



# JAYATMA INDUSTRIES LIMITED

Regd. Office : 259, 3rd Floor, New Cloth Market, O/s Raipur Gate, Ahmedabad-380 002, Gujarat, (INDIA) Tel. : +91-79-22167030/40/41  
Email : info@jayatmaindustries.com • Website : www.jayatmaindustries.com • CIN : L17110GJ1983PLC006462

**Date: 20<sup>th</sup> August, 2021**

To,  
Department of Corporate Services,  
BSE Limited,  
P. J. Towers,  
Dalal Street,  
Fort,  
Mumbai – 400 001

**Scrip Code: 531323**

**Subject: Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This is with reference to the above subject, please find herewith the Annual Report of the Company for the Financial Year 2020-21 under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly consider the same and take on record.

For and on behalf of,  
Jayatma Industries Limited,

  
Hardik Joshi

20/08/2021



Company Secretary & Compliance Officer,  
Mem. No. A58557

Encl.: As above.



**JAYATMA**  
INDUSTRIES LTD.

# **37th ANNUAL REPORT**

## **2020-2021**

**Regd. Office**

259, 3rd Floor, New Cloth Market, Outside Raipur Gate,  
Ahmedabad-380002. Gujarat, India



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## CORPORATE INFORMATION

### Board of Directors:

Mr. Nirav K. Shah  
Mr. Janak G. Nanavaty  
Ms. Toshi B. Mehta  
Mr. Rajan P. Parikh  
Mr. Fenil R. Shah

Chief Executive Officer & Director  
Chairman & Independent Director  
Non-executive Director  
Independent Director  
Independent Director

### Chief Financial Officer

Mr. Mayank C. Thaker

### Company Secretary

Mr. Hardik Joshi

### Registered Office:

259, 3<sup>rd</sup> Floor, New Cloth Market,  
Outside Raipur Gate,  
Ahmedabad – 380002

### Corporate Office:

1, Laxmi Nagar Society,  
Naranpura,  
Ahmedabad – 380013

### Works:

Survey No. 1433,  
Near Rajpur Bus Stand,  
Ta.: Kadi, Dist.: Mehsana  
Gujarat

### Contact us:

www.jayatmaindustries.com  
[cs@jayatma.com](mailto:cs@jayatma.com)  
(079) 22167030/40

### Bankers:

Union Bank of India  
Punjab National Bank

Nutan Nagarik Sahakari Bank Ltd.  
State Bank of India

### Auditors:

M/s. GMCA & Co.  
Chartered Accountants,  
101, Parishram, 5-B, Rashmi Society,  
Nr. LG Showroom,  
Mithakhali Six Road, Navrangpura  
Ahmedabad – 380009

### Secretarial Auditor:

Chintan K. Patel  
Practicing Company Secretaries,  
16, Arasuri Society,  
Nr. Vyasvadi,  
Nava Vadaj,  
Ahmedabad – 380013



**Registrar & Share Transfer Agent:**

Purva Sharegistry (India) Private Limited  
(Mumbai Office)  
Unit No. 9, Ground floor, Shiv Shakti Ind. Estt., J. R. Boricha Marg,  
Lower Parel (East),  
Mumbai – 400 011  
Tel.: (022) 2301 2518 / 6761  
[support@purvashare.com](mailto:support@purvashare.com)

**COMPOSITION OF COMMITTEES:**

**1. Audit Committee:**

Mr. Janak G. Nanavaty	Chairman
Mr. Nirav K. Shah	Member
Mr. Fenil R. Shah	Member
Mr. Rajan P. Parikh	Member

**2. Nomination & Remuneration Committee:**

Mr. Fenil R. Shah	Chairman
Janak G. Nanavaty	Member
Rajan P. Parikh	Member

**3. Stakeholder Relationship Committee:**

Mr. Janak G. Nanavaty	Chairman
Rajan P. Parikh	Member
Mr. Fenil R. Shah	Member



### NOTICE

NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of the Members of Jayatma Industries Limited will be held as scheduled below:

Date : 15<sup>th</sup> September, 2021

Day : Wednesday

Time : 10.00 A.M.

through video conferencing to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31<sup>st</sup> March, 2021 and the Balance Sheet as on that date along with Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Nirav Kalyanbhai Shah (DIN: 00397336), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s GMCA & Co., Chartered Accountant, Ahmedabad (FRN 109850W) as the statutory Auditor of the Company and to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and The companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. GMCA & Co., Chartered Accountants (FRN 109850W) be and are hereby appointed as Auditors of the Company to hold the office for a period of five consecutive years commencing from the financial year 2021-22, on a remuneration that may be determined by the audit committee & Board in consultation with the auditors."

Date: 12<sup>th</sup> August, 2021

Place: Ahmedabad

For and on behalf of the Board,

**Nirav Kalyanbhai Shah**

CEO & Director

DIN: 00397336

#### NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.jayatmaindustries.com](http://www.jayatmaindustries.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 12th September, 2021 at 09:00 A.M. and ends on 14th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. 8th September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 8th September, 2021.

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

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL iDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “iDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



	<ol style="list-style-type: none"> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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



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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b><u>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</u></b>	<b><u>Your User ID is:</u></b>
<b>a) For Members who hold shares in demat account with NSDL.</b>	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
<b>b) For Members who hold shares in demat account with CDSL.</b>	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
<b>c) For Members holding shares in Physical Form.</b>	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 116790 then user ID is 116790001***

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





- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-voting system?**

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

#### **General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cschintanpatel@gmail.com](mailto:cschintanpatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Nitin Ambure at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@jayatma.com](mailto:cs@jayatma.com).



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@jayatma.com](mailto:cs@jayatma.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@jayatma.com](mailto:cs@jayatma.com). The same will be replied by the company suitably.



## DIRECTORS' REPORT

Dear Members,

We have pleasure in presenting the 37<sup>th</sup> Annual Report of the Company along with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2021. The financial results for the year are shown below.

### 1. FINANCIAL RESULTS:

Particulars	(Rs. in lakhs)	
	2020-21	2019-20
Total Revenue (including other income)	15538.08	11661.21
Total Expenditure (Excluding Finance Cost, Depreciation & Tax)	(15302.46)	(11375.35)
Profit/(loss) before Finance Cost, Depreciation & Tax.	235.62	285.86
Finance Cost	(172.51)	(239.42)
Profit/(loss) before Depreciation & Tax	63.11	48.44
Provision for depreciation	(31.48)	(34.00)
Profit/(loss) before Tax	31.63	14.44
Provision for Tax	(8.22)	3.98
Net profit/(loss) after tax for the year	<b>23.41</b>	<b>18.41</b>
Add: Balance brought forward from Previous year	131.52	113.11
Balance carried to next year	154.93	131.52

### 2. FINANCIAL / OPERATIONAL PERFORMANCE:

#### Revenue from operations (gross):

The Financial year 2020-21 has been very challenging and uncertain year. The COVID-19 pandemic resulted in complete lockdown for the 1st quarter of the financial year. There was a constant challenge to maintain balance between lives and livelihood. In that tough and uncertain times, you company has achieved a revenue growth of more than 33% with gross revenue sales of Rs. 155.38 crores Similarly the profit before tax has increased by 119% and the net profit has increased by more than 27%.

### 3. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, the Company has not changed nature of business.

### 4. DIVIDEND:

The Company has decided to plough back the profits for the future development and expansion, hence the Board of Directors has not recommended any dividend for the financial year 2020-21.

### 5. SHARE CAPITAL:

During the year under review the Company has not issued any shares. The total paid up capital of the company at the end of financial year 2020-2021 stood Rs. 6,15,30,000/- (Rupees Six Crores Fifteen Lakh Thirty Thousand Only).

### 6. ANNUAL RETURN:

The Annual Return pursuant to the provision of section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2020-21 in Form No. MGT – 7 is provided upon the website of the Company at [http://www.jayatmaindustries.com/investor\\_relation.html](http://www.jayatmaindustries.com/investor_relation.html).



### 7. AUDITORS AND AUDITORS' REPORT:

#### Statutory Auditor:

M/s. GMCA & Co., Chartered Accountants, statutory auditors of the Company has carried out the statutory Audit and submitted its report for the financial year ended on March 31, 2021. There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report.

#### Secretarial Auditor:

Chintan K. Patel, Company Secretary in Practice, was reappointed as Secretarial Auditors of the company by the Board to carry out Secretarial Audit for the Financial Year 2021-2022. The Secretarial Auditors of the Company have submitted their Report in form No. MR - 3 as required under section 204, of the Companies Act, 2013 for the financial year ended 31<sup>st</sup> March 2021. This Report is self-explanatory and requires no comments. The Secretarial Audit Report forms part of this report as **Annexure - III**.

### 8. SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company doesn't have any Subsidiaries, Associates or Joint Venture Companies.

### 9. REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company doesn't have any Subsidiaries, Associates or Joint Venture Companies.

### 10. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

There are no companies which have become or ceased to be Company's Subsidiaries, Joint ventures or Associate companies.

### 11. CORPORATE GOVERNANCE REPORT:

The Company is exempt under Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with, Regulation 15 of Chapter IV SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Hence, Annual Report 2020-21 does not contain the Corporate Governance Report. Further, as and when the company falls under the applicability to provide Corporate Governance Report, the company will comply with the same. (Refer **Annex – II** attached herewith.)

### 12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Company ensures adherence to all internal control policies and procedures as well as compliances with all regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of internal controls from time to time.

A report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 is annexed to Independent Audit Report on Financial Statement as **Annexure B**.

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

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.



## 14. BOARD OF DIRECTORS:

Name of Director	Category
Mr. Janak G. Nanavaty	Chairman & Independent Director
Mr. Nirav K. Shah	CEO & Director
Mr. Fenil R. Shah	Independent Director
Mr. Rajan P. Parikh	Independent Director
Mrs. Toshi B. Mehta	Non-Executive Director

## 15. NUMBER OF MEETINGS AND ATTENDANCE:

The Company sends notice of meetings of the Board well in advance so as to allow the Directors to block their calendars. There were seven meetings of the board viz. 17.06.2020, 30.07.2020, 31.08.2020, 11.11.2020, 05.12.2020, 12.02.2021 and 25.03.2021 held during the year, details which is required pursuant to section 134(3)(b) of the Companies Act, 2013 are given as under:

Name of director	No. of Board meetings attended	Whether attended AGM held on 26.09.2020
Mr. Nirav K Shah	7	Y
Mr. Fenil R Shah	7	Y
Mr. Rajan P. Parikh	7	N
Mr. Janak G Nanavaty	7	N
Mrs. Toshi B. Mehta	7	Y

## 16. COMPOSITION OF COMMITTEES AND ATTENDANCE:

### A. AUDIT COMMITTEE:

Pursuant to provisions of Section 177 of the Companies act 2013, during the year under review, four meetings were held on 30.07.2020, 31.08.2020, 11.11.2020 and 12.02.2021 The attendance record of the members at the meeting was as follows:

Name of Member	Designation	Attendance
Mr. Janak G Nanavaty	Chairman	4
Mr. Nirav K Shah	Member	4
Mr. Fenil R Shah	Member	4
Mr. Rajan P. Parikh	Member	4

### B. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to provision of section 178 (1) of the Companies act 2013, The nomination and remuneration Committee met twice in the financial year 2020-2021 i.e on 17<sup>th</sup> June, 2020 and on 25<sup>th</sup> March, 2021. The attendance record of the members at the meeting was as follows:

Name of Member	Designation	Attendance
Mr. Janak G Nanavaty	Chairman	2
Mr. Rajan Parikh	Member	2
Mr. Fenil R Shah	Member	2



### C. STAKEHOLDER RELATIONSHIP COMMITTEE:

Pursuant to provision of section 178 (5) of the Companies act 2013, during the year under review, three meetings were held on 31.08.2020, 11.11.2020, 12.02.2021. The attendance record of the members at the meeting was as follows:

Name of Member	Designation	Attendance
Mr. Janak G Nanavaty	Chairman	3
Mr. Rajan Parikh	Member	3
Mr. Fenil R Shah	Member	3

### D. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company held on 31<sup>st</sup> March, 2021 wherein all the independent directors were present.

### 17. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in relation to financial statements for the year 2020-21, the Board of Directors state that:

- a) In the preparation of Annual Accounts for the period ended 31<sup>st</sup> March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) 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 at the end of the financial year and of the Profit/Loss of the Company for the year ended 31<sup>st</sup> March, 2021.
- c) 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;
- d) The Directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2021 on a going concern basis.
- e) 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.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 18. RELATED PARTY TRANSACTION:

There were no materially significant related party transactions entered into between the Company, Directors, management or their relatives. Hence, disclosure in Form AOC-2 is not provided. All the contracts/arrangements/transactions entered into by the Company with the related parties during the financial year 2020-21 were in the ordinary course of business and on arm's length basis as disclosed in the financial statements. The details of related party disclosure form a part of notes to the financial statements provided in the annual report.

### 19. DECLARATION AS TO INDEPENDENT DIRECTORS PURSUANT TO PROVISIONS OF SECTION 134(3)(d) READ WITH SECTION 149(6) OF THE COMPANIES ACT 2013:

All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.

- a) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- b)
  - I. Independent Directors are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
  - II. Independent Directors are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- c) Independent Directors have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.



- d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lakhs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- e) That Independent Directors, neither himself, nor any of his relatives,
- I. holds or has held the position of a Key Managerial Personnel or is or has been employee of the holding subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
  - II. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed, of –
    - A. A firm of auditors or Company Secretaries in Practice or Cost Auditors of the company or its holding, subsidiary or associate company; or
    - B. Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or Associate company amounting to 10% or more of the gross turnover of such firm;
  - III. holds together with his relatives less than 2% or more of the total voting power of the company; or
  - IV. is a Chief Executive or director, by whatever name called, or any non-profit organization that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- f) Independent Directors possess such other qualifications as may be prescribed.

### 20. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021:

The particulars of ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year under report, percentage increase in remuneration to each Director and Key Managerial Personnel, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given as under;

Name of Director and KMP	Designation	Performance of the Company
Mr. Nirav K Shah	CEO and Director	The Company was able to achieve Rs. 155.3808 crores as total revenue during the year as compared to Rs. 116.6121 crores in Previous Year. During the year under review, the Company has earned net profit of Rs. 23.41 Lakhs as compared to 18.41 Lakhs during the Previous Year.
Mr. Fenil R Shah	Independent Director	
Mr. Janak G Nanavaty	Independent Director	
Mr. Rajan Parikh	Independent Director	
Ms. Toshi Mehta	Non-Executive Director	
Mr. Mayank Thaker	Chief Financial officer	
Ms. Charvi Nayani (Resigned on 12.11.2020)	Company Secretary	
Mr. Hardik Joshi (Appointed on 25.03.2021)	Company Secretary	

- I. The ratio of the remuneration of each director to the median remuneration of the employees of the company:

**Total Remuneration: Rs. 13,67,697**

Remuneration to Company Secretary (Ms. Charvi Nayani): Rs. 1,84,028

Remuneration to Company Secretary (Mr. Hardik Joshi): Rs. 9691

Remuneration to Chief Financial Officer (Mr. Mayank Thaker): 5,54,620

Remuneration to other Employee: Rs. 6,19,358

**Sitting Fees paid to other Director: Rs. 41,250**



- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: NIL
- III. The Percentage (%) increase in the median remuneration of employees: Nil
- IV. Number of permanent Employees on the rolls of Company: 5
- V. The Market Capitalisation of the Company as at 31<sup>st</sup> March 2021 is 441.4696 lakhs against Rs. 419.8592 lakhs as at 31<sup>st</sup> March 2020.

**Price Earnings Ratio:**

As on	Market Value per Shares (P)	Earnings Per Share (E)	P/E Ratio
31 <sup>st</sup> of March, 2021	Rs. 7.15	0.38	18.82
31 <sup>st</sup> of March, 2020	Rs. 6.80	0.30	22.67

- VI. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NOT APPLICABLE as there was no increase in the managerial remuneration.
- VII. The key parameters for any variable component of remuneration availed by the directors: Directors are paid sitting fees only. Components for the Sitting fees are variable. Sitting fee depends upon ones attendance of the meeting. The Key parameters therefore are as envisaged under the Companies Act.
- VIII. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and No employee is receiving remuneration in excess or higher than the remuneration of Director or Key Managerial Personnel.
- IX. Affirmation that the remuneration is as per the remuneration policy of the company. All remuneration of the Employees and directors are decided by the Nomination & Remuneration Committee and by the Board of Directors within the organization.

**21. FORMAL ANNUAL EVALUATION PROCESS BY BOARD PURSUANT TO SECTION 134(3)(p):**

The Company has in place a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The Board after taking into consideration the criteria of evaluation laid down by the Nomination and Remuneration Committee in its policy such as Board Composition, level of involvement, performance of duties, attendance etc. had evaluated its own performance, the performance of its committees and Independent Directors (excluding the Director being evaluated).

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**22. RISK MANAGEMENT:**

The Company was already having a risk management system to identify, evaluate and minimize the Business risks. The Company during the year had formalized the same by formulating and adopting Risk Management Policy. This policy intends to identify, evaluate, monitor and minimize the identifiable risks in the organization.

**23. COMMISSION:**

None of the Directors are receiving Commission from the company.

**24. CORPORATE SOCIAL RESPONSIBILITY:**

As Company does not come under the ambit of 135 of the Companies Act, 2013 and Rules of Companies (Corporate Social Responsibility policy), 2014, Company has not formed Corporate Social Responsibility Committee and hence





Rule 9 of Companies (Accounts) Rule, 2014 regarding disclosure of contents of Corporate Social Responsibility Policy is not applicable to the Company.

### 25. PARTICULARS OF EMPLOYEES:

Pursuant to the provisions of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with The Companies Act, 2013, it is hereby informed that none of the employees of the Company was in receipt of remuneration of Rs.5 lakhs per month or Rs. 60 lakhs per annum during the year under review.

### 26. MAINTENANCE OF COST RECORDS:

The Company falls within the limits specified in Section 148 of the Companies Act, 2013 and rule 3 of the Companies (Cost Records and Audit) Rules, 2014 identifying the Companies who are required to keep Cost Records, undergo a Cost Audit, and submit a Cost Audit Report. Hence the provisions with respect to maintenance and submission of Cost Records and Cost Audit is not applicable to the Company.

### 27. DEPOSITS:

During the year under review, the Company had not accepted any deposit from public during the year.

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

Details of investments made and loans advanced by the company have been given in note to the Financial Statement. The Company has not given any Guarantee pursuant to the provision of Section 186 of the Companies Act, 2013.

### 29. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. This mechanism provides safeguards against victimization of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy/vigil mechanism has been appropriately communicated to the employees within the organization and has been put on the Company's website [www.jayatmaindustries.com](http://www.jayatmaindustries.com).

### 30. SAFETY, HEALTH AND ENVIRONMENT:

- (a) Safety: The Company encourages a high level of awareness of safety issues among its employees and strives for continuous improvement. All incidents are analyzed in the safety committee meetings and corrective actions are taken immediately. Employees are trained in safe practices to be followed at work place.
- (b) Your company attached importance to the health of its employees. Periodic checkup of employees is done to monitor their health. Health related issues if any are discussed with visiting Medical Officer.
- (c) Environment: Company always strives hard to give importance to environmental issues in normal course of operations. Adherence to Environmental and pollution control Norms as per Gujarat Pollution Control guidelines is of high concern to the Company.

### 31. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

All Board Directors and the designated employees have confirmed compliance with the Code.



### 32. INDEPENDENT DIRECTORS' MEETING:

In compliance with Section 149(8) of the Companies Act, 2013 read with Schedule IV of the Act and As per SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors met on 31<sup>st</sup> March, 2021, inter alia, to discuss:

- a) The performance of Non-Independent Directors and the Board of Directors;
- b) The performance of the Chairperson of the Company,
- c) Assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

### 33. LISTING:

The Equity shares of the company are listed on BSE Limited and Company has paid Annual Listing Fees up to the Year 2021-2022.

### 34. DISCLOSURE OF SEXUAL HARASSMENT:

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, entire staff in the Company is working in a most congenial manner and there are no occurrences of any incidents of sexual harassment during the year.

### 35. ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The Company is strongly motivated by adaption of concept of green energy. The production process of the Company is majorly driven by the in house production of electricity and same is being generated by use of renewable resources of energy. The company hugely contributing towards the green initiative. As required by the Section 134 (3)(m) of The Companies Act, 2013 read with rule 3 of the Companies (Account) Rule 2014, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant are given in **Annexure-I** to this Report.

### 36. ACKNOWLEDGMENTS:

Your Directors are pleased to place on record their sincere gratitude to the Government, Financial Institutions, Bankers and Business constituents for their continued and valuable co-operation and support to the company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all level of the operation of the company during the year.

Date: 12<sup>th</sup> August, 2021  
Place: Ahmedabad

For and on behalf of the Board,

Nirav Shah  
CEO & Director  
DIN: 00397336

Fenil Shah  
Director  
DIN: 01558417



## ANNEXURE – I

Information as per Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Director's Report for the year ended on 31<sup>st</sup> March, 2021.

### (A) CONSERVATION OF ENERGY:

- a) Necessary precautions have been taken while designing process and equipment to ensure conservation of energy through the use of fuel efficient devices and advanced instrumentation systems.
- b) No additional investment was made during the year for reduction in consumption of energy.
- c) The measures taken have helped to conserve the energy and in turn, cost.
- d) Total energy consumption and energy consumption per unit of production.
- e) The Company is strongly motivated by adaption of concept of green energy. The production process of the company is majorly driven by the in house production of electricity and same is being generated by use of renewable resources of energy. The company hugely contributing towards the green initiative.

#### FORM 'A'

#### Form for Disclosure of particulars with respect to Conservation of energy.

Power and fuel consumption:

Sr. No.	Particulars	2020-21	2019-20
1 (a)	<b>Electricity Purchased:</b>		
	Units	2258	3661
	Total Amount (Rs.)	34806	50030
1 (b)	<b>Electricity Own Generation:</b>		
(i)	Through Wind Turbine Generator units (MWH)	948266	1206400
	Diesel Consumption (liter)	N.A.	N.A.
	Units per Ur. Of Diesel Oil	N.A.	N.A.
	Cost/Unit (Diesel Cost)	N.A.	N.A.
(ii)	Through Steam turbine Generator	N.A.	N.A.
2	<b>Coal</b>	<b>N.A.</b>	<b>N.A.</b>
3	<b>Furnace Oil</b>	<b>N.A.</b>	<b>N.A.</b>

### (B) TECHNOLOGY ABSORPTION:

Research and Development: During the year under review company has not spent any amount for Research and Development; hence details under Form 'B' are not applicable.

Technology absorption adoption and innovation: The Company has taken necessary steps to improve technology for manufacturing coarse count yarn. The company has achieved progress in manufacturing the yarn at plant level.

Green Company: Adhering to green initiate the company has been generating its own electricity through wind turbine which is being used by the company to carry out manufacturing process. The company has been giantly contributing to green environment initiative.

### (C) FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars with regards to Foreign Exchange Earning and Outgo are set out in the accounts.

Date: 12<sup>th</sup> August, 2021

Place: Ahmedabad

For and on behalf of the Board,

Nirav Kalyanbhai Shah  
CEO & Director  
DIN: 0039733



### **ANNEXURE – II**

#### **NON APPLICABILITY OF REGULATION 27(2) OF SEBI (LODR) REGULATIONS, 2015 REGARDING CORPORATE GOVERNANCE REPORT**

This is to certify that in order to comply with Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Regulation 15 of Chapter IV SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Paid-up capital of the Company Jayatma Industries Limited is Rs. 6,15,30,000 viz. not exceeding Rs. 10 crore and the Net worth is Rs. 11,30,01,869.00 viz. less than Rs. 25 Crore as on the last day of the previous financial year i.e. 31<sup>st</sup> March, 2020. Therefore it is not required to submit Corporate Governance Report.

**Date: 12<sup>th</sup> August, 2021**  
**Place: Ahmedabad**

**For and on behalf of the Board,**

**Nirav Kalyanbhai Shah**  
**CEO & Director**  
**DIN: 0039733**



### ANNEXURE – III

#### FORM NO. MR - 3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**Jayatma Industries Limited.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jayatma Industries Limited** (hereinafter called the Company) (CIN: L17110GJ1983PLC006462) having its registered office at **259, 3rd Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad - 380002**. 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 audit period covering the financial year ended on 31st March, 2021 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 **Jayatma Industries Limited** (the Company) for the financial year ended on 31st March, 2021 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 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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; **[Not Applicable to the Company during the Audit Period]**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not Applicable to the Company during the Audit Period]**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable to the Company during the Audit Period]**
  - f) The Securities and Exchange Board of India (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; and **[Not Applicable to the Company during the Audit Period]**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not Applicable to the Company during the Audit Period]**
  - i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;



I have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- III. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.:

- A. The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.
- B. The Directors have signed against their respective names after the meeting has been held.
- C. The Company had not received any proxy forms for the Annual General Meeting for the financial year ended 31<sup>st</sup> March, 2020.
- D. The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- E. The Company has complied with the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- F. The Company has obtained all necessary approvals under the various provisions of the Act;
- G. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers except as mentioned below.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

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

The following mentioned observations are made:

- A. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- B. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

**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.

**I further report that** during the audit period, the Company has no other major / specific events, actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- i. Public/Right/Preferential issue of shares / debentures/sweat equity etc.
- ii. Redemption / buy-back of securities
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations.

**Place: Ahmedabad**  
**Date: August 12, 2021**

**Chintan K. Patel**  
**Practicing Company Secretary**  
**UDIN: A031987C000774553**  
**Mem. No.: A31987**  
**COP No.: 11959**



### **ANNEXURE - A to the Secretarial Audit Report**

**To,  
The Members,  
Jayatma Industries Limited**

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

1. The Management of the company is responsible for maintenance of secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the company with respect to Secretarial Compliances.
3. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

**Place: Ahmedabad  
Date: August 12, 2021**

**Chintan K. Patel  
Practicing Company Secretary  
UDIN: A031987C000774553  
Mem. No.: A31987  
COP No.: 11959**



### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31<sup>st</sup> March, 2021.

#### GLOBAL ECONOMY:

\*Recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook. Amid exceptional uncertainty, the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine powered strengthening of activity later in the year and additional policy support in a few large economies.

\*The projected growth recovery this year follows a severe collapse in 2020 that has had acute adverse impacts on women, youth, the poor, the informally employed and those who work in contact-intensive sectors. The global growth contraction for 2020 is estimated at -3.5 percent, 0.9 percentage point higher than projected in the previous forecast (reflecting stronger than expected momentum in the second half of 2020).

\*\*This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year's per capita income losses will not be fully unwound in about two thirds of EMDEs. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth enhancing reforms.

(Source: \*World Economic Outlook, January, 2021, \*\* World Bank – Global Economic Prospects)

#### INDIAN ECONOMY:

\*\*\*India's real GDP to record a growth of 11 percent in 2021-22 and nominal GDP by 15.4 percent the highest since independence. The V-shaped economic recovery is supported by the initiation of a mega vaccination drive with hopes of a robust recovery in the services sector and prospects for robust growth in consumption and investment. The Union Minister for Finance & Corporate Affairs, Smt. Nirmala Sitharaman presented the Economic Survey 2020-21 which states that the rebound will be led by the low base and continued normalization in economic activities as the rollout of COVID-19 vaccines gathers traction. The fundamentals of the economy remain strong as gradual scaling back of lockdowns along with the astute support of Atmanirbhar Bharat Mission have placed the economy firmly on the path of revival. This path would entail a growth in real GDP by 2.4 percent over the absolute level of 2019-20 implying that the economy would take two years to reach and go past the pre-pandemic level. These projections are in line with IMF estimate of real GDP growth 11.5 percent in 2021-22 for India and 6.8% in 2022-23. India is expected to emerge as the fastest growing economy in the next two years as per IMF.

(Source: \*\*\*Press Information Bureau, Government of India)

#### ORGANISATION PROFILE:

During the financial year under review the company continues to derive its main revenue from real estate activities and other activities by which income can be derived such as interest and dividend. Considering the Financial and economic development aspects & Impacts of the relate business, the company has continued with its operation of investment and Leasing & Rental business. Your company's performance continues to be sustained at satisfactory levels. It is expected that the economy will grow in the coming years and enable to regain steady or better performance.

#### OPPORTUNITIES AND THREATS:

The country's domestic market offers much potential for growth and numerous business opportunities. Further the other opportunities like Large, Potential Domestic and International Market, Investment and Foreign Direct Investment opportunities, increase in the Purchasing Power of Indian Customer, increase in local demand help for the growth of the company as well as industry. Jayatma Industries Limited is looking for the best opportunity for fruitful business which is most beneficial for the company.





The threats like Competition from other developing countries, threat for Traditional Market for Power loom and Handloom Products, Geographical Disadvantages, International labor and Environmental Law etc. may pose a threat to progress of industry.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial performance of the Company for the year 2019-20 is described in the Directors' Report under the head Financial Result.

### **RISKS AND CONCERNS:**

Like any other industry, the company is also exposed to risk of competition, government policies, natural factor etc. Many risks exist in a company's operating environment and they emerge on a regular basis i.e. risk of competition, government policies, fluctuation of commodity price, natural factor like change in climate etc. The Company has taken necessary measures to safeguard its assets/interests etc.

### **INTERNAL CONTROL SYSTEM:**

The Company has proper and adequate internal control systems to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets, misappropriation of funds and to ensure that all the transactions are authorized, recorded, reported and monitored correctly. The Company has adequate working infrastructure having computerization in all its operations including accounts and MIS.

The Company has continued its efforts to align all its processes and controls with leading practices. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal control and systems followed by the Company. The Management acted upon the observations and suggestions of the Audit Committee. Further, the Company has continued its efforts to align its processes and controls with best practices and has put in place a process wise internal control framework across the Company.

### **RECENT TREND AND FUTURE OUTLOOK:**

Jayatma Industries Limited continues to be involved in the field of Investment, Leasing & Rental business. The company is looking for the diversify its business area in order to streamlining the strengthening the brand of the company. The company in near future is planning for the development in the fruitful business.

### **CAUTIONARY STATEMENT:**

Readers are cautioned that the Statements in this Management Discussions and Analysis Report describing the Company objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price both domestic and overseas availability and cost of raw materials, change in Government regulations and tax structure, economic conditions affecting demand/supplies and other factors over which the Company does not have any control. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future.

**Date: 12<sup>th</sup> August, 2021**  
**Place: Ahmedabad**

**For and on behalf of the Board,**

**Nirav Kalyanbhai Shah**  
**CEO & Director**  
**DIN: 0039733**



### Independent Auditor's Report

**To the Members of JAYATMA INDUSTRIES LIMITED.  
(Formerly known: Santaram Spinners Ltd)**

#### **OPINION:**

We have audited the accompanying financial statements of Jayatma Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, 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 financial statements give the information required by the **Companies Act, 2013** ('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 March 31, 2021, its Profit and 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, as amended ("the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL RESULTS:**

The Statement has been prepared on the basis of the annual financial statements for the year ended March 31, 2021. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL RESULTS:**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.



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 Statement, 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 company has adequate internal financial controls with reference to these financial results, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs 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, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

For, G M C A & Co  
Chartered Accountants  
(FRN No.109085W)

Date: 18/06/2021  
Place: Ahmedabad

Mitt S. Patel  
Partner  
Membership No.: 163940  
UDIN: 21163940AAAAANJ3856

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on  
31st March 2021**

To,  
The Members of JAYATMA INDUSTRIES LIMITED

**(1) IN RESPECT OF FIXED ASSETS:**

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- c) Yes, The Title deeds of Immovable Properties are held in the name of the Company.

**(2) IN RESPECT OF INVENTORIES:**

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.

**(3) COMPLIANCE UNDER SECTION 189 OF THE COMPANIES ACT, 2013:**

The Company has not granted any loan to the parties covered in the register maintained u/s 189 of the companies Act, 2013.

- a) As there is no such loan, question of prejudicially does not arise.
- b) As there is no such loan, question of repayment terms & conditions also does not arise.
- c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

**(4) COMPLIANCE UNDER SECTION 185 AND 186 OF THE COMPANIES ACT, 2013:**

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**(5) COMPLIANCE UNDER SECTION 73 TO 76 OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER WHILE ACCEPTING DEPOSITS:**

According to information and explanations given to us, the Company has not accepted any deposits during the Financial Year under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.



**(6) MAINTENANCE OF COST RECORDS:**

The Company is not required to maintain cost Records 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, 2013.

**(7) DEPOSIT OF STATUTORY DUES:**

- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Cess and any other material statutory dues with the appropriate authorities.
- b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of Income Tax , Sales Tax as on 31st March, 2021 which have not been deposited on account of dispute are as under:

Name of Statute	Nature of Dues	Amount (Rs)	Period to which the Amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax Act	Sales Tax Including Interest and Penalty, as applicable	956900	F.Y. 2006-07	Sales Tax Tribunal (Vat)
		914477	F.Y. 2006-07	Sales Tax Tribunal (Vat)

**(8) REPAYMENT OF LOANS AND BORROWINGS:**

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

**(9) UTILIZATION OF MONEY RAISED BY PUBLIC OFFERS AND TERM LOAN FOR WHICH THEY RAISED:**

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However, money raised by way of term loans have been applied for the purposes for which they have been obtained.

**(10) REPORTING OF FRAUD DURING THE YEAR:**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(11) MANAGERIAL REMUNERATION:**

Managerial Remuneration has not been provided by the Company.

**(12) COMPLIANCE BY NIDHI COMPANY REGARDING NET OWNED FUND TO DEPOSITS RATIO:**

As per information and records available with us the company is not Nidhi Company.

**(13) RELATED PARTY COMPLIANCE WITH SECTION 177 AND 188 OF COMPANIES ACT – 2013:**

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**(14) COMPLIANCE UNDER SECTION 42 OF COMPANIES ACT - 2013 REGARDING PRIVATE PLACEMENT OF SHARES OR DEBENTURES:**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



**(15) COMPLIANCE UNDER SECTION 192 OF COMPANIES ACT – 2013:**

The company has not entered into any non-cash transactions with directors or persons connected with him.

**(16) REQUIREMENT OF REGISTRATION UNDER 45-IA OF RESERVE BANK OF INDIA ACT, 1934:**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

For, G M C A & Co  
Chartered Accountants  
(FRN No.109085W)

Date: 18/06/2021  
Place: Ahmedabad

Mitt S. Patel  
Partner  
Membership No.: 163940  
UDIN: 21163940AAAANJ3856

**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 **M/S JAYATMA INDUSTRIES LIMITED** (“the Company”) as of March 31, 2021 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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 March 31, 2021.

**For, G M C A & Co**  
**Chartered Accountants**  
**(FRN No.109085W)**

**Date: 18/06/2021**  
**Place: Ahmedabad**

**Mitt S. Patel**  
**Partner**  
**Membership No.: 163940**  
**UDIN: 21163940AAAAANJ3856**



## Audited Statement Of Assets And Liabilities As At 31st March, 2021

	Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>I</b>	<b>ASSETS</b>			
	<b>1. Non-current Assets</b>			
	(a) Property, Plant and Equipments	1	43602621	48114415
	(b) Other Intangible Assets			
	(c) Financial Assets			
	(i) Loans & Advances	2	3104934	3304934
	(d) Other Non-current Assets			
	<b>Total Non-current Assets</b>		<b>46707555</b>	<b>51419349</b>
	<b>2. Current Assets</b>			
	(a) Inventories	3	50099602	48530197
	(b) Financial Assets			
	(i) Investment	4	756779	783111
	(ii) Trade Receivables	5	204727661	255948498
	(iii) Cash and Cash Equivalents	6	30752109	1668283
	(c) Other Current Assets	7	17737510	22761064
	<b>Total Current Assets</b>		<b>304073661</b>	<b>329691153</b>
	<b>TOTAL ASSETS</b>		<b>350781216</b>	<b>381110503</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1. Equity</b>			
	(a) Equity Share Capital	8	61530000	61530000
	(b) Other Equity	9	57217688	54876920
	<b>Total Equity</b>		<b>118747688</b>	<b>116406920</b>
	<b>2. Liabilities</b>			
	<b>Non-current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowing	10	26016494	
	(b) Deferred Tax Liabilities (Net)	11	7207540	7334363
	<b>Total Non-current Liabilities</b>		<b>33224034</b>	<b>7334363</b>
	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12	132813844	156123382
	(ii) Trade Payable	13	57250226	87972078
	(b) Other Current Liabilities	14	8745423	13273759
	<b>Total Current Liabilities</b>		<b>198809493</b>	<b>257369219</b>
	<b>Total Equity and Liabilities</b>		<b>350781216</b>	<b>381110503</b>

Contingent Liabilities & Commitment

As per the Notes to Accounts

**G.M.C.A. & Co**  
Chartered Accountants  
FRN: 109850W

**For, Jayatma Industries Limited**

**Nirav Shah**  
(Director & CEO)  
DIN: 00397336

**Fenil Shah**  
(Director)  
DIN: 01558417

**CA Mitt S. Patel**  
Partner  
Mem. No.: 163940

**Mayank Thaker**  
(Chief Financial Officer)

**Hardik Joshi**  
Company Secretary  
Mem. No.: A58557

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad





## Audited Statement Of Profit And Loss For The Year Ended On 31st March, 2021

	Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
I	Revenue From Operations	15	1552954897	1164719225
II	Other Income	16	853305	1401695
III	<b>Total Revenue (I+II)</b>		<b>1553808202</b>	<b>1166120920</b>
IV	<b>Expenses</b>			
	Purchase of Stock in Trade	17	1476047896	1044620349
	Changes in Inventories	18	(1569405)	48733694
	Employee Benefit Expenses	19	2758076	2553802
	Finance Costs	20	17250582	23941668
	Depreciation and Amortisation Expenses		3148376	3400322
	Other Expenses	21	53009478	41426678
	<b>Total Expenses</b>		<b>1550645003</b>	<b>1164676514</b>
V	<b>Profit Before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>3163200</b>	<b>1444407</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit Before Extraordinary Items &amp; Tax</b>		<b>3163200</b>	<b>1444407</b>
	Prior Period Items		-	-
VIII	<b>Profit Before Tax</b>		<b>3163200</b>	<b>1444407</b>
IX	<b>Tax Expenses</b>			
	Current Tax		949254	500000
	Deferred Tax		(126823)	(896875)
X	<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		<b>2340768</b>	<b>1841282</b>
XI	<b>Profit/(Loss) from Discontinuing Operations</b>		-	-
XII	Tax Expenses of Discontinuing Operations		-	-
XIII	<b>Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>		-	-
XIV	<b>Profit/(Loss) for the Period (XI+XIV)</b>		<b>2340768</b>	<b>1841282</b>
XV	<b>Earning Per Equity Share</b>			
	Basic		0.38	0.30
	Diluted		0.38	0.30

The Notes referred to above from an integral part of the Balance Sheet.

**G.M.C.A. & Co**  
Chartered Accountants  
FRN: 109850W

**CA Mitt S. Patel**  
Partner  
Mem. No.: 163940

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad

**For, Jayatma Industries Limited**

**Nirav Shah**  
(Director & CEO)  
DIN: 00397336

**Mayank Thaker**  
(Chief Financial Officer)

**Fenil Shah**  
(Director)  
DIN: 01558417

**Hardik Joshi**  
Company Secretary  
Mem. No.: A58557

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad



## Audited Cash Flow Statement for the Year Ended on 31st March, 2021

	Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit Before Tax</b>	<b>3163200</b>	<b>1444407</b>
	Adjustments for:		
	Add: Depreciation	3148376	3400322
	Less: Dividend Income	-	(6000)
	Less: Interest Income	(24043)	(72154)
	Add: Interest Expense	17250582	22852000
	Add: Amount Written off	36085063	3159000
	Less: Other Written off	(517000)	-
	Less: (Profit)/Loss on sale of Assets	-	(174000)
	Add: Share Listing & Processing Fees	-	-
	Operating Profit / (Loss) before Working Capital Charges	59106178	30603575
	Adjustment for:		
	Increase/(Decrease) in Creditors	(25080775)	21973275
	Increase/(Decrease) in Other Current Liabilities	(533573)	746492
	(Increase)/Decrease in Debtors	11215281	(64354167)
	(Increase)/Decrease in Inventories	(1569602)	48733695
	(Increase)/Decrease in Other Current Assets	1569490	-
	(Increase)/Decrease in Loans & Advances and Others	(259934)	10934091
	Increase/(Decrease) in Borrowing (Non-current)	25388494	-
	<b>Cash Flow Generated from Operating Activities</b>	<b>69835559</b>	<b>48636961</b>
	Income-tax Paid (Net of Refund)	(949000)	(500000)
	<b>Net Cash Flow Generated from Operating Activities (A)</b>	<b>68886559</b>	<b>48136886</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase/Sale of Fixed Assets (Reverse of S. Tax)	1739000	(1644925)
	Sale of Investments	(198779)	2279823
	Fixed Deposits	-	-
	Dividend Income	-	6045
	<b>Net Cash Flow Generated from Investment Activities (B)</b>	<b>1540221</b>	<b>640943</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from Issue of Share Capital	-	-
	Cash Received from Share Premium	-	-
	Increase/(Decrease) in Non-current Liabilities & Provisions	-	-
	Interest Paid	(17250582)	(22852473)
	Interest Received	24000	72154
	Proceeds from Secured Loan	(2058000)	1252401
	<b>Net Cash Flow Generated from Financing Activities (C)</b>	<b>(19284582)</b>	<b>(21527918)</b>
	<b>Net Change in Cash and Cash Equivalent (A+B+C)</b>	<b>51142198</b>	<b>27249911</b>
	Opening Cash & Cash Equivalent	(153202697)	(180452608)
	<b>Closing Cash &amp; Cash Equivalent</b>	<b>(102060499)</b>	<b>(153202697)</b>

**G.M.C.A. & Co**  
Chartered Accountants  
FRN: 109850W

For, Jayatma Industries Limited

**Nirav Shah**  
(Director & CEO)  
DIN: 00397336

**Fenil Shah**  
(Director)  
DIN: 01558417

**CA Mitt S. Patel**  
Partner  
Mem. No.: 163940

**Mayank Thaker**  
(Chief Financial Officer)

**Hardik Joshi**  
Company Secretary  
Mem. No.: A58557

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad



## Audited Statement of Changes in Equity as at 31<sup>st</sup> March, 2021

### A. Equity Share Capital:

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance at the beginning of the Financial Year	6174400	61530000	6174400	61530000
Changes in Equity Share Capital during the Year	-	-	-	-
Closing Balance at the end of Financial Year	6174400	61530000	6174400	61530000

### B. Other Equity:

Particulars	Reserves and Surplus			Total
	Security Premium	Capital Reserve	Retained Earning	
Balance as at 1 <sup>st</sup> April, 2019	38376200	3299308	11310847	14610155
Change during the year	-	-	1841282	1841282
Balance as at 31 <sup>st</sup> March, 2020	38376200	3299308	13152129	54827637
Change during the year	-	-	2340768	2340768
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income / (Loss) for the Year	-	-	2340768	2340768
Balance as at 31 <sup>st</sup> March, 2021	38376200	3299308	15492897	57168405

See accompanying notes to the Financial Statements

**G.M.C.A. & Co**  
Chartered Accountants  
FRN: 109850W

**CA Mitt S. Patel**  
Partner  
Mem. No.: 163940

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad

For, Jayatma Industries Limited

**Nirav Shah**  
(Director & CEO)  
DIN: 00397336

**Mayank Thaker**  
(Chief Financial Officer)

**Fenil Shah**  
(Director)  
DIN: 01558417

**Hardik Joshi**  
Company Secretary  
Mem. No.: A58557

Date: 18<sup>th</sup> June, 2021  
Place: Ahmedabad

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

**1. Property, Plant and Equipment**

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 1 <sup>st</sup> April, 2020	Addition during the year	Deduction during the year	As at 31 <sup>st</sup> March, 2021	As at 1 <sup>st</sup> April, 2020	Depreciation Charge	Deduction during the year	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
1	Building	18318434	-	-	18318434	9844110	484521	-	10328631	7989803	8474324
2	Computers	271410	21830	-	293240	249920	14384	-	264304	28936	21490
3	Electric Installation	413036	-	-	413036	310536	43236	-	353772	59264	102500
4	Furniture & Fixtures	2990154	-	-	2990154	2807850	-	-	2807850	182304	182304
5	Land	1871954	-	-	1871954	-	-	-	-	1871954	1871954
6	Office Equipment	1159237	119900	-	1279137	932419	48383	-	980802	298335	226818
7	Plant & Machinery	47697989	-	1200000	46497989	13559473	2130289	-	15689762	30808227	34138516
8.	Vehicle	7512177	-	679616	6832561	4415667	427563	374468	4468762	2363799	3096510
	<b>Total</b>	<b>80234390</b>	<b>141730</b>	<b>1879616</b>	<b>78496504</b>	<b>32119975</b>	<b>3148376</b>	<b>374468</b>	<b>34893883</b>	<b>43602621</b>	<b>48114415</b>

**2 Loans and Advances (Deposit)**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>a) Security Deposits</b>		
Ahmedabad Telephone Dep.	19000	19000
Airtel – Tel Dep.	1500	1500
BSNL – Tel Dep.	276	276
BSNL – Tel Dep. Land Line NCM	4000	4000
BSNL – Tel Dep. – WLL Inst.	18000	18000
CST Registration – Rajasthan	10000	10000
NTC Ahmedabad – Sec Deposit Yarn	-	200000
NTC Ltd. Bhuranpur	700000	700000
Security Deposit – UGVCL, Kadi	30064	30064
UGVCL – Elec. Security Deposit	371071	371071
VAT Registration - Rajasthan	10000	10000
<b>b) Advance to Suppliers</b>		
Giriraj Cotton Limited (Trade Dep.)	1450000	1450000
The Cotton Corporation of India Ltd (Deposit)	458961	458961
Manikaran Analytics Limited (Bank Guaranty)	32062	32062
<b>Total</b>	<b>3104934</b>	<b>3304934</b>

**3 Inventories**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Closing Stock</b>		
Cotton	10077246	38758620
Khole	2342088	3363102
Yarn	37680268	2915675
Cotton Seed Wash Oil	-	3492800
<b>Total</b>	<b>50099602</b>	<b>48530197</b>

**4 Investments**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
JCPL Shares – 4100 @ 10	108650	108650
JSL Shares - 20000 @ 40	400000	400000
NNSB Shares – 2000 @ 25	(100)	50275
UBI FD A/c	248229	224186
<b>Total</b>	<b>756779</b>	<b>783111</b>

**5 Trade Receivables**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Outstanding for six months from the due date</b>		
Outstanding for less than six months from the due date	183694506	203425395
Unsecured, considered good		
Outstanding for more than six months from the due date	21033155	52523102
Unsecured, considered good		
<b>Total</b>	<b>204727661</b>	<b>255948497</b>



### 6 Cash & Cash Equivalent

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash on Hand	392428	417287
<b>Balance with Banks</b>		
NNSB – 003111500009026	-	748101
PNB - 0292002100018746	-	132987
PNB- 0292005800000019	-	171636
SBI 32043440230	-	46979
S. B. S. A/c No. 66010044048	-	(2)
UBI -372001010036306	123430	798
UBI-37200 10100 36766	30163300	61298
UBI-372001010037037	50678	50678
UBI P.C. A/c No: 37200 10700 50001	22273	22273
UBI- 387601010035089	-	16248
<b>Total</b>	<b>30752109</b>	<b>1668283</b>

### 7 Other Current Assets

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Balance with Government Authorities</b>		
Advance Income Tax	1271332	1271332
Advance Income Tax FY 2019-20	363190	363190
IGST 5% Receivable on Export	4908368	2793052
Income Tax FY 2012-13	840	840
Income Tax FY 2013-14	(22536)	(22536)
TCS Receivable FY 2014-15	43513	43513
TDS Receivable	448854	562060
TDS Receivable FY 2014-15	1248892	1248892
TDS Receivable FY 2014-15 (Interest)	5267	5267
TDS Receivable FY 2016-17	567487	567487
TDS Receivable FY 2017-18	883512	883512
GST Receivable	(270908)	2923321
TCS Receivable	1037199	-
VAT Receivable	250331	250331
<b>Other Receivable</b>		
Car Receivable	444674	444674
Desai Shashikant Dhakalu	53062	53062
Duty Drawback Receivable	3057537	13378
Pre-paid Exp.	-	106186
Prepaid Insurance	270906	158928
Prepaid Loan Processing Charges	-	467676
<b>Advances to Suppliers</b>		
Ajaykumar Anantramji Purohit	-	-
BSNL A/c	391	-
Chetankumar Kamleshkumar Joshi	17000	-
Shreenathji Cotton Company	-	7490881
Faiz Industries	-	7173
Indian Cotton Industries	-	1887
Parth Cotton And Oil Industries	-	1219
Real Cotton Industries	-	2642
Shiv Cotton Industries, Otala	-	6581
Yogeshbhai Dayabhai Gajjar	3158599	3116516
<b>Total</b>	<b>17737510</b>	<b>22761064</b>



## 8 Share Capital

### I. Authorised, Issued, Subscribed and Paid-up Share Capital

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Equity Share of Rs. 10/- Each	7500000	75000000	7500000	75000000
<b>Total</b>	<b>7500000</b>	<b>75000000</b>	<b>7500000</b>	<b>75000000</b>
<b>Issued Share Capital</b>				
Equity Share of Rs. 10/- Each	6174400	61744000	6174400	61744000
<b>Total</b>	<b>6174400</b>	<b>61744000</b>	<b>6174400</b>	<b>61744000</b>
<b>Subscribed and Fully Paid</b>				
Equity Share of Rs. 10/- Each	6174400	61744000	6174400	61744000
Less: Calls in Arrears	214000	214000	214000	214000
<b>Total</b>	<b>6153000</b>	<b>61530000</b>	<b>6153000</b>	<b>61530000</b>

### II. Reconciliation of Share Capital

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>				
<b>Shares Outstanding at the Beginning of the Year</b>	<b>6174400</b>	<b>61530000</b>	<b>6174400</b>	<b>61530000</b>
Shares Cancelled During the Year	-	-	-	-
Shares Issued During the Year	-	-	-	-
Shares Converted from Convertible Warrants	-	-	-	-
<b>Shares Outstanding at the End of the Year</b>	<b>6174400</b>	<b>61530000</b>	<b>6174400</b>	<b>61530000</b>

### III. Shareholders Holding More Than 5% Share

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Apurva Kalyanbhai Shah	421004	6.82	421004	6.82
Late Kalyan Jayantilal Shah (Under Process of Transfer to Legal Heir)	1647350	26.68	1647350	26.68
Infinium Natural Resources Investments Pvt. Ltd.	686000	11.11	686000	11.11

## 9 Reserve & Surplus

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Capital Reserve</b>		
Opening Balance	3299308	3299308
Addition during the Year	-	-
<b>Closing Balance</b>	<b>3299308</b>	<b>3299308</b>
<b>Securities Premium</b>		
Opening Balance	38376200	38376200
Addition during the Year	-	-
<b>Closing Balance</b>	<b>38376200</b>	<b>38376200</b>
<b>Other Reserves</b>		
Opening Balance	49284	49284
Addition during the Year	-	-
<b>Closing Balance</b>	<b>49284</b>	<b>49284</b>
<b>Profit and Loss Account</b>		
Opening Balance	13152128	11310847
Profit /(Loss) for the Year	2340768	1841281
<b>Closing Balance</b>	<b>15492896</b>	<b>13152128</b>
<b>Total</b>	<b>57217688</b>	<b>54876920</b>

## 10 Long Term Borrowings

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Loan</b>		
Working Capital Credit Facilities	-	-
From Bank	24863829	-
Term Loan Vehicle from Bank	1152665	-
<b>Total</b>	<b>26016494</b>	<b>-</b>

## 11 Deferred Tax Liability (Net)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Deferred Tax Asset</b>		
At the Beginning of the Year	7334363	8230886
On Account of Current Year	(126823)	(896523)
At the End of the Year	7207540	7334363
<b>Total</b>	<b>7207540</b>	<b>7334363</b>

## 12 Borrowings

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Secured Loan</b>		
Working Capital Credit Facilities / Vehicle Loan	-	-
From Bank	132813844	156123382
<b>Total</b>	<b>132813844</b>	<b>156123382</b>

## 13 Trade Payable

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Trade Payable	57250226	87972078
<b>Total</b>	<b>57250226</b>	<b>87972078</b>



## 14 Other Current Liabilities

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>TDS Payable</b>		
TDS on Commission & Brokerage (194H)	-	12858
TDS on Interest (194A)	32798	224446
TDS on Job Contract (194C)	81086	108090
TDS on Professional & Tech. Fees (194J)	17760	29535
TCS Payable	202252	6835
<b>Provisions</b>		
Provision for Income-tax	2237203	1288000
Provision for Income-tax FY 18-19	1200000	1200000
Provision for Tax 2015-16	445000	445000
Provision for Tax FY 14-15	580000	580000
Provision for Tax FY 20-21	-	-
Tax Provisions for the Year 2016-17	653000	653000
Provision for Expense	80000	-
Unpaid Exp.	1505262	7177467
Unpaid Salary Exp.	136596	150146
Unpaid Transportation Exp.	-	-
<b>Advances from Suppliers</b>		
Chamunda Trading Co.	123480	-
Arihant Spinning Mills	98607	98607
Quality Claim Exp. – Sel Mfg Co. Ltd (Mehatwara) A/c	-	385025
SEL Manufacturing Co. Ltd.	-	539840
SEL Manufacturing Co. Ltd. (Punjab)	-	374910
Shree Gurukrupa Cotton Industries	71837	-
Aishwarya Sales Corporation	1278960	-
DD Cotton Pvt. Ltd.	628	-
ORA India Private Limited	1	-
Satyam Spinners Pvt. Ltd.	953	-
<b>Total</b>	<b>8745423.47</b>	<b>13273759.47</b>

## 15 Revenue from Operations

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Sale of Goods	1504345897	1149647923
Other Operating Revenue	48609001	15071302
<b>Total</b>	<b>1552954897</b>	<b>1164719225</b>

## 16 Other Income

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Dividend Income	-	6045
Interest on Bank Deposits	24043	72154
Insurance Income	-	1871
Rate Fluctuation	807380	1146899
Profit on Investment Redemption	-	174426
Scrap Income	-	300
Other Income	21882	-
<b>Total</b>	<b>853305</b>	<b>1401695</b>

**17 Purchase of Stock in Trade**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Purchase of Goods	1476047896	1044620349
<b>Total</b>	<b>1476047896</b>	<b>1044620349</b>

**18 Change in Inventory**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>(A) Opening Stock</b>	<b>48530197</b>	<b>97263891</b>
Finished Goods	48530197	97263891
<b>(B) Closing Stock</b>	<b>50099602</b>	<b>48530197</b>
Finished Goods	50099602	48530197
<b>Total</b>	<b>(1569405)</b>	<b>48733694</b>

**19 Employee Benefit Expenses**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Bonus Exp.	120500	146575
Salary & Wages Exp.	1367497	2064256
Staff Welfare Exp.	1270079	180784
Director Perquisites Expenses	-	162187
<b>Total</b>	<b>2758076</b>	<b>2553802</b>

**20 Finance Costs**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Interest Expenses	15828480	22852473
Bank Charges	624556	163639
Bank Charges – Export	288119	256229
Bank Charges – Import	-	14934
Bank Interest – FDBP	-	81418
Interest on TDS	13325	15083
Interest on GST	150	25466
Interest on Income-tax	(10224)	-
Processing Charges	506176	532426
<b>Total</b>	<b>17250582</b>	<b>23941668</b>

**21 Other Expenses**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Administrative Expenses	(803942)	5676259
Legal & Professional Tax	-	208495
Other Operating & Administrative Exp.	16608559	34813719
Selling & Distribution Exp.	(65858)	728205
Other Expense	37270719	-
<b>Total</b>	<b>53009478</b>	<b>41426678</b>



### Significant Accounting Policies

- **COMPANY OVERVIEW:**

JAYATMA INDUSTRIES LIMITED (formerly known as SANTARAM SPINNERS LIMITED) (“the company”), is a public limited Company incorporated as private limited company in 1983 and subsequently converted to public limited company in 1994. The company’s shares are listed on Bombay Stock Exchange. The registered office of the Company is located at 259, 3rd Floor, New Cloth Market, Outside Raipur Gate, Ahmedabad- 380002. The company is engaged in manufacturing and trading of cotton – Kapas, ginning cotton bales, raw oil and its agro by-products and yarn.

- **BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company’s normal p normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of Financial Statements The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

- **USE OF ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

- **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognized impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2020-2021.

- **FINANCIAL INSTRUMENTS:**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.



- **FINANCIAL ASSETS:**

- **Classification**

The Company classifies its financial assets in the following measurement categories:

- ✓ Those to be measured subsequently at fair value (either through OCI, or through profit or loss);
- ✓ Those measured at amortised cost; and
- ✓ Those measured at carrying cost for equity instruments of subsidiaries and joint venture.

- **Initial Recognition and Measurement**

All financial assets, are recognized initially at fair value.

- **FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS:**

- **Classification as Debt or Equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- ✓ **Equity Instruments:**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Standalone Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Standalone Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

- ✓ **Financial Liabilities:**

The Company's financial liabilities comprise borrowings, trade payables and other liabilities.

These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

- ✓ **Financial Liabilities at Amortised Cost:**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

- **FAIR VALUE MEASUREMENT:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.



- **REVENUE RECOGNITION:**

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognized at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance obligation:

The revenue is recognized on fulfilment of performance obligation.

- **SALE OF PRODUCTS:**

The Company earns revenue primarily from sale of Biofuel, Electronic Products and activities.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognized as a provision.

Revenue is recognized when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

- **BORROWING COSTS:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

- **TAXATION:**

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

- **CURRENT TAX:**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **DEFERRED TAX:**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss is either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

## EARNINGS PER SHARE:

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

## 22 Other Notes Forming Part of the Financial Statements

### I. Contingent Liabilities to the Extent Not Provided For:

#### GUARANTEES:

Claims against company, disputed by the company, not acknowledged as debt:

Name of Statute	Nature of Dues	Amount (in Rs.)	Period to which the Amount Relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax	Sales Tax including Interest and Penalty, as applicable	956900/-	FY 2006-07	Sales Tax Tribunal (VAT)
		914477/-	FY 2006-07	Sales Tax Tribunal (VAT)

### II. Foreign Expenditure and Earnings:

#### A. Expenditure / Outgo in Foreign Currency:

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
For Purchases of Cotton Bales/Comber Oil Waste	-	4730590
For Expenses	-	920825
Total Foreign Currency Outgo	-	5651415

#### B. Earnings / Receipt in Foreign Currency:

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Export of Goods	262357512	80822438

### III. Segment Reporting:

#### A. Segment Information:

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses earnings before interest, tax, depreciation and amortization (EBITDA) as performance measure to assess the performance of the operating segments.

For the management purpose, the company is engaged in single business segment i.e. in manufacturing and trading of cotton – Kapas, ginning cotton bales, raw oil and its agro by- products and yarn.

Details Products contributing 10% or more of Revenue from Operation.

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cotton	771894917	974666280
Yarn	726173059	162427642
Others	6277921	12554001
<b>Total</b>	<b>1504345897</b>	<b>1149647923</b>



## B. The Geographical Segments Considered for Disclosure are as Under:

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Turnover within India	1241988385	1068825485
Turnover Outside India	262357511	80822438

## IV. Capital Expenditure Commitments: NIL

## V. Quantitative Details Regarding Stocks: NIL

## VI. Related Party Transactions:

As per Indian Accounting Standard (Ind AS-24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1.	Nirav Kalyanbhai Shah	Chief Executive Officer & Director
2.	Rajan Priyakant Parikh	Director
3.	Janak Gautambhai Nanavati	Director
4.	Fenil Rameshchandra Shah	Director
5.	Toshi Mehta	Director
6.	Mayank Thaker	Chief Financial Officer
7.	Hardik Joshi	Company Secretary

## VII. Transactions with Related Parties:

Company has done transaction with the Related Parties. Closing Balances of their Loan Accounts have been stated below. (As on 31st March, 2021)

Sr. No.	Name	Nature of Transaction	Amount
1.	Janak Gautambhai Nanavati	Sitting Fees Paid	12000
		<b>Closing Balance</b>	<b>1750</b>
2.	Fenil Rameshchandra Shah	Sitting Fees Paid	12000
		<b>Closing Balance</b>	<b>1750</b>
3.	Rajan Priyakant Parikh	Sitting Fees Paid	15250
		<b>Closing Balance</b>	<b>1750</b>

## VIII. Earning Per Share:

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of Ind AS-33.

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Net Profit Attributable to Shareholder	2340768	1841282
Weighted Average Number of Equity Shares (Nos.)	6174400	6174400
Basic and Diluted Earnings Per Share (Rs.)	0.38	0.38
Nominal Value of Equity Share (Rs.)	10	10

## IX. Capital Management:

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Total Equity Attributable to the Equity Shareholders of the Company	61530000	61530000
As a Percentage of Total Capital	32.45%	28.49%
Current Loans and Borrowings	-	-
Non-current Loans and Borrowings	158830338	156123382
<b>Total Loans and Borrowings</b>	<b>158830338</b>	<b>156123382</b>
Cash and Cash Equivalents	30752109	1668283
Net Loans and Borrowings	128078229	154455099
As a Percentage of Total Capital	67.55%	71.51%
<b>Total Capital (Loans and Borrowings and Equity)</b>	<b>189608229</b>	<b>215985099</b>

## X. Fair Value Measurement:

### A. Financial Instruments by Category:

Particulars	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
Investments	756779	108550	400000	783111	158925	400000
Loans	3104934	-	-	3304934	-	-
Trade Receivables	204727661	-	-	255948498	-	-
Cash and Cash Equivalents	-	-	-	-	-	-
Other Financial Assets	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>208589374</b>	<b>108550</b>	<b>400000</b>	<b>260036543</b>	<b>158925</b>	<b>400000</b>
<b>Financial Liabilities</b>						
Non-current Borrowings	158830338	-	-	156123382	-	-
Trade Payables	57250226	-	-	87972078	-	-
Other Financial Liabilities	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>216080564</b>	<b>-</b>	<b>-</b>	<b>244095460</b>	<b>-</b>	<b>-</b>

\* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27.

### FAIR VALUE HIRARCHY:

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

### B. Fair Value Hierarchy for Assets:

#### Financial Assets Measured at Fair Value at 31<sup>st</sup> March, 2021:

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	756779	756779





## Financial Assets Measured at Fair Value at 31<sup>st</sup> March, 2020

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	7831111	7831111

### Notes:

- Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).
- Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.
- Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### C. Fair Value of Financial Assets and Liabilities Measured at Amortised Cost:

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## **XI. Financial Risk Management:**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its Activities. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure Arising From	Measurement	Management of Risk
Credit Risk	Cash and Cash Equivalents, Trade Receivables, Financial Assets Measured at Amortised Cost.	Aging Analysis	Diversification of Funds to Bank Deposits, Liquid Funds and Regular Monitoring of Credit Limits.
Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts	Availability of Surplus Cash, Committed Credit Lines and Borrowing Facilities.

### (a) Credit Risk:

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum

exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

### Trade Receivables:

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, considering its financial position, past experience and other factors

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	Gross Carrying Amount	Expected Credit Losses Rate (%)	Expected Credit Losses	Carrying Amount of Trade Receivable
Considered for Goods				
0 – 12 Months	204727661	0	0	204727661
More than 1 Year	0	0	0	0
<b>Total</b>	<b>204727661</b>	<b>0</b>	<b>0</b>	<b>204727661</b>

### (b) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Liquidity Table:

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

#### As at 31<sup>st</sup> March, 2021

Financial Liabilities	Payable Within 0 to 12 Months	More than 12 Months	Total
<b>Non-current Financial Liabilities</b>			
Borrowings	-	158830338	158830338
<b>Current Financial Liabilities</b>			
Borrowings	-	-	-
Trade Payables	57250226	-	57250226
Other Financial Liability	-	-	-
<b>Total Financial Liability</b>	<b>57250226</b>	<b>158830338</b>	<b>216080564</b>

#### As at 31<sup>st</sup> March, 2020

Financial Liabilities	Payable Within 0 to 12 Months	More than 12 Months	Total
<b>Non-current Financial Liabilities</b>			
Borrowings	-	156123382	156123382
<b>Current Financial Liabilities</b>			
Borrowings	-	-	-
Trade Payables	87972078	-	87972078
Other Financial Liability	-	-	-
<b>Total Financial Liability</b>	<b>87972078</b>	<b>156123382</b>	<b>244095460</b>



**(c) Market Risk:**

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities

**(d) Price Risk Exposure:**

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

### **XII Others:**

- Balance of sundry debtors and creditors, loans and advances accepted and given in the Balance Sheet are subject to confirmation.
- As informed by the management that the loans are interest free which in our opinion is violation of Section 186(7) of the Companies Act, 2013.
- Above disclosure is made after considering the principle of materiality.
- In the events of non availability of suitable supporting vouchers, directors have given us certificate that these expenses are incurred mainly for the business activities of the Company.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**G.M.C.A. & Co**  
Chartered Accountants  
FRN: 109850W

**CA Mitt S. Patel**  
Partner  
Mem. No.: 163940  
**UDIN: 21163940AAAAANJ3856**

**Date: 18<sup>th</sup> June, 2021**  
**Place: Ahmedabad**

**For, Jayatma Industries Limited**

**Nirav Shah**  
(Director & CEO)  
DIN: 00397336

**Mayank Thaker**  
(Chief Financial Officer)

**Fenil Shah**  
(Director)  
DIN: 01558417

**Hardik Joshi**  
Company Secretary  
Mem. No.: A58557

**Date: 18<sup>th</sup> June, 2021**  
**Place: Ahmedabad**