	438.98	453.33
Printing & Stationery	34.31	28.48
Professional Charges	103.82	137.95
Rent	112.06	96.34
Repairing Expense	270.88	368.32
Res. & Development	59.64	43.75
Security Exp	46.68	39.92
Travelling & Conveyance	46.51	49.95
Water Charges	42.26	32.53
Write off	-	72.82
<b>Total</b>	<b>4,914.69</b>	<b>5,509.66</b>

## 23. TAX EXPENSE

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Provision for Tax	294.61	362.09
Mat Credit (Availed) / Utilised	-5.45	90.11
Deferred Tax	197.88	37.90
	<b>487.04</b>	<b>490.10</b>

## 24. EARNING PER SHARE

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Profit after Tax	1,199.14	1,189.04
Weighted Avg Number of Equity Shares at the end of the year (in Lakhs)*	108.99	108.99
<b>Basic &amp; Diluted (₹)</b>	<b>11.00</b>	<b>10.91</b>
Nominal Value per Equity Share (₹)*	10.00	10.00

## 25. CONTINGENT LIABILITIES\*

₹ in Lakhs

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Customs Litigation	13.69	13.69
Bank Guarantee	101.45	101.45
	<b>115.14</b>	<b>115.14</b>

\* The Company is a co-borrower in certain loans availed by the Directors in their personal capacity. The aggregate amount outstanding in respect of such loans is ₹ 581.95 Lakh

## Notes to Financial Statements

### 26. LITIGATION IN RELATION TO INSURANCE CLAIM RECEIVABLE

On 13<sup>th</sup> December, 2011, a fire broke out at the Company's insured factory situated at Plot No. 2514 & 2515, GIDC, Vapi, Gujarat. Consequent to the above fire (which raged for around 4 days) the property (moveable and immovable) lying behind and situated in the above referred premises were destroyed. We had calculated an estimated loss of ₹ 42 crores to ₹ 45 crores, which was based on a visual inspection of the fire and on 26<sup>th</sup> December, 2011 our company filed an Insurance claim for ₹ 45 crores. Therefore, the Respondent appointed a Surveyor for assessing losses reported by the Company on 18<sup>th</sup> September, 2012. Under the Interim Survey Report the Surveyor estimated a loss to the tune of ₹ 36 Crores. Thereafter, on 15<sup>th</sup> January, 2013, the Respondent released an ad hoc payment in the favour of the Company to the tune of ₹ 20 crores. The Company raised a protest against the assessment as the Surveyor had not assessed the loss of stock properly and that there were serious differences in the value as well as in the rate adopted by the Surveyor. On being aggrieved, the Company filed an Application before the Court for appointment of an Arbitrator to adjudicate the disputes, differences and claims between the parties by invoking arbitration agreement. Thereafter, vide Order dated 24<sup>th</sup> June, 2015, the Court appointed Sole Arbitrator to resolve the disputes between the parties. On being aggrieved by the aforesaid Order passed by the Court, New India Assurance Company Ltd. filed a petition for special leave before the Supreme Court of India. Subsequently, vide Order dated 5<sup>th</sup> October, 2015 the Supreme Court of India dismissed the Special Leave Petition. Consequently, the Company filed its Statement of Claim before the Arbitral Tribunal inter-alia praying that the Hon'ble Tribunal (i) declare all reports of the surveyor to be illegal/void and (ii) declare that a sum of ₹ 26.77 crores is due and payable by New India Assurance Company Ltd. along with further interest of 16.5% per annum till the date of realization. This matter is currently pending before the Arbitral Tribunal.

### 27. RELATED PARTY DISCLOSURES

#### i) Name of Related Parties

Key Managerial Personnel & Relatives:
Vinod H. Jhaveri
Parag V. Jhaveri
Dishit P. Jhaveri
Yayesh V. Jhaveri

#### ii) Related Party Transaction

From Key Managerial Personnel & Relatives:

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Directors Remuneration	2,68,13,000	2,34,00,000
Interest on Loan	3,50,58,500	4,71,36,951
Salary & Bonus	13,22,400	-
Professional Fees	-	3,00,000
Rent	1,80,000	1,80,000
Loan Received	13,04,77,958	12,23,35,481
Repayment of loan	31,69,70,328	23,26,21,694

#### iii) Balances at the end of year

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Sundry Creditors for Expenses	-	3,00,000
Unsecured Loans	21,64,00,437	34,08,41,309

### 28. EARNINGS IN FOREIGN CURRENCIES

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
	Amount	Amount
Value of Exports (FOB)	1,62,29,88,128	1,92,27,42,799



# Notes to Financial Statements

## 29. EXPENDITURE IN FOREIGN CURRENCIES

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Value of Imports (CIF)	1,46,80,86,508	1,83,11,85,529
Foreign Travel	36,03,375	21,13,582
Commission	23,20,763	45,75,604
Certificate Expense	2,87,384	1,47,515
Membership & Subscription	2,12,607	5,64,587
	<b>1,47,45,10,637</b>	<b>1,83,85,86,817</b>

## 30. DETAILS OF PAYMENTS TO AUDITORS

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
1. As an Auditor		
Statutory Audit Fees	6,25,000	5,00,000

## 31. SEGMENT REPORTING

Particulars	₹	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
1. Net Local Sales	1,26,97,63,802	1,38,72,75,985
2. Export Sales	1,66,42,19,317	1,95,81,43,237
	<b>2,93,39,83,120</b>	<b>3,34,54,19,222</b>

## 32. EMPLOYEE BENEFIT EXPENSES

The Company has adopted the Projected Unit Credit Method for valuation of gratuity liability for the first time in the current year in contrast with erstwhile policy of accounting for gratuity on payment basis.

Disclosures as per AS 15:

### Reconciliation of Defined Benefit Obligation (DBO)

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>Present value of DBO at start of year</b>	<b>137.40</b>	<b>105.20</b>
Current Service Cost	21.79	18.04
Interest Cost	10.17	8.10
Benefits Paid	-13.54	-3.38
Past Service Cost	-4.74	-
Actuarial Loss/(Gain)	9.90	9.44
<b>Present value of DBO at end of year</b>	<b>160.98</b>	<b>137.40</b>

### Reconciliation of Fair Value of Plan Assets

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>Fair Value of Plan Assets at start of year</b>	<b>-</b>	<b>-</b>
Contributions by Employer	54.90	-
Benefits Paid	-13.54	-
Expected Return on Plan Assets	1.16	-
Actuarial (Loss)/Gain	-1.28	-
<b>Fair Value of Plan Assets at end of year</b>	<b>41.24</b>	<b>-</b>
Actual Return on Plan Assets	-0.12	-
<b>Expected Employer Contributions for the next year</b>	<b>100.00</b>	<b>-</b>

# Notes to Financial Statements

## Expenses recognised in the Profit and Loss Account

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Current Service Cost	21.79	18.04
Interest Cost	10.17	8.10
Expected Return on Plan Assets	-1.16	-
Past Service Cost	-4.74	-
Actuarial Loss/(Gain)	11.18	9.44
<b>Employer Expenses</b>	<b>37.24</b>	<b>35.58</b>

## Net Liability/ (Asset) recognised in the Balance Sheet

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Present Value of DBO	160.98	137.40
Fair Value of Plan Assets	41.24	-
<b>Net Liability/(Asset)</b>	<b>119.74</b>	<b>137.40</b>
Unrecognised Past Service Cost	-	-
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>119.74</b>	<b>137.40</b>
Of which, Short term Provision	-	11.58

## Percentage Break-down of Total Plan Assets

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Insurer Managed Funds (Non Unit-Linked)	100%	-
<b>Total</b>	<b>100%</b>	<b>-</b>

## Actuarial Assumptions 31<sup>st</sup> March 2020

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Salary Growth Rate	5% p.a.	5.5% p.a.
Discount Rate	6.6% p.a.	7.4% p.a.
Expected Return on Plan Assets	7.4% p.a.	N.A.
Withdrawal/ Attrition Rate	5% p.a.	5% p.a.
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted Average Duration of the Obligation	10 years	10 years

## Experience Adjustments

Particulars	₹ in Lakhs	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Defined Benefit Obligation	160.98	137.40
Fair Value of Plan Assets	41.24	-
Surplus/(Deficit)	-119.74	-137.40
Experience Adjustment on Plan Liabilities: (Gain)/Loss	5.63	5.93
Experience Adjustment on Plan Assets: Gain/(Loss)	N.A.	N.A.

## 33. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped to comply with current year groupings.





# Notes to Financial Statements

## 34. SIGNIFICANT ACCOUNTING POLICIES

### (A) CORPORATE INFORMATION

Yasho Industries Limited is a company incorporated in India and has its registered office in Mumbai, India. The Company operates in the Business of "Chemicals" and has two factories situated in GIDC, Vapi, Gujarat.

### (B) SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Preparation and Presentation

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with mandatory accounting standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of Companies Act, 2013

#### b) Property, Plant and Equipment

Property, Plant and Equipment are recorded at the Cost of Acquisition. Cost excludes recoverable indirect taxes and includes other directly attributable costs incurred to bring the assets to their intended working condition. The amount of interest if any directly attributable to acquisition of the fixed assets stands capitalized.

#### Depreciation

In respect of Property, Plant and Equipment acquired during the year, depreciation/amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to 1<sup>st</sup> April 2014, the carrying amount as on 1<sup>st</sup> April 2014 is depreciated over the remaining useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in case of reactors where useful life is considered to be 12 years on a conservative basis.

#### c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortised on a straight-line basis over the period of estimated useful Lives of 10 years.

#### d) Inventories

Closing Stock is valued at cost & includes all incidental charges. Stock of Raw Materials and Finished Goods are exclusive of GST.

#### e) Translation of Foreign Currency Items

Transactions in foreign currency are accounted for at the customs exchange rate for the month. Gains/losses arising out of fluctuations in foreign exchange rates between the transaction date and settlement date are recognized in the Profit & Loss account, except in case of fixed assets, where these are adjusted to the carrying cost of the respective assets.

Monetary items denominated in foreign currency are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Profit & Loss Account.

#### f) Cash Flow Statement

Cash Flow statement as required by Accounting Standard-3 is annexed.

#### g) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

#### h) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

# Notes to Financial Statements

## i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## j) Employee Benefits Expense

### Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives.

### Post-Employment Benefits

#### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is not contributed to any gratuity fund formed exclusively for gratuity payment to the employees.

#### Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

## k) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss.

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

- **Minimum Alternate Tax**

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the set-off of previous years Losses. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

## (L) Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue from operations includes sale of goods and gain/ loss on corresponding exports sales and does not include amounts of GST.



# Notes to Financial Statements

## Interest income

Interest income from a financial asset is recognised using effective interest rate method.

## Dividends

Revenue is recognised when the Company's right to receive the payment has been established.

## (C) NOTES ON FINANCIAL STATEMENTS:

- (1) Loans, Debtors, Creditors and Deposits are as per the books and are subject to confirmation.
- (2) Taxation
  - (i) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income-tax Act, 1961.
  - (ii) Deferred Tax As On 31/03/2020 (₹ In Lakhs)

Particulars	DTL
<b>Deferred Tax Liabilities</b>	
Opening Balance	733.86
Aggregate Timing Difference for the year	197.88
<b>Closing Balance</b>	<b>931.74</b>

- (3) Information on leases as per Accounting Standard 19 on "Accounting for Leases"

### Operating Lease Expense:

Rental expenses for operating leases recognised in Profit & Loss A/c.	₹ 12,067,712
For the year is	
Total future minimum lease payments under non-cancelable operating leases:	
Not Later than one year	₹ 1,26,13,476
One year to later than Five years	₹ 2,25,54,471
Later than Five years	₹ 1,25,95,932
<b>Total</b>	<b>₹ 4,77,63,879</b>

- (4) Segment Reporting as per Accounting Standard 17

The Company's only identifiable reportable segment is Chemicals and hence disclosure of Segment wise information is not applicable under Accounting Standard – 17 "Segment Information" (AS-17). Details of geographical segments are disclosed.

- (5) Earnings Per Share (EPS)

a) Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

b) For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

- (6) The company has not fully received the insurance amount for goods destroyed by fire. Company has preferred an appeal by way of arbitration proceeding against the insurance company. Awaiting decision on the said matter, we have not expensed the said short receipt as loss by fire in the current year.
- (7) Previous Year figures have been re stated/ re grouped wherever necessary.

### As per our report of even date

**For V J SHAH & CO.**  
Chartered Accountants

**CHINTAN SHAH**  
Partner  
Membership No. 164370  
Firm Registration No. : 109823W

Date: 22<sup>nd</sup> June, 2020  
Place: Mumbai

### For and on behalf of the Board

**PARAG JHAVERI**  
(Chairman & Md)  
DIN: 01257685

**VINOD JHAVERI**  
(CFO & WTD)  
DIN: 01655692

**YAYESH JHAVERI**  
(WTD)  
DIN: 01257668

**NEKATA JAIN**  
(Company Secretary)

# Notice of Annual General Meeting

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of Yasho Industries Limited will be held on Wednesday, 29<sup>th</sup> July, 2020 at 11:00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

## ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr Yayesh Jhaveri (DIN: 01257668), who retires by rotation and being eligible, offers himself for re-appointment.
3. **To Re-appoint M/s V J Shah & Co. as an Statutory Auditor of the Company.**

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

**RESOLVED THAT** pursuant to the provisions of the section 139 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modifications or re-enactment thereof for the time being in force) M/s V J Shah & Co., Chartered Accountants, Mumbai having Firms Registration No. 109823W, be and is hereby re-appointed as the Statutory Auditor of the company to hold office for their second term of 5 (Five) year from the conclusion this Annual General Meeting till the conclusion of Annual General Meeting to be held in calendar year 2025, on such remuneration and terms and conditions to be fixed by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to sign various documents, forms, papers, writings, certificate and to do necessary filings with Ministry of Corporate affairs in connection with or incidental thereto and to do all such acts, deeds, things and matter as may be necessary to give effect to this resolution.

## SPECIAL BUSINESS:

4. **Ratification of remuneration of Cost Auditor.**

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

**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder (the "Rules")(including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Accountant (FRN: 00294), who was appointed by the Board of Directors of the Company as an Cost Auditors to conduct the audit of the Cost Records

of the Company for the financial year ending March 31, 2021, amounting to ₹ 1,75,000/- (Rupees One Lakhs Seventy Five Thousand Only) exclusive of taxes, travel and out-of-pocket expenses incurred in connection with the cost audit as approved by the Board of Directors on the recommendation of the Audit Committee be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or, Company Secretary be and are hereby severally authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

5. **Appointment of Dr. Prakash Manohar Bhate (DIN: 08739162) as an Independent Director 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 Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Dr. Prakash Manohar Bhate (DIN: 08739162), who was appointed as an Additional Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from May 19, 2020 upto May 18, 2025 not liable to retire by rotation.

**RESOLVED FURTHER THAT** all the Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolution, including but not limited to filing the necessary Forms with the Registrar of Companies.

By Order of the Board,

**Parag Vinod Jhaveri**  
Managing Director  
DIN: 01257685

### Registered Office:

Office No.101/102 Peninsula Heights,  
CD Barfiwala Marg, Juhu Lane,  
Andheri (West), Mumbai - 400058  
Email – info@yashoindustries.com

Date: 22<sup>nd</sup> June, 2020  
Place: Mumbai



# Notes:

- I. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5<sup>th</sup> May, 2020 read with circulars dated 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- II. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- III. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
- IV. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to dhrumil@dmshah.in
- V. The Statement pursuant to Section 102(1) of the Companies Act 2013 in respect of the items of Special Business is annexed hereto.
- VI. The information as required to be provided in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (“Listing Regulation”) regarding the Directors who are proposed to be appointed/ re-appointed at this AGM are also annexed.
- VII. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered

with the Company/ Depositories. Members may also note that the Notice of the 34<sup>th</sup> AGM and the Annual Report 2019-20 will be available on the Company’s website, [www.yashoindustries.com](http://www.yashoindustries.com).

- VIII. SEBI has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from 1<sup>st</sup> April, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from 1<sup>st</sup> April, 2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings
- IX. Members holding shares in demat mode are requested to notify any change in address, Bank Details, ECS Credit request to their respective depository participants and make sure that such changes are recorded by them.
- X. Pursuant to provisions to section 101 read with other applicable provisions of The Companies Act, 2013, we propose to send all the documents to be sent to Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. in electronic form, to their e-mail address.

Members whose e-mail addresses are not registered with Registrar & Share Transfer Agent (RTA) and the Depositories, are required to provide their email IDs and other necessary details as per below format to the Company or RTA, on or before 5:00 p.m. on 22<sup>nd</sup> July, 2020 pursuant to which, any Member may receive on the e-mail ID provided by the Member this Notice and the procedure for remote e-voting:

Name of First Shareholder
Name of Second Shareholder (In case joint shareholder)
Permanent Account No. (PAN)
Beneficiary Id/Client Id
No. Share held
Email Id
Mobile No
Address

Note: Kindly provide aforesaid details through email at [cs@yashoindustries.com](mailto:cs@yashoindustries.com)/[Ujata@bigshareonline.com](mailto:Ujata@bigshareonline.com)/[investor@bigshareonline.com](mailto:investor@bigshareonline.com).

- XI. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities

market transaction and off-market/private transaction including, transfer of shares held in physical form, deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders, transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares and transposition of shares - when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

XII. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**XIII. Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

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

**XIV. Instructions for shareholders attending the AGM through VC/OAVM are as under:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Due to the corona virus pandemic the Yasho Industries Limited urges shareholders to avoid attending the Annual General Meeting ("AGM") at the meeting venue. Instead of personal participation, shareholders are recommended to attend the AGM through VC/OAVM mode i.e. Zoom meeting. For attending the AGM by VC/OAVM mode, the shareholders are required to register in advance on the following link:

[https://us02web.zoom.us/meeting/register/tZEqfu6oqTooHtbYni\\_MVvulseujh3Fh4lgw](https://us02web.zoom.us/meeting/register/tZEqfu6oqTooHtbYni_MVvulseujh3Fh4lgw)

After registering on the above-mentioned link, you will receive a confirmation email containing information about joining the meeting.

3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company Secretary email id. These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**XV. Voting through electronic means - instructions:**

- a. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- b. The remote e-voting period commences on 25<sup>th</sup> July, 2020 (9:00 a.m. IST) and ends on 28<sup>th</sup> July, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 22<sup>nd</sup> July, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.



- c. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- d. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Agency to provide e-voting facility.
- e. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- f. The Company has appointed Mr. Dhrumil Shah, of M/s Dhrumil M. Shah & Co., Practicing Company Secretaries (FCS No. 8021), as the Scrutinizer for conducting the Remote e-voting and the voting process at the AGM in a fair and transparent manner and he has communicated his willingness to be appointed as such and will be available for same.
- g. The Scrutinizer, after scrutinizing the votes, will not later than 48 hours from the conclusion of the Meeting, make a Scrutinizer's Report and submit the same to the Chairman or any of the person as authorized by him. The results declared along with Scrutinizer's Report shall be hosted on the website of the Company [www.yashoindustries.com](http://www.yashoindustries.com) and on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) the results shall simultaneously be communicated to the Stock Exchange.
- h. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29<sup>th</sup> July, 2020.

**The instructions for shareholders voting electronically are as under:**

- (i) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders / Members
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.  In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your

password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant YASHO INDUSTRIES LIMITED on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.)

and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

By Order of the Board,

**Parag Vinod Jhaveri**  
Managing Director  
DIN: 01257685

**Registered Office:**

Office No.101/102 Peninsula Heights,  
CD Barfiwala Marg, Juhu Lane,  
Andheri (West), Mumbai - 400058  
Email – [info@yashoindustries.com](mailto:info@yashoindustries.com)

Date: 22<sup>nd</sup> June, 2020

Place: Mumbai





# Annexure I

## PARTICULARS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING:

Name of Director	Mr. Yayesh Vinod Jhaveri
Type	Whole Time Director
Date of Birth	13 <sup>th</sup> April, 1971
Date of Appointment	04 <sup>th</sup> April, 1997
Brief Resume	Bachelor in Commerce
No. of Equity Shares held in the Company	935000
Expertise in Specific Functional area	Lead a various teams of Production, Purchase & Sales
Directorships held in other Companies (as on 31-03-2020)	Nil
Particulars of Committee Chairmanship / Membership held in other Companies	Nil
Relationship with other directors/KMPs	<ul style="list-style-type: none"> <li>• Mr. Vinod Jhaveri is a father of Yayesh Jhaveri.</li> <li>• Mr. Parag Jhaveri is a brother of Mr. Yayesh Jhaveri</li> </ul>

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4:

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s. Kishore Bhatia & Associates, Cost Accountants, as Cost Auditors of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to any products as may be applicable for the financial year 2020-21 at a remuneration of ₹ 1,75,000/- (Rupees One Lakhs Seventy Five Thousand only) plus applicable taxes. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company. The Board recommends the resolution set out at Item No. 4 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

### Item No. 5:

The Board of Directors vide their Circular Resolution passed on 19<sup>th</sup> May, 2020, upon the recommendation of Nomination and Remuneration Committee, appointed Dr. Prakash Manohar Bhate (DIN: 08739162) as an Additional Director of the Company in the category of Independent Director. However, according to Section 161(1) of the Companies Act, 2013 read with the Articles of Association (AOA) of the Company, Dr. Prakash Manohar Bhate holds office only upto the date of forthcoming Annual General Meeting of the Company but is eligible for appointment as a Director of the Company.

The Board of Directors of the Company at their meeting held on 22<sup>nd</sup> June, 2020 based on the recommendations of the Nomination & Remuneration Committee, recommended for the approval of the Members by way of Ordinary resolution, the appointment of Dr. Prakash Manohar Bhate as an Independent Director of the Company in terms of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), for a term of 5(five) consecutive years from 19<sup>th</sup> May, 2020 to May 18, 2025. The term of Dr. Prakash Manohar Bhate shall not be liable to retirement by rotation.

The Company has received from Dr. Prakash Bhate (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Dr. Prakash Manohar Bhate served as an Scientist, Research head, Planning and General Manager and Professor in several Institute. In a career spanning 35 years, he held several senior and responsible positions as Professor in Dyestuff Technology, Department of

Dyestuff Technology, Institute of Chemical Technology, Mumbai, General Manager – R&D (Chemicals) Taloja, Vice President – Research and General Manager – R&D, BI Division, Scientist, Alchemie Research Centre, Thane, Maharashtra.

The Board is of the view that Dr. Prakash Manohar Bhate's knowledge and experience will be of immense benefit and value to the Company. The Directors, therefore, recommend the resolution appearing under the Item No. 5 of the accompanying Notice for your approval. Brief profile of Dr. Prakash Manohar Bhate is annexed with this notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Dr. Prakash Manohar Bhate, is concerned or interested in the resolution at Item No. 5. Dr. Bhate is not related to any other Director or Key Managerial Personnel of the Company.

The Directors has recommended to the members of the Company, appointment of Dr. Prakash Manohar Bhate as an Independent Director of the Company for a term of 5 consecutive years commencing from May 19, 2020. The term of Dr. Prakash Manohar Bhate shall not be liable to retirement by rotation.

#### Brief Profile of Dr. Prakash Bhate:

Name of the Director	Prakash Manohar Bhate
Date of Birth	07 <sup>th</sup> October, 1953
Age	67 Years
Date of Appointment	19 <sup>th</sup> May, 2020
Date of first appointment on the Board	19 <sup>th</sup> May, 2020
Qualifications	Ph.D. (Organic Chemistry); B.Sc. (Tech.) (Dyes); B.Sc. (Hons) (Chemistry); 1974
Experience/ Expertise in specific functional areas	He served as an Scientist, Research head, Planning and General Manager and Professor in several Institute. In a career spanning 35 years, he held several senior and responsible positions as Professor in Dyestuff Technology, Department of Dyestuff Technology, Institute of Chemical Technology, Mumbai, General Manager – R&D (Chemicals) Taloja, Vice President – Research and General Manager – R&D, BI Division, Scientist, Alchemie Research Centre, Thane, Maharashtra
Terms and Conditions of Appointment	Appointed for a period of five years and shall not be liable to retire by rotation
Remuneration to be paid	Eligible for sitting fees as approved
Remuneration last drawn	Not Applicable
Directorship in other companies	-
Membership of Committees in other Public Limited Companies (includes only Audit & Stakeholders Relationship Committee)	-
No. of shares held in the Company as on March 31, 2020	-
Number of Board meetings attended during the year	Not Applicable
Relationship with other Directors & KMPs	-

By Order of the Board,

**Parag Vinod Jhaveri**  
Managing Director  
DIN: 01257685

#### Registered Office:

Office No.101/102 Peninsula Heights,  
CD Barfiwala Marg, Juhu Lane,  
Andheri (West), Mumbai - 400058  
Email – info@yashoindusties.com

Date: 22<sup>nd</sup> June, 2020

Place: Mumbai



## **Yasho Industries Limited**

Office Nos. 101 & 102, Peninsula Heights,  
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