

BOARD'S REPORT

To,

The Members,

Your Directors are pleased to present the 17th Annual Report of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2020.

FINANCIAL HIGHLIGHTS:

The brief Financial Results are as under:

(Amount in ₹)

Particulars	31/03/2020	31/03/2019
Net Revenue from operations	17,39,51,226	17,05,70,681
Add: Other Income	2,69,145	63,235
Total Revenue	17,42,20,371	17,06,33,916
Expenditure	15,84,00,311	16,94,15,818
Profit/ (Loss) before Finance Cost, Depreciation & Amortization and Tax Expenses	1,58,20,060	12,18,098
Less: Finance Cost	26,33,200	37,71,835
Less: Depreciation & Amortization	51,22,379	52,33,444
Profit/ (Loss) Before Tax	80,64,482	(77,87,181)
Less: Taxation		
i) Current Tax	6,04,630	-
ii) Deferred Tax	15,09,964	(20,23,551)
Total Tax (i+ii)	21,14,594	(20,23,551)
Profit/ (Loss) after Tax	59,49,888	(57,63,630)
Add: Balance brought forward from previous year	20,27,655	77,91,285
Total amount available for appropriation	79,77,543	20,27,655
Less: Proposed Equity Dividend	58,37,672	-
Balance carried forward to next year's accounts	21,39,870	20,27,655

Note: The above figures are extracted from the financial statements.

OVERVIEW OF COMPANY'S PERFORMANCE:

The Key points pertaining to the business of the Company for the year 2019-20 and period preceding thereto have been given hereunder:

- The Total revenue of the Company during the financial year 2019-20 was ₹ 17,42,20,371/- against the total revenue of ₹ 17,06,33,916/- in the previous financial year 2018-19.
- The Total expenses of the Company during the financial year 2019-20 was ₹ 5,84,00,311/- against the expenses of ₹ 16,94,15,818/- in the previous financial year 2018-19.
- The Profit after tax was ₹ 59,49,888/- for the financial year 2019-20 as compared to the Loss after tax of ₹ 57,63,630/- in the previous financial year 2018-19.

The turnaround position of profitability is assignable to the increase in revenue, raw material cost optimization and reduction in finance cost.

CAPITAL STRUCTURE:

The Authorized Share Capital of the Company is ₹ 4,25,00,000/- (Rupees Four Crore Twenty Five lakh only) divided into ₹ 42,50,000 (Forty Two Lakh Fifty Thousand) equity shares of ₹ 10/- each.

The Paid up Share capital of the Company at the end of financial year was ₹ 4,16,97,660/- (Rupees Four Crore Sixteen Lakh Ninety Seven Thousand Six hundred Sixty Only) divided into ₹ 41,69,766 (Forty One Lakh Sixty Nine Thousand Seven Hundred Sixty Six) equity shares of ₹ 10/- each.

There was no change in the share capital of the Company during the year under review.

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 1.40/- (i.e. 14%) per equity share of ₹ 10/- each on 4169766 equity shares for the year ended 31st March, 2020, aggregating to ₹ 58.38 Lakhs, payable to those Shareholders whose names appear in the list of beneficial owners maintained by Depositories (CDSL & NSDL) as on the Book Closure/ Record Date. This proposed Dividend, for the very first time in the history of Yug Decor Limited, reflects its strong performance and commitment. There is no dividend distribution tax applicable on the Dividend payable. However, pursuant to the provisions of the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders, at the rate prescribed.

TRANSFER TO RESERVES:

The Board of Directors of the Company has decided not to transfer any amount to the Reserve for the Financial Year ended March 31, 2020.

CHANGE IN NATURE OF BUSINESS:

During the year under review, there has not been any change in the nature of its principal business of adhesives. However, the company had discontinued one of its business line i.e. paints division w.e.f. the closing of working hours of 17th May, 2019, on account of high operative cost followed by lack of market demand and such other factors.

MAINTAINANCE OF COST RECORDS:

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANY:

The Company does not have any subsidiary, Associate or joint venture company.

STATE OF COMPANY AFFAIRS:

The state of your Company's affairs is given under the heading 'Financial Highlights', Overview of Company's Performance' and various other headings in this Report and the Management Discussion and Analysis Report, which forms part of the Annual Report.

COVID-19 AND ITS IMPACT:

During the year under review, the performance of the Company has shown upward trend in terms of both revenue generation and profitability as against the loss faced by the Company in the previous year. Furthermore, due to the lockdown imposed by the Government as a result of COVID-19 pandemic outbreak, the Company had to temporarily suspend its production activities at the factory units of the Company w.e.f. 24th March, 2020. After having received requisite permission from concerned Local regulatory authorities, the Company partially resumed its production activities w.e.f. 24th April, 2020 with limited manpower. Also the administrative office of the Company started operating w.e.f. 19th May, 2020 with limited staff. The Company is getting back to its normal state of affairs since the month of June, 2020 following the health and safety norms laid down by the Government.

As a consequence of lockdown, the Company had to close its financial year with a turnover somewhat below Management's expectations. Talking about the current scenario, the economic situation is unprecedented. As ramification of which there could be certain bearings on the Company's performance also in the near future. However sincere efforts are being made to ensure optimum results are achieved during these adverse times, while

continuing to adhere to the restrictions imposed by the authorities in the direction of curbing the spread of the global pandemic.

APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152(6) of the Companies Act and Articles of Association, Mr. Santosh Kumar Saraswat (DIN:00236008), Non-Executive Director of the Company, shall retire by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting of the Company.

In the opinion of the Board, Mr. Sunil Thakore, Independent Director of the Company who was reappointed by the Shareholders of the Company for his second term of 1 year w.e.f. 1st September, 2019, is a person of integrity, expert and experienced (including the proficiency).

He ceases to be the Independent Director on 31st August, 2020. The Board places on record its deep sense of gratitude and appreciation for his contribution and guidance provided during his tenure as an Independent Director of the Company.

Upon recommendation of Nomination & Remuneration Committee, Ms. Zarna Shah (DIN: 08805309) was appointed as the Additional Director (Independent Director Category) of the Company in their Board Meeting held on Saturday, 8th August, 2020 w.e.f. 8th August, 2020 till the date of ensuing Annual General Meeting.

The business of appointment of Ms. Zarna Shah (DIN: 08805309) as an Independent Director of the Company, not liable to retire by rotation, for a period of 1 (one) year w.e.f. the ensuing AGM i.e. 11th September, 2020 is being placed before the Members for their approval.

MEETINGS OF THE BOARD OF DIRECTORS:

The Management is completely focused for the growth and expansion of the Company; it is constantly striving to develop new horizons for increasing overall performance of the Company. It is further working towards increasing sales and reducing costs by making optimum utilization of resources.

The Board met **4 times** during the year on 17th May, 2019, 10th August, 2019, 13th November, 2019 and 14th February, 2020 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Name of Directors	Category	Number of Meetings Attended / Total Meetings held during the FY 2019-20	Attendance at the last AGM held on 20 th September, 2019
Mr. Chandresh Saraswat	Chairman & Managing Director	4/4	Yes
Ms. Ankita Chandresh Saraswat	Whole time Director	4/4	Yes
Mr. Santosh Kumar Saraswat	Non-Executive Director	4/4	Yes
Mr. Abhay Rameshchandra Shrivastava	Independent Director	4/4	Yes
Mr. Sunil Thakore*	Independent Director	4 / 4	Yes
Ms. Zarna Shah [#]	Additional Director (Independent Director Category)	-	-

*Ceases to be the Independent Director w.e.f. 31st August, 2020

[#]Appointed as an Additional Director (Independent Director Category) w.e.f. 8th August, 2020

MEETING OF MEMBERS:

During the year under review, 16th Annual General Meeting was held on Friday, 20th September, 2019. No Extra Ordinary General Meeting (EGM) was held during the year.

COMMITTEES OF THE BOARD:

Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the committees are placed before the Board for information or for approval. The Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 read with rules framed thereunder viz.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee.

The major terms of reference of the Committee, its composition and number of meetings held during the year are as given below:

1. AUDIT COMMITTEE:

a) The major terms of reference of the Audit Committee include:

- Examination of Financial Statements and Auditor's Report thereon;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Evaluation of internal financial controls and risk management systems;
- Approval or modifications of related party transactions;
- Review functioning of the Whistle Blower mechanism;
- Scrutiny of inter-corporate loans and investments.

b) Composition of Audit Committee as on the date of the report:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meetings Held during the F.Y. 2019-20
1.	Mr. Abhay Shrivastava	Chairman	Independent Non-Executive Director	2/2
2.	Mr. Santosh Kumar Saraswat	Member	Non-Executive Director	2/2
3.	Mr. Sunil Thakore*	Member	Independent Non-Executive Director	2/2
4.	Ms. Zarna Shah [#]	Member	Additional Director (Independent Director Category)	-

*ceases to be a member w.e.f. 8th August, 2020

[#]designated as a member w.e.f. 8th August, 2020

c) Number of Meetings held during the year:

Audit Committee met 2 times during the year under review on 17th May, 2019 and 13th November, 2019. All the recommendations made by the Committee during the year were accepted by the Board.

2. NOMINATION & REMUNERATION COMMITTEE:

- a) The major terms of reference of the Nomination & Remuneration Committee include:
- Identification of persons qualified to become directors and be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
 - Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
 - Specifying the manner for effective evaluation of performance of Board, its committees and individual directors;
 - Recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- b) Composition of Nomination & Remuneration Committee as on the date of the report:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meetings Held during the F.Y. 2019-20
1.	Mr. Abhay Shrivastava	Chairman	Independent Non-Executive Director	1/1
2.	Mr. Santosh Kumar Saraswat	Member	Non-Executive Director	1/1
3.	Mr. Sunil Thakore*	Member	Independent Non-Executive Director	1/1
4.	Ms. Zarna Shah [#]	Member	Additional Director (Independent Director Category)	-

*ceases to be a member w.e.f. 8th August, 2020

[#]designated as a member w.e.f. 8th August, 2020

- c) Number of Meetings held during the year:

Nomination & Remuneration Committee met once during the year under review on 10th August, 2019. All the recommendations made by the Committee during the year were accepted by the Board.

- d) Nomination & Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes and independence of Directors.

The policy has been uploaded on the website of the Company at

<http://yugdecor.com/wp-content/uploads/2019/06/Nomination-and-Remuneration-Policy.pdf>

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

- a) The major terms of reference of the Stakeholders Relationship Committee include:
- Consideration & Resolution of the grievances of security holders of the Company;
 - Reviewing of Transfer / Transmission requests / Demat / Remat requests of the security shareholders and issuance of duplicate share certificate, if any.

b) Composition of Stakeholders Relationship Committee as on the date of the report:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	Total Meetings Attended/ Total Meetings Held during the F.Y. 2019-20
1.	Mr. Abhay Shrivastava	Chairman	Independent Non-Executive Director	4/4
2.	Mr. Santosh Kumar Saraswat	Member	Non-Executive Director	4/4
3.	Mr. Sunil Thakore*	Member	Independent Non-Executive Director	4/4
4.	Ms. Zarna Shah [#]	Member	Additional Director (Independent Director Category)	-

*ceases to be a member w.e.f. 8th August, 2020

[#]designated as a member w.e.f. 8th August, 2020

c) Number of Meetings held during the year:

Stakeholders Relationship Committee met 4 times during the year under review on 17th May, 2019, 10th August, 2019, 13th November, 2019 and 14th February, 2020.

INDEPENDENT DIRECTORS' MEETING:

The Independent Directors met on 14th February, 2020, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non- Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with rules made thereunder and Regulation 16 of the SEBI Listing Regulations.

Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provisions of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA") for a period of one year or five years or life time till they continues to hold the office of an independent director.

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as Annexure - I.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134(3)(c) read with sub section (5) of the Companies Act, 2013 ('Act'), it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have 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 the profit and loss of the Company for the period ended 31st March, 2020;
- (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 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 and;
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS' AND AUDITORS' REPORT:

1. STATUTORY AUDITOR & AUDIT REPORT-

At the 16th AGM held on Friday, 20th September, 2019 the members approved appointment of M/s. Pankaj K Shah Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 107352W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 16th AGM till the conclusion of the 21st AGM on remuneration to be decided by the Board or Committee thereof in consultation with the Statutory Auditors.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report and hence no explanation or comments of the Board is required in this matter.

2. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT-

Section 204 of the Companies Act 2013, inter-alia requires every listed company to undertake Secretarial Audit and shall annex with its Board's Report a Secretarial Audit Report, given by a Company Secretary in practice, in the prescribed form.

In line with the requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed M/s Mukesh Pamnani & Associates, Practising Company Secretaries, Ahmedabad, to carry out Secretarial Audit of the Company for the Financial Year 2019-20.

The Secretarial Audit Report for the Financial Year 2019-20 is annexed as **Annexure - II** to this report. This Report does not contain any qualification, reservation or adverse remark.

3. INTERNAL AUDITORS-

The Board of Directors has appointed Mr. Narendrakumar Y. Tiwari (M. No: 145536), Chartered Accountant, Ahmedabad as the Internal Auditors of the Company for the Financial Year 2020-21.

SECRETARIAL STANDARDS:

The Company duly complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

During the year under review, there have been no instances of fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013.

PERFORMANCE EVALUATION:

The Board carries out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc. And the performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.

In a separate meeting of independent directors, performance of non-independent directors, the chairman of the Company and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board reviewed the performance of individual directors on the basis of criteria laid by Nomination & Remuneration such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In the board meeting that followed the meeting of the independent directors, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of the Regulation 34(e) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report forms part of this Report as **Annexure - III**.

EXTRACT OF ANNUAL RETURN:

Extract of Annual return in Form No. MGT-9 as per the provisions of Section 134(3)(a) and 92(3) of the Companies Act, 2013 read with rules made there under, is annexed to this Report as **Annexure-IV**.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The Company has in place policies and procedures required to properly and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records and prepare financial records in a timely and reliable manner.

DEPOSITS:

The Company has neither accepted/invited any deposits covered under Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has neither given any loans or guarantees nor made any investments during the year under review attracting the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES:

During the year under review, the transactions entered by the Company, with the related parties are at arm's length basis. The details are disclosed in Note No.31 of the Financial Statements of the Company for the year ended 31st March, 2020.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitment affecting the financial position of the Company between the end of the financial year of the Company as on 31st March, 2020 and the date of this report i.e. 8th August, 2020.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status and Company's operation in future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The company has adopted policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March, 2020, the company has not received any complaints pertaining to sexual harassment.

HUMAN RESOURCES:

The Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, the Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. The Company appreciates the spirit of its dedicated employees.

HEALTH, SAFETY AND ENVIRONMENT:

The Company continues to accord high priority to health and safety of employees at all locations. Monitoring and specific review of system regarding health, safety and environment is done on a continuous basis with emphasis and focus given to safety at workplace. The Company is taking continuous steps and also developing environment friendly processes for effective resource management with specific focus to energy, water and basic raw materials.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

CORPORATE GOVERNANCE:

As the Company is listed on the **BSE-SME** platform since 31st May, 2017, the requirement of furnishing Corporate Governance Report under Regulation 27(2) read with Schedule V of the Listing Obligations & Disclosure Requirements Regulations, 2015 is not applicable to the Company. Whenever this regulation becomes applicable to the Company at a later date, the Company will comply with the requirements of those regulations within six months from the date on which the provisions become applicable to our Company.

CORPORATE SOCIAL RESPONSIBILITY:

As per the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder, certain class of companies is required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the Rules framed there under for the financial year under review, hence the question of compliance of the same does not arise.

RISK MANAGEMENT:

Risk Management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and



includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

Some of the risks that the Company is exposed to are: Financial Risks, Commodity Price Risk, Regulatory Risk, Human resource Risk, Strategic Risk, etc.

INSIDER TRADING REGULATIONS:

The Company has notified and adopted the Code of Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information made pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The said Codes are published on the website of the Company at <http://yugdecor.com/index.php/codes-policies-other/>. The Company has suitably amended the aforesaid Codes to align them with the amendments introduced by SEBI, w.e.f. 1st April, 2019.

VIGIL MECHANISM:

The Company has adopted a Vigil Mechanism Policy to provide a formal mechanism to the Directors' and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees, who avail of the mechanism and provides to employees' direct access to the Chairman of the Audit Committee.

The Vigil Mechanism Policy is disseminated through the Website of the Company at <http://yugdecor.com/wp-content/uploads/2017/09/Vigil-Mechanism-Policy.pdf>

APPRECIATION:

The Directors are thankful to the Bankers, Customers, Dealers, Distributors and Vendors etc for their valuable support and assistance.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

By Order of the Board of Directors
YUG DECOR LIMITED

Date: 8th August, 2020
Place: Ahmedabad

Chandresh S. Saraswat
Chairman & Managing Director
DIN: 01475370