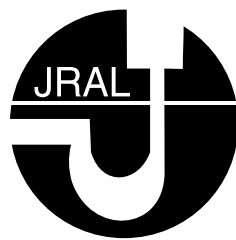


17th
ANNUAL REPORT 2009-2010



JYOTI RESINS AND ADHESIVES LIMITED



**SEVENTEENTH ANNUAL REPORT
2009-2010**

BOARD OF DIRECTORS

JAGDISH N. PATEL	:	CHAIRMAN & MANAGING DIRECTOR
CHANDULAL C. PATEL	:	DIRECTOR
UTKARSH J. PATEL	:	DIRECTOR
KEYUR J. PATEL	:	DIRECTOR
KALPESH R. PATEL	:	DIRECTOR
UMAKANT G. PATEL	:	DIRECTOR

BANKERS

KALUPUR COMMERCIAL CO-OPERATIVE BANK LTD.
ASHRAM ROAD BRANCH, AHMEDABAD

INDIAN OVERSEAS BANK
NARANPURA BRANCH, AHMEDABAD

AUDITORS

SURESH R. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
1ST FLOOR, GHANSHYAM CHAMBERS,
OPP. MITHAKHALI RLY. CROSSING,
MITHAKHALI, ELLISBRIDGE,
AHMEDABAD-380 006.

REGISTERED OFFICE

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

FACTORY

PLOT NO. 873, VILLAGE SANTEJ,
TAL.: KALOL, DIST.: GANDHINAGAR
GUJARAT.



NOTICE

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of the members of the company will be held on Thursday, the 30th September, 2010 at 3.00 P.M. at Rajkamal Plaza - B, Nr. Samruddhi Bldg., Opp. Old High Court, Ahmedabad 380 014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Kalpesh R. Patel who retires by rotation and being eligible offers him self for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution :

"RESOLVED that Mr. Utkarsh J. Patel, who was appointed by the Board of Directors of the Company as an Additional Director with effect from 29.01.2010 and who in terms of Section 260 of the Companies Act, 1956 read with Company's Articles of Association holds such office until the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company".

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy(s) need not be a member.
2. Proxies in order to be effective must be lodged with the company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2010 to 30th September, 2010 (both days inclusive).
4. Members are requested to intimate the changes, if any, in their registered addresses.

By Order of the Board

Place : Ahmedabad.
Date : 20th August 2010.

Jagdish N. Patel
Chairman

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 4

Mr. Utkarsh J. Patel is appointed as Additional Director of the Company at the Board Meeting with effect from 29.01.2010. Pursuant to the provisions of Section 260 of the Companies Act, 1956 read with Article of Association of the Company, Mr. Utkarsh J. Patel hold office of the Director upto the date of the Annual General Meeting and is eligible for appointment. Notice under Section 257 of The Companies Act, 1956 has been received from a Member of the Company indicating their intention to propose Mr. Utkarsh J. Patel for the office of Director. Hence, this Resolution at item No.4 is proposed for your approval. Except Mr. Utkarsh J. Patel, none of the Directors are interested in the proposed Resolution.

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

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

Mr. Kalpesh R. Patel

Mr. Kalpesh R Patel aged about 39 years is commerce graduate from Gujarat University. He has vast knowledge of legal matters, he has worked as recovery officer for 15 years. He at present handles all recovery matters of the company The Board therefore recommended his re-appointment.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Seventeenth Annual Report together with the audited statements of accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

	2009-2010	2008-2009
	Rs.	Rs.
Sales & Other Incomes	3,60,99,577	3,12,83,154
Operating Profit (PBDTM)	28,24,341	15,63,194
Net Profit after Tax	16,23,668	2,56,860
Brought Forward Loss	1,50,85,593	1,53,42,453
Loss Carried Forward to B/S	1,34,61,925	1,50,85,593

During the year under report Company has earned net Cash profit of Rs. 28.24 lacs in compare to previous year Rs. 15.63 lacs. Company has earned Net Profit of Rs. 16.24 lacs against previous year Rs. 2.57 lacs after providing depreciation, miscellaneous expenses and prior period item. During the year Turnover and other income of the Company was increased to Rs.360.99 Lacs from Rs. 312.83 lacs. Director have continued their efforts to reduce expenses & increase turnover of the Company. Your directors are hopeful about better performance of the company in coming years.

In view of insufficient profit no dividend has been proposed by your Directors.

DIRECTORS

In terms of the provisions of the Companies Act, 1956 Mr. Kalpesh R. Patel Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.

RE-APPOINTMENT OF ADDITIONAL DIRECTOR

Mr. Utkarsh J. Patel joined the Board w.e.f. 29.01.2010 as an Additional Director of the company. As the said director is hold office only upto the date of Annual General Meeting, his re-appointment resolution is annexed to the notice.

PUBLIC DEPOSITS

The Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956.

AUDITORS' REPORT

The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not require any further comments under Section 217 (3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for good corporate governance. A separate Report on Corporate Governance is given in Annexure – B, Auditor's statement on Compliance of Corporate Governance is given in Annexure – C, Certificate by Managing Director regarding compliance of clause 49 of listing agreement in Annexure 'D' and Management discussion and analysis in Annexure – E.

COMPLIANCE CERTIFICATE

In accordance with Section 383 A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001 the company has obtained for the year 31.03.2010 a certificate from a Secretary in the whole time practice confirming that the company has complied with various Provisions of the companies Act, 1956 and a copy of such certificate is annexed to this report.

AUDITORS

M/s. Suresh R Shah & Associates. Chartered Accountant retires as auditors of the company at the ensuing Annual General Meeting and being eligible, offers them for reappointment.



DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm the following:

In the preparation of the Annual Accounts, the applicable accounting standards have been followed.

The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the annual accounts on a going concern basis.

PERSONNEL

Your Directors wish to place on record the appreciation for the devoted services rendered by employees at all levels.

PARTICULARS OF THE EMPLOYEES

The Particulars required under Section 217(2A) of the Companies Act, read with Companies (Particulars of Employees) Rules, 1975 are not required to be given as there is no employee drawing Rs.2,00,000/- p.m. or Rs.24,00,000/- p.a., during the year under report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

(A) CONSERVATION OF ENERGY:

The information required under Section 217(1)(e) of the Companies Act, 1956 (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of Conservation of Energy is annexed hereto and forms part of this Report.

(B) TECHNOLOGY ABSORPTION:

Being the fact that the manufacturing process has been indigenously developed; there is nothing to report on the status of technology absorption.

(C) RESEARCH & DEVELOPMENT:

The Company has established an in house laboratory with the modern facilities to carry out intensive analysis of variety of Raw materials & Finished goods. During the year under consideration, continuous efforts were made for up gradation of the products of your company.

(D) FOREIGN EXCHANGE EARNING & OUTGO:

No Foreign Exchange earning or outgo has occurred during the year.

ACKNOWLEDGMENTS

Your Directors thanks various Government Authorities, banks & other business associates for the support & assistance extended to the Company from time to time and looks forward to their unstinted co-operation in development of the Company. Your Directors sincerely thanks the members for the confidence reposed by them in the company and look forward to their valuable support for the future plans of the Company.

For & On Behalf of the Board

Place : Ahmedabad.
Dated : 20th August 2010.

Jagdish N.Patel
Chairman & Managing Director



JYOTI RESINS AND ADHESIVES LIMITED

ANNEXURE TO THE DIRECTORS' REPORT ANNEXURE – 'A'

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the financial year ended on March 31, 2010.

CONSERVATION OF ENERGY

(a) Energy Conservation measures:

Various measures have been taken to improve the efficiency of equipments so as to reduce process time.

(b) Additional investments and proposals, if any : Nil.

(c) Impact of measures:

The above measures and tighter control has resulted in lower energy consumption.

(d) Total energy consumption and energy consumption per unit of production:

Power & Fuel Consumption:

Particulars		2009-2010	2008-2009
Electricity			
a) Purchased Units	(KWH)	40,558	41,660
Total Amount	(Rs.)	2,68,980	2,71,117
Rate/Unit	(Rs./KWH)	6.63	6.51
Cost per Kg of Production	(Rs.)	0.70	0.77
b) Own generation			
(i) Through LDO/Diesel Generator	Unit (Ltrs)	495	208
Cost of LDO/Diesal	(Rs.)	18,193	7,907
Per Ltr Cost	(Rs.)	36.79	38.02
Cost per Kg of Production	(Rs.)	0.05	0.02
(ii) Through Fire Woods	Unit (Kgs)	33,941	42,567
Cost of Fire woods	(Rs.)	68,429	81,658
Per Kgs. Cost	(Rs.)	2.02	1.92
Cost per Kg of Production	(Rs.)	0.18	0.23

For & On Behalf of the Board

Place : Ahmedabad.
Dated : 20th August 2010.

Jagdish N.Patel
Chairman & Managing Director

**ANNEXURE - 'B'****REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

BOARD OF DIRECTORS

Name of Director	Category	No. of Board meetings attended	Last AGM Attendance
Shri Jagdish Patel	Mg. Director	10	Yes
Shri Chandulal Patel	Executive Director	10	Yes
Shri Girish Patel	Non Executive Independent	08	Yes
Shri Keyur Patel	Non Executive Independent	10	Yes
Shri Kalpesh Patel	Non Executive, Independent	10	Yes
Shri Umakant Patel	Non Executive, Independent	10	Yes
Shri Utkarsh Patel	Non Executive, Independent	02	N.A

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

Dates of Board meeting held:

(1) 01-04-2009	(2) 30.04.2009	(3) 23.05.2009	(4) 31.07.2009	(5) 28-08-2009
(6) 11.09.2009	(7) 31.10.2009	(8) 27.11.2009	(9) 29.01.2010	(10) 31.03.2010

Details of other Directorships:

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

In line with the requirements of the code of the corporate governance, the board of directors comprises of six members. The composition of the Board is in conformity with the revised listing agreement, having one Managing Director, The Board also has four independent Director.

AUDIT COMMITTEE

The audit committee has the following non-executive Director

1. Mr. Keyur Patel - Chairman
2. Mr. Kalpesh Patel - Director
3. Mr. Umakant Patel - Director

The scope of committee includes.

- a. Review of company's financial reporting process and the financial statement.
- b. Review internal control systems and functioning of internal audit process.
- c. Post audit review with statutory auditors.

During the year under review, Audit committee met four times where all the members were present.

REMUNERATION COMMITTEE

No remuneration is paid to any Director except Shri Jagdish Patel. The remuneration paid to Shri Jagdish Patel director is governed by the requirement of other applicable provisions of the Companies Act, 1956. No sitting fees are payable to any Director.

Remuneration paid to Mr. Jagdish Patel during the year is Rs 6,00,000/- and no other perquisites were paid.



JYOTI RESINS AND ADHESIVES LIMITED

SHAREHOLDERS COMMITTEE

The Investor Grievances & Share transfer Committee has the following Non-Executive Directors.

Mr. Keyur Patel	-	Chairman
Mr. Kalpesh Patel	-	Director
Mr. Umakant Patel	-	Director

During the year, the company and their Registrar and Share Transfer Agents M/s Sharex Dynamics(India) Pvt. Ltd. received no any complaint.

The Share received for transfer are approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

CODE OF CONDUCT

The Company has already informed the code of conduct & prevention of insider trading as prescribed by the Securities and Exchange Board of India to Directors & Senior Management personnel. A declaration signed by the Managing Director in this regard is given below.

I hereby confirm that the Company has obtained affirmation from all the members of the Board and senior management personnel of the Company that they have complied with the code of conduct and ethics policy of the Company framed for directors & senior management personnel in respect of the Financial year 2009-2010.

Jagdish N. Patel
Managing Director

GENERAL BODY MEETING:

Date	Type	Time	Location
30-09-2007	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
29-09-2008	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad
29-09-2009	AGM	3.00 P.M.	405-6,Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad

There are no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

DISCLOSURES:

As per the disclosures given by the Directors of the Company there were no materially related party transactions attracting Section 297 of the Companies Act, 1956.

All the guidelines issued by the SEBI and Stock Exchange or other statutory authority on the matter related to capital markets are fully complied.

MEANS OF COMMUNICATION:

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in Western Times (English) and Western Times (Gujarati) as required by the listing agreement. Steps are being taken to display the same on the corporate website.

GENERAL SHAREHOLDER INFORMATION:

Annual general Meeting (Date, Time and Venue)	:	Date : 30/9/2010 Time : 3.00 P.M. Venue : 405-6, Rajkamal Plaza-B, Opp. Sakar-III, Income Tax, Ahmedabad.
Financial Calendar	:	1st April 2009 to 31st March 2010.
Date of Book Closure	:	From: 24th Sept. 2010 to 30th Sept. 2010. (Both days inclusive)
Dividend Payment Date	:	No Dividend declared.

**TENTATIVE FINANCIAL CALENDAR**

Publication of Quarterly Results ending 30th Sept. 2010	Last week of Oct.2010
Publication of Quarterly Results ending 31st Dec. 2010	Last week of Jan.2011
Publication of Audited Results for 2010 - 11	Last week of May 2011
Annual General Meeting for 2010 - 11	Last week of September 2011

LISTING ON STOCK EXCHANGE

: The stock Exchange, Mumbai

STOCK CODE ON BSE**514448****Market Price Data:**

Share price in The Stock Exchange, Mumbai:

Month	High (Rs.)	Low (Rs.)
April'09	3.64	2.76
May'09	3.68	2.44
June'09	4.64	2.79
July'09	3.06	2.29
August'09	3.48	2.70
September'09	3.83	2.79
October'09	4.00	3.15
November'09	4.83	3.06
December'09	5.14	3.67
January'10	6.00	4.02
February'10	6.36	3.91
March'10	6.15	4.64

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

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

REGISTRAR AND SHARE TRANSFER AGENT

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

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

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

SHARE TRANSFER SYSTEM

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

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

Distribution of Shareholding as on 31st March, 2010 :

No. of Equity Shares Held	No. of Share holders	% of Shareholders	No. of Share held	% of Shareholders
1 to 100	436	23.22	36193	0.90
101 to 200	216	11.50	41803	1.05
201 to 500	444	23.64	186851	4.67
501 to 1000	349	18.58	322075	8.05
1001 to 5000	345	18.37	861746	21.54
5001 to 10000	46	2.45	342710	8.57
10001 to 100000	34	1.81	1089047	27.23
100001 and above	8	0.43	1119575	27.99
TOTAL	1878	100.00	4000000	100.00



JYOTI RESINS AND ADHESIVES LIMITED

Distribution pattern as on 31st March, 2010

	NO. OF SHARES	PERCENTAGE (%)
Promoters and Relatives	908430	22.71%
Bodies Corporate	334989	8.37%
Public	2747444	68.69%
Other – Clearing Member	9137	0.23%

Dematerialization of shares and Liquidity : ISIN NO. INE577D01013

3917899 shares out of 4000000 shares of the company have dematerialized as at 31st March, 2010 representing 97.95% of total capital of the company. The company has entered into agreement with both National Securities Depository Ltd.(NSDL) and Central Depository Services Ltd.(CDSL) whereby shareholders have an option to dematerialized their shares with the depositories.

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

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

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

ANNEXURE - 'C'

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

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

To the Members of Jyoti Resins & Adhesives Ltd.

We have examined the compliance of conditions of corporate governance by M/s Jyoti Resins & Adhesives Ltd. for the year ended on 31st March, 2010. as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

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

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

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

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

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

Mrugen Shah
Partner.

Place : Ahmedabad.
Date : 20th August 2010.



ANNEXURE - 'D'
CERTIFICATE BY CEO/CFO

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby certified that for the financial year ended 31st March, 2010 :

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

For & On Behalf of the Board

Place : Ahmedabad
Date : 20th August 2010

Jagdish N. Patel
Managing Director



ANNEXURE - 'E'
MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure & Developments.

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

Financial Performance.

Performance of your company for financial year ended on 31st March 2010 has been satisfactory over though stiff market competition. Sales income was Rs 360.99 Lacs compared to previous year sales of Rs. 312.83 Lacs.

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

Internal control system/ Human Resources :

Considering the size of the company. your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded & protected from unauthorised use or disposition. During the financial year ended on 31st March, 2010, industrial relations continued to remain cordial. Employees were subjected to various training to further sharpen their skills in that functional area.

Future Outlook :

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

Report on Corporate Governance :

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

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

For & On Behalf of the Board

Place : Ahmedabad.
Dated : 20thAugust 2010

Jagdish N. Patel
Chairman & Managing Director



AUDITORS' REPORT

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

1. We have audited the attached Balance Sheet of Jyoti Resins And Adhesives Ltd. as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3(c) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes on Accounts & accounting policies give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - I. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March,2010;
 - II. In the case of Profit & Loss Account, of the Profit for the year ended on that date; and
 - III. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Suresh R.Shah & Associates
Chartered Accountants.

Place : Ahmedabad.
Date : 20th August 2010.

Mrugen Shah
Partner.



ANNEXURE TO THE AUDITORS' REPORT

Annexure to the Auditor's Report of even date to the Members of Jyoti Resins & Adhesives Ltd.

(Referred to in paragraph 3 of our report even date)

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Fixed assets have been physically verified by the management during the year based on a phased programme, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on physical verification.
(c) The Company has not disposed off substantial part of its fixed assets during the year.
2. (a) The management has conducted physical verification of inventory at reasonable intervals.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
3. (a) The company has taken unsecured loan from one company listed in the register maintained under section 301 of the Companies Act. The aggregate amount of the loan taken is Rs. 54.40 Lakhs. The company has not granted any loans to parties listed in the Register maintained under section 301 of the Companies Act, 1956.
(b) The rate of interest and other terms and conditions of the loan taken by the Company covered under sub-para (a) above are not prima facie prejudicial to the interest of the Company.
(c) The repayment of principal amount and payment of interest are made regularly.
(d) There are no overdue amounts in respect of such loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions with parties with whom transactions exceeding the value of Rupees five Lacs have been entered into during the financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public within the meaning of the provisions section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. According to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under clause (d) of subsection (1) of section 209 of the companies Act, 1956 for the products of the company.
9. (a) According to the information and explanations given to us and the books and records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues were outstanding at the year end for a period of more than six months from the date they become payable except professional tax amounting to Rs.82932/- which is outstanding for more than six months.
- (c) According to the records of the Company, there are no dues outstanding of sales tax, income tax, custom duty, wealth tax, excise duty and cess on account of any dispute.
10. The accumulated loss of the Company as at 31st March, 2010 is less than 50% of its net worth also the Company has not incurred a cash loss in the current year and the immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given by the management, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. Based on our examination of the records and information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund / societies.
14. In respect of dealing in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transaction and contracts and timely entries have been made therein. Also, the shares, securities, debentures and other investments have been held by the Company in its own name.
15. On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, during the period covered by our audit, the Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

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

Place : Ahmedabad.
Date : 20th August 2010.

Mrugen Shah
Partner.

**JYOTI RESINS AND ADHESIVES LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2010**

(Figures In Rupees)

Particulars	Schedule	As At	As At
		31/03/2010	31/03/2009
(I) Sources Of Funds :			
1. Share Holders Fund	I		
(A) Share Capital		40,000,000	40,000,000
(B) Reserves & Surplus		—	—
2. Loan Funds :			
(A) Secured Loan	IIA	6,129,971	3,504,271
(B) Unsecured Loan	IIB	5,440,000	5,640,000
Total Rs.....		51,569,971	49,144,271
(II) Application Of Funds :			
1. Fixed Assets	III	12,543,562	13,587,160
2. Investments	IV	327,500	232,500
3. Current Assets, Loans & Advances	V		
(A) Inventories	VA	9,035,991	5,589,804
(B) Sundry Debtors	VB	21,933,191	19,141,708
(C) Cash & Bank Balances	VC	189,611	1,122,188
(D) Loan & Advances	VD	195,855	1,589,038
		31,354,648	27,442,738
Less : Current Liabilities & Provisions			
(A) Current Liabilities & Provisions	VI	6,117,664	7,203,720
		25,236,984	20,239,018
4. Miscellaneous Expenses (To The Extenet Not Written Off Or Adjusted)			
5. Profit & Loss Account		13,461,925	15,085,593
Total Rs.....		51,569,971	49,144,271

As per seperate report of even date

Suresh R. Shah & Associates.

Chartered Accountants

(Mrugen K. Shah)

Partner

M.No 117412

Place : Ahmedabad

Dated : 20th August 2010.

For & on behalf of the Board of Director

For **Jyoti Resins & Adhesives Limited****Mr. Jagdish N. Patel**

Managing Director

Mr. Kalpesh R. Patel

Director

Place : Ahmedabad

Dated : 20th August 2010.



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

(Figures In Rupees)

Particulars	Schedule	For The Year Ended On 31/03/2010	For The Period Ended On 31/03/2009
I. Income			
Sales & Other Incomes	VII	34,216,174	30,258,165
Increase / Decrease In Stock	VIII	1,883,403	1,024,989
Total 'A'.....		36,099,577	31,283,154
II. Expenditure			
Cost Of Goods Consumed	IX	16,707,477	19,682,792
Manufacturing Expenses	X	6,361,607	1,942,135
Administrative & Selling Expenses	XI	9,456,479	6,831,334
Interest Expenses	XII	724,473	1,263,699
Loss On Sales Of Shares		25,200	—
Depreciation On Fixed Assets		1,200,673	1,191,734
Fringe Benefit Tax		—	114,600
Total 'B'.....		34,475,909	31,026,294
III. Profit/ (Loss) Before Taxation (A-B)		1,623,668	256,860
Less : Provision For Taxation		—	—
IV. Profit/ (Loss) After Taxation		1,623,668	256,860
Less : Prior Period Adjustments		—	—
V. Net Profit / (Loss) For The Year		1,623,668	256,860
Add : Profit /(Loss) B/F From Previous Year		(15,085,593)	(15,342,453)
VI. Net Profit/(Loss) C / F To Balance Sheet		(13,461,925)	(15,085,593)

As per separate report of even date

Suresh R. Shah & Associates.

Chartered Accountants

(Mrugen K. Shah)

Partner

M.No 117412

Place : Ahmedabad

Dated : 20th August 2010.

For & on behalf of the Board of Director

For Jyoti Resins & Adhesives Limited

Mr. Jagdish N. Patel

Managing Director

Mr. Kalpesh R. Patel

Director

Place : Ahmedabad

Dated : 20th August 2010.


JYOTI RESINS AND ADHESIVES LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2010

(FIGURES IN RUPEES)

Particulars	31/03/2010	31/03/2009
SCHEDULE - I : SHARE CAPITAL		
Authorised Share Capital :		
5,40,00,000 Equity Shares Of Rs. 10/- Each	540,000,000	540,000,000
Issued Subscribed, Called Up And Paid Up Capital :		
40,00,000 Equity Shares Of Rs. 10/- Each Fully Paid Up	40,000,000	40,000,000
SCHEDULE - II A : SECURED LOAN		
(A) Bank Loan		
Term Loan	326,388	708,309
Working Capital Loan [Refer Note 6 (A)]	5,803,583	2,709,729
(B) Financial Institution Loan		
	—	86,233
	6,129,971	3,504,271
SCHEDULE - II B : UNSECURED LOANS		
Jagdish N Patel A/C	—	200,000
JCEL Icd A/C	5,440,000	5,440,000
TOTAL	5,440,000	5,640,000

SCHEDULE - III : FIXED ASSETS

Description Of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Balance As On 01-04-2009	Add	Ded	Balance As On 31-03-2010	Balance As On 01-04-2009	For The Period	Less	Balance As On 31-03-2010	As On 31-03-2010	As On 31-03-2009
Freehold Land	1,607,782	—	—	1,607,782	—	—	—	—	1,607,782	1,607,782
Factory Building	4,651,190	—	—	4,651,190	2,076,489	155,350	—	2,231,839	2,419,351	2,574,701
Plant & Machinery	17,313,530	40,825	—	17,354,355	10,817,008	821,659	—	11,638,667	5,715,688	6,496,522
Office Premises	2,283,730	—	—	2,283,730	491,960	37,225	—	529,185	1,754,545	1,791,770
Furniture & Equipments	965,968	—	—	965,968	780,476	60,122	—	840,598	125,370	185,492
Air Conditioners	465,389	18,500	—	483,889	281,374	22,746	—	304,120	179,769	184,015
Computer	65,329	97,750	—	163,079	22,866	15,439	—	38,305	124,774	42,463
Laboratory Building	106,562	—	—	106,562	36,458	3,559	—	40,017	66,545	70,104
Vehicles Khusbu Tempo	273,311	—	—	273,311	71,841	30,911	—	102,752	170,559	201,470
Vehicles Maruti Esteem	564,864	—	—	564,864	132,023	53,662	—	185,685	379,179	432,841
Total Rs...	28,297,655	157,075	—	28,454,730	14,710,495	1,200,673	—	15,911,168	12,543,562	13,587,160
Previous Year	28,178,747	118,908	—	28,297,655	13,518,761	1,191,734	—	14,710,495	13,587,160	14,659,986

SCHEDULE - IV : INVESTMENTS : (AT COST) QUOTED

Face Value	Name Of Company	Nos		
10	JYOTI COSMETICS (EXIM) LTD.	3,000	—	30,000
Investments : (At Cost) Unquoted				
25	KALUPUR COMM. CO.OP.BANK LTD.	13,000	325,000	200,000
500	ATITHYA NON TRADE ASSO.	5	2,500	2,500
			327,500	232,500
Aggregate Cost Of Quoted Investments			—	30,000
Aggregate Market Value Of Quoted Investments			—	3,660

**JYOTI RESINS AND ADHESIVES LIMITED**

(FIGURES IN RUPEES)

Particulars	31/03/2010	31/03/2009
SCHEDULE - V : CURRENT ASSETS, LOANS & ADVANCES		
(A) Inventories (As Taken, Valued And Certified By Management)		
Raw Materials	2,202,077	1,057,643
Packing Materials	1,910,167	1,155,268
Finished Goods	3,262,037	1,661,618
Work In Progress	1,628,518	1,345,534
Goods In Transit	33,192	369,741
	9,035,991	5,589,804
(B) Sundry Debtors (Unsecured, Considered Good)		
Out Standing For A Period Exceeding Six Months	6,932,774	5,296,464
Others Less Than Six Months	15,000,417	13,845,244
	21,933,191	19,141,708
(C) Cash & Bank Balances		
Cash On Hand	172,985	975,506
Balance With Scheduled Banks	16,626	146,682
	189,611	1,122,188
(D) Loans & Advances (Un Secured, Considered Good)		
Advances For Purchase	—	1,318,000
Advances For Purchase Of Assets	—	—
Prepaid Expenses	9,211	8,283
Business Deposits	15,120	15,120
Excise Duty	5,549	131,755
Advance For Expenses	163,400	113,305
Advance Income-Tax	2,575	2,575
	195,855	1,589,038
SCHEDULE - VI		
(A) Current Liabilities & Provisions		
Sundry Creditors For Materials Purchase	4,555,892	5,746,619
Sundry Creditors For Expenses	298,126	263,973
Business Deposits	100,000	100,000
Unpaid Expenses	550,537	267,640
Trade Advance	34,580	4,898
Tax Deducted At Source	23,299	24,043
P.F.Payable	35,472	22,230
Professional Tax Payable	82,932	67,042
JCEL Int. A/C	—	447,395
Interest Receivable	91,688	91,688
Sales / Vat Tax Payable	345,138	142,692
F.B.T. Payable	—	25,500
	6,117,664	7,203,720

**JYOTI RESINS AND ADHESIVES LIMITED****SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED ON 31st MARCH, 2010

(FIGURES IN RUPEES)

Particulars	31/03/2010	31/03/2009
SCHEDULE - VII : SALES & OTHER INCOMES		
Sales	32,844,821	31,525,850
Less : Excise Duty	1,356,452	1,282,178
	34,201,273	30,243,672
Less : Rate Difference/Shortage	13,689	3,507
	34,187,584	30,240,165
Add : Miscellaneous Income	28,590	18,000
	34,216,174	30,258,165
SCHEDULE - VIII : INCREASE/ (DECREASE) IN STOCK		
Finished Goods :		
Closing Stock	3,262,037	
Less : Opening Stock	1,661,618	1,600,419
		485,358
Work In Progress :		
Closing Stock	1,628,518	
Less : Opening Stock	1,345,534	282,984
		169,890
Goods In Transit-Stock		—
		369,741
	1,883,403	1,024,989
SCHEDULE - IX : COST OF GOODS CONSUMED		
Raw Materials Consumed	13,077,272	15,690,571
Consumable Stores & Spares Consumed	7,800	8,200
Packing Materials Consumed	3,622,405	3,984,021
	16,707,477	19,682,792
SCHEDULE - X : MANUFACTURING EXPENSES		
Power & Fuel Expenses	355,603	360,681
Freight / Octroi Inward Expenses	48,920	215,952
Excise Duty Paid	342,944	—
Water Expenses	61,780	48,630
Staff Gratuity Fund Expenses	440,018	—
Factory Worker / Staff Salary / Wages	5,112,342	3,086,049
	6,361,607	3,711,312

**JYOTI RESINS AND ADHESIVES LIMITED**

(FIGURES IN RUPEES)

Particulars	31/03/2010	31/03/2009
SCHEDULE - XI : ADMINISTRATIVE & SELLING EXPENSES		
Office / Sales Staff Salary	419,520	370,800
Staff Welfare Expenses	30,970	55,095
Staff Group Insurance Exps.	—	12,763
Director Remuneration	600,000	480,000
Vehicle Petrol & Repair Exps Scooter	51,355	42,497
Vehicle Petrol & Repair Exps Truck & Tempo	231,027	210,494
Vehicle Petrol & Repair Exps Car	27,592	8,950
Printing, Stationery & Advertisement	599,882	500,886
Postage & Telephone Exps.	75,223	47,082
Share Transfer Exps.	36,599	37,279
Electricity/Maintenance Expenses	36,731	57,346
Repair Maintenance To Office Equipments	47,592	14,719
Misc.Office Expenses	37,417	16,661
Legal & Professional Fees Exps.	140,421	134,612
Auditors' Remuneration	11,000	11,000
Municipal Tax & Office Maintenance Exps	43,271	27,770
Insurance	40,897	19,651
Annual General Meeting Expenses	4,250	—
Repairs To Plant & Machinery	44,392	49,089
Laboratory Expenses	4,624	1,995
Repair To Factory Building	7,160	2,085
Misc.Factory Expenses	1,340	17,094
Service Tax Paid	—	1,084
Travelling Allowance	599,031	460,000
Sales Promotion Expenses	4,144,384	1,505,070
Cash Discount	77,093	74,725
Kassar Vatav W/Off	31,564	79,861
Freight/Octroi Expenses	68,721	141,166
Bank Commission Charges	89,391	66,801
Penalty Expenses	—	2,150
Godown Rent Expenses	120,000	120,000
Pollution Expenses	5,534	30,670
Professional Tax Co.	2,500	2,500
Target Incentive Expenses	1,826,998	460,262
	9,456,479	5,062,157
SCHEDULE - XII : INTEREST EXPENSES		
Bank Interest	721,366	759,558
Icd Interest	—	489,600
Car Loan Interest	3,107	14,541
	724,473	1,263,699

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

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

(2) FIXED ASSETS :

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

(3) DEPRECIATION :

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

(4) INVESTMENTS :

Investments are valued at cost. There is a diminution in the value of long term investments (quoted) held by the company as on 31/03/2010 on the basis of market value thereof as on that date. No provision is considered necessary in accounts at this stage since the company expects such a decline to be temporary.

(5) INVENTORIES :

Inventories are valued as under :

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

(6) SALES:

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

(7) GRATUITY :

The Company has started staff gratuity scheme with LIC w.e.f 01-05-2009. There are 44 employees in the said scheme.

(8) AMORTISATION OF EXPENSES :

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

(B) NOTES TO THE ACCOUNTS :

- (1) Figures have been rounded off to the nearest rupee and previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
- (2) Auditors' Remuneration : Rs. 11000/-.(Previous year Rs.11,000/-)
 - For Statutory Audit : Rs. 7,000/-
 - For Tax Audit : Rs. 4,000/-
- (3) Managing Director's Gross Remuneration: Rs.6,00,000/- (Previous year Rs.4,80,000/-)
- (4) Working capital Loans are secured by hypothecation of stock of Raw materials, work-in-progress, finished goods, other materials & book debts of the Company.
- (5) The deferred tax asset has not been recognised, as there is no reasonable certainty of sufficient taxable income being available against which such deferred tax assets can be realised. Provision for Fringe Benefit Tax is made in accordance with provisions relating to the levy of this tax as contained in Chapter XII-H of the Income Tax Act, 1961.
- (6) The Company deals in mainly in one product segment i.e. Adhesives and hence requirements of AS-17 "Segment Reporting" issued by Institute of Chartered Accountants of India are not applicable.
- (7) Sundry creditors do not include any amount due to SSI undertakings as per identification made from available information.
- (8) Debit & Credit balances are subject to confirmations & adjustments, if any.



(C) STATEMENT OF ADDITIONAL INFORMATION

- (a) **LICENSED CAPACITY** : Not applicable.
 (b) **INSTALLED CAPACITY** : (As Compiled and Certified by the Management)

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

(c) PRODUCTION:

Item	Unit	2009-2010 Qty.	2008-2009 Qty.
Adhesives/Binder	Kg.	382047	348447
Resins	Kg.	0	271
Paints/Pigment Paste/Primer/ Varnish	Ltrs.	0	5082

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

(d) SALES :

Item	Unit	2009-2010		2008-2009	
		Qty.	Amt. (Rs)	Qty.	Amt. (Rs)
Adhesives/Binder	Kg.	369951	3,42,01,273	344658	3,08,20,228
Resins	Kg.	0	0	217	26,580
Paints/Pigment Paste/Primer/ Varnish	Ltrs.	0	0	7721	6,78,842
Total			3,42,01,273		3,15,25,650

(e) CONSUMPTION OF RAW MATERIALS:

Item	Unit	2009-2010		2008-2009	
		Qty.	Amt. (Rs)	Qty.	Amt. (Rs)
VAM	Kg.	1,56,332	82,69,194	1,40,273	94,81,050
GH-17/PVA	Kg.	29,188	46,58,105	26,716	49,39,669
MTO	Kg.	300	12,840	400	14,166
Alkyd Resins	Kg.	200	17,540	600	46,680
Pigment Powder	Kg.	730	1,29,165	1,412	2,00,565
Titanium Dioxide	Kg.	250	27,563	250	20,527
Emulsion	Kg.	150	9,450	250	14,198
Dryer	Kg.	159	27,453	68	12,339
C.N.S.L.	Kg.	0	0	190	7,268
Linseed/Soya Oil	Kg.	50	5,775	120	4,975
Starch	Kg.	1,780	33,311	2,615	41,336
Emulsifire	Kg.	440	52,206	220	21,626
Calcite	Kg.	0	0	900	4,212
Others			3,90,570		14,67,912
Less : Excise Modvate Credit			5,55,900		5,85,952
Total			1,30,77,272		1,56,90,571

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

Item	Unit	2009-2010		2008-2009	
		Qty.	Amt.(Rs)	Qty.	Amt.(Rs)
Adhesives/Binder	Kg.	13,669	15,85,637	9,880	8,82,972
Resins	Kg.	0	0	0	0
Paints/Pigment Paste/Primer/Varnish	Ltrs.	855	75,981	3,495	2,93,288
Total			16,61,618		11,76,260

(g) CLOSING STOCK OF FINISHED GOODS :

Item	Unit	2009-2010		2008-2009	
		Qty.	Amt.(Rs)	Qty.	Amt.(Rs)
Adhesives/Binder	Kg.	25,765	31,86,056	13,669	15,85,637
Resins	Kg.	0	0	0	0
Paints/Pigment Paste/Primer/ Varnish	Ltrs.	855	75,981	855	75,981
Total			32,62,037		16,61,618

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

Item	Unit	2009-2010		2008-2009	
		Qty.	Amt.(Rs)	Qty.	Amt.(Rs)
Imported		NIL	NIL	NIL	NIL
Indigenous		—	1,30,77,272	—	1,56,90,571
Total			1,30,77,272		1,56,90,571

(i) CIF VALUE OF IMPORTS : Nil (Previous Year Rs. Nil)**(j) EXPENDITURE IN FOREIGN CURRENCY** : Nil.**(k) EARNING IN FOREIGN CURRENCY** : Nil.**(l) RELATED PARTY DISCLOSURES** :

1. Name of the related parties and Relationship

(a) Subsidiary : N.A.**(b) Key Management Personnel:**

Shri Jagdish N. Patel Managing Director

Shri Chandualal C. Patel Executive Director

(c) Other related enterprise with significant influence : NIL

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

	Key Management Persons	Other related Enterprise
Remuneration Paid	6,00,000	—

**(D) Balance Sheet Abstract and Company's General Business Profile :****A. Registration Details :**

Registration No.	04 20879	State Code	04.
Balance Sheet Date	31 03 2010		
	Date Month Year		

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

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

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

Total Liabilities	515.70	Total Assets	515.70
-------------------	--------	--------------	--------

Sources of Funds

Paid up Capital	400.00	Reserves & Surplus	NIL
Secured Loan	61.30	Unsecured Loan	54.40

Application of Funds

Net Fixed Assets	125.44	Investments	3.27
Net Current Assets	252.37	Misc. Expenditure	NIL
Accumulated Losses	134.62		

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

Turnover & Oth.Income	360.99	Total Expenditure	344.75
Profit Before Tax	16.24	Profit After Tax	16.24
Earning Per Share	0.40	Dividend Rate	Nil

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

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

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

As per separate report of even date

Suresh R. Shah & Associates.

Chartered Accountants

(Mrugen K. Shah)

Partner

M.No 117412

Place : Ahmedabad

Dated : 20th August 2010.

For & on behalf of the Board of Director

For Jyoti Resins & Adhesives Limited

Mr. Jagdish N. Patel

Managing Director

Mr. Kalpesh R. Patel

Director

Place : Ahmedabad

Dated : 20th August 2010.

**JYOTI RESINS AND ADHESIVES LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

Particulars	2009-2010 Rupees	2008-2009 Rupees
A Cash Flow From Operating Activities :		
Net Profit Before Tax And Extra Ordinary Items	1,623,668	256,860
Adjustments For		
Depreciation	1,200,673	1,191,734
Loss On Sales Of Assets	—	1,191,734
Operating Profit Before Working Capital Changes	2,824,341	1,448,594
Adjustments For		
Trade And Other Receivables	(2,791,483)	(6,536,730)
Inventories	(3,446,187)	(1,078,173)
Trade Payables	(1,086,056)	2,216,231
Loans/ Advances	1,393,183	(171,559)
Net Cash From Operating Activities Total [A].....	(3,106,202)	1,277,035
B Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(157,075)	(118,908)
Sales Of Fixed Assets	—	—
Investments In Shares	(95,000)	(50,000)
Net Cash From Investing Activities Total [B].....	(252,075)	(168,908)
C Cash Flow From Financing Activities		
Increase/(Decrease) In Secured Loan	2,625,700	821,905
Increase/(Decrease) In Unsecured Loan	(200,000)	(1,005,783)
Net Cash Used In Financing Activities Total [C].....	2,425,700	(183,878)
Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	(932,577)	924,249
Cash And Cash Equivalents As At 1-4-2009 (Opening Balance)	1,122,188	197,939
Cash And Cash Equivalents As At 31-3-2010 (Closing Balance)	189,611	924,249

As per separate report of even date

Suresh R. Shah & Associates.*Chartered Accountants***(Mrugen K. Shah)***Partner*

M.No 117412

Place : Ahmedabad

Dated : 20th August 2010.

For & on behalf of the Board of Director

For **Jyoti Resins & Adhesives Limited****Mr. Jagdish N. Patel***Managing Director***Mr. Kalpesh R. Patel***Director*

Place : Ahmedabad

Dated : 20th August 2010.

JYOTI RESINS AND ADHESIVES LIMITED

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

PROXY FORM

DP. ID* _____ CLIENT ID* _____ FOLIO NO. _____

I/WE _____ OF _____

BEING A MEMBER/MEMBERS OF THE ABOVE-NAMED COMPANY HEREBY APPOINT MR/MRS _____

OF _____ OR FAILING HIM/HER MR/MRS _____ OF _____

AS MY/OUR PROXY TO ATTEND AND VOTE FOR ME/US AND ON MY/OUR BEHALF AT THE 17TH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 30TH SEPTEMBER, 2010 AND AT ANY ADJOURNMENT THEREOF.

SIGNED THIS _____ DAY OF _____, 2010.

NO.OF SHARES HELD _____

SIGNATURE(S) _____

ADDRESS _____



NOTE: THIS PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 405-6, RAJKAMAL PLAZA -B, NR.SAMRUDDHI BLDG.,OPP. OLD HIGH COURT,AHMEDABAD-380 014 NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

* APPLICABLE FOR INVESTORS HOLDING SHARES IN ELECTRONIC FORM.

JYOTI RESINS AND ADHESIVES LIMITED

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

ATTENDANCE SLIP

SEVENTEENTH ANNUAL GENERAL MEETING - 30TH SEPTEMBER, 2010

DP. ID* _____ CLIENT ID* _____ FOLIO NO. _____

NO.OF SHARES HELD _____

I CERTIFY THAT I AM A REGISTERED SHAREHOLDER/PROXY FOR THE REGISTERED HOLDERS OF THE COMPANY.

I HEREBY RECORD MY PRESENCE AT THE 17TH ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON THURSDAY, 30TH SEPTEMBER, 2010 AT 3.00 P.M. AT RAJKAMAL PLAZA-B, NR. SAMRUDDHI BLDG., OPP. OLD HIGH COURT, AHMEDABAD- 380014.

MEMBER'S/PROXY'S NAME IN BLOCK LETTERS

MEMBER'S/PROXY'S SIGNATURE

NOTE:

- 1. PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE VENUE OF THE MEETING.
- 2. PLEASE BRING YOUR COPY OF BALANCE SHEET AT THE TIME OF ANNUAL GENERAL MEETING.

* APPLICABLE FOR INVESTORS HOLDING SHARES IN ELECTRONIC FORM.

BOOK-POST

If undelivered please return to :

JYOTI RESINS AND ADHESIVES LIMITED

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