

# Annual Report 2019-20



**Shiva Global  
Agro Industries Ltd.**

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## **COMPANY INFORMATION**

### **Registered Office & Works**

Shri Hanuman Nagar,  
Osman Nagar Road,  
Village - Dhakni,  
Nanded 431708,  
Maharashtra.

### **Auditors**

M/s. Aditya Falor & Associates  
Chartered Accountants  
270, Vatsalya Nagar,  
HUDCO,  
Nanded 431603,  
Maharashtra.

### **Bankers**

Union Bank of India,  
Santkripa Market,  
G. G. Road,  
Nanded 431601,  
Maharashtra.

### **Registrar & Share Transfer Agent**

Aarthi Consultants Pvt. Ltd.  
1-2-285, Domalguda,  
Hyderabad 500 029,  
Andhra Pradesh.



# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of the Members of Shiva Global Agro Industries Limited will be held on Wednesday, September 30, 2020 at 1.00 P.M. at the registered office of the company to transact the following business.

## A) ORDINARY BUSINESS

1) To receive, consider and adopt:

a. the Audited Financial Statements of the Company for the financial year ended March 31, 2020, the Report of the Board of Directors and the Report of the Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the Report of the Auditors thereon.

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, the Report of the Board of Directors and the Report of the Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

“RESOLVED THAT the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2) To appoint a Director in place of Mr. Arunkumar R. Toshniwal (DIN 01689971), who retires by rotation and, being eligible, offers himself for re-appointment and in this connection to consider and if deemed fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Arunkumar R. Toshniwal, having DIN 01689971, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation”.

3) To ratify the appointment of M/s. Aditya Falor & Associates, Chartered Accountants, as Auditors for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General

Meeting and in this connection, to consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other Rules framed thereunder, as amended from time to time, the appointment of M/s. Aditya Falor & Associates, Chartered Accountants (Firm Registration No. 127273W) as Auditors of the Company for a period of 5 consecutive years, made at the Twenty Fourth Annual General Meeting (AGM) held on September 29, 2016, be and is hereby ratified to hold office for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of Rs.4,00,000/- (Rupees Four Lacs Only) plus reimbursement of out of pocket expenses and applicable taxes and the Board of Directors of the Company be and is hereby authorised to pay such increased audit fee as they may deem fit.”

## B) SPECIAL BUSINESS

4) Reclassification from “Promoter & Promoter Group” category to “Public Shareholding” category:

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

“RESOLVED THAT pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or any amendment or any substitution or re-enactment thereof, for the time being in force), and subject to necessary approvals from BSE Limited and/ or such other appropriate statutory authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons from “Promoter and Promoter Group” category to “Public Shareholder” category –



Name of the Shareholder	No. of Equity Shares held	Percentage of shareholding / voting rights
Ms. Lokyabai Sambhaji Pawar	3,27,835	3.28
Mr. Rajesh Sambhaji Pawar	10,060	0.10

“RESOLVED FURTHER THAT the Promoter seeking re-classification from the existing “Promoter & Promoter Group” category to “Public Shareholder” category, shall continue to comply with the conditions as specified under Regulation 31A of the Listing Regulations for a period of not less than three years from the date of such re-classification.”

“RESOLVED FURTHER THAT Mr. Deepak S. Maliwal and Mr. Omprakash Gilda, the Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary including intimation to BSE post members approval and to submit the application for reclassification to the BSE within the permitted time to give effect to this resolution.”

- 5) Continuation of directorship of Mr. Divakar Nagappa Shetty, Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), approval of the Members be and is hereby accorded to the continuation of directorship of Mr. Divakar N. Shetty [Director Identification Number (DIN): 01822463], aged 76 years, as a ‘Non-Executive, Non-Independent Director’ of the Company, liable to retire by rotation.”

- 6) Continuation of directorship of Mr. Narayanlal Pannalal Kalantri, Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), approval of the Members be and is hereby accorded to the continuation of directorship of Mr. Narayanlal Pannalal Kalantri [Director Identification Number (DIN): 00486333], aged 75 years, as a ‘Non-Executive, Non-Independent Director’ of the Company, liable to retire by rotation.”

- 7) To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2021 and in this

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Jayant B. Galande (Membership No.5255), Cost Accountant in Whole-Time Practice, Aurangabad, who was appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the audit of the cost accounting records of the Company for the financial year ending March 31, 2021, at a remuneration of Rs.25,000/- (Rupees Twenty Five Thousand Only) excluding taxes, travelling and other out of pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board  
For Shiva Global Agro Industries Ltd.

Place : Nanded  
Dated : July 03, 2020

**Omprakash Gilda**  
Managing Director

Corporate Identification Number (CIN)  
L24120MH1993PLC070334

**Registered Office:**

‘Shri Hanuman Nagar’, Osmannagar Road,  
Village Dhakni, Taluka Loha,  
District Nanded, Maharashtra.  
Tel: +91 2462 284036/39  
Fax: +91 2462 284729  
E-mail Id : admin@shivaagro.org  
Website: <https://www.shivaagro.org>

**NOTES:**

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.



2. An Explanatory Statement under Section 102(1) of the Act, in respect of the Special Business to be transacted at the Meeting is annexed hereto.
  3. The Register of Members and the Share Transfer Books of the Company will remain closed from September 23, 2020 to September 30, 2020 (both days inclusive).
  4. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act 1956 and the corresponding provisions under the Act, the amount of dividend/interim dividend declared/paid up to the financial year 2011-12, have been transferred from time to time on respective due dates, to the Investors Education & Protection Fund Authority (IEPF). Details of unpaid/unclaimed dividends lying with the Company as on March 31, 2020 is available on the website of the Company at <https://www.shivaagro.org>
  5. As per Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 and amendments made thereto, all shares in respect of which dividends remain unpaid or unclaimed for a consecutive period of seven years or more, are required to be transferred to the Investor Education and Protection Fund Authority (IEPF). In compliance with the said Rules, the Company has transferred the underlying shares in respect of which dividends remained unclaimed for a consecutive period of seven years.
  6. 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 MCA Circulars 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/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
  7. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to atleast 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 EGM/AGM without restriction on account of first come first served basis.
  8. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
  9. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
  10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.shivaagro.org](http://www.shivaagro.org). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
  11. The AGM/EGM 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 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**
- (i) The voting period begins on Sunday, September 27, 2020 at 9.30 A.M. (IST) and ends on Tuesday, September 29, 2020 at 5.00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 22, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on "Shareholders" module.
  - (v) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR**
- Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasiasing yourlogin credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged



on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form

**PAN:**

- Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

**Dividend Bank Details OR Date of Birth (DOB):**

- Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
- If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**A. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

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

**B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders 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/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast Seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in



advance Four days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/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 available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [admin@shivaagro.org](mailto:admin@shivaagro.org), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

12. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Aarti Consultants Private Limited.
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in notice will be available for inspection in electronic mode. Members can send an email for the purpose to [admin@shivaagro.org](mailto:admin@shivaagro.org).
15. Procedure for obtaining the Annual Report, e-AGM Notice and e-Voting instructions by the shareholders whose email addresses are not registered with the Depository Participants or with Registrars and Share Transfer Agent.
16. Pursuant to the circulars issued by the MCA and SEBI, as referred to above, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
  - i. Register their email address and mobile number including address and Bank details and validate/update their details with the Depository Participants in case of shares held in electronic form and with the Company's Registrars and Share Transfer Agent, Aarti Consultants Private Limited in case the shares are held in physical form.
  - ii. Shareholders may also visit the website of the Company [www.shivaagro.org](http://www.shivaagro.org) for downloading the Annual Report and Notice of the e-AGM.
  - iii. Alternatively, members may send an e-mail request



at the e-mail id: admin@shivaagro.org along with scanned signed copy of the request letter providing the email id, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of e-AGM and the e-Voting instructions.

17. The Board of Directors has appointed CA Mohan Lakhotiya (Membership No. 147779), Practicing chartered Accountant, as the Scrutiniser to scrutinize the e-Voting process in a fair and transparent manner.
18. The scrutiniser shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-Voting and submit, within a period not exceeding two (2) days from the conclusion of the meeting, make a consolidated Scrutinisers Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
19. The Results shall be declared either by the Chairman or by a person authorized in writing by the Chairman and the resolution will be deemed to have been passed on the e-AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
20. Immediately after declaration of results, the same shall be placed along with the Scrutiniser's Report on the Company's website www.shivagagro.org and communicated to stock exchanges BSE Limited, where the shares of the Company are listed for placing the same in its website. ANNEXURE TO NOTICE Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")
21. Details of unpaid/unclaimed dividends lying with the Company as on the last Annual General Meeting of the Company is available on the website of the Company at www.shivaagro.org. Members are requested to address all correspondence, including unpaid or unclaimed dividend matters, to the Registrar and Share Transfer Agents, Aarthi Consultants Pvt. Limited., 1-2-285, Domalguda, Hyderabad – 500 029.
22. As per Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 and amendments made thereto, all shares in respect of which dividend remains unpaid or unclaimed for seven years or more, are required to be transferred to the Investor Education and Protection Fund Authority (IEPF) In compliance with the said Rules and accordingly the Company has transferred the underlying

shares in respect of which dividends remained unclaimed for a consecutive period of 7 years.

23. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Aarthi Consultants Private Limited, for assistance in this regard.
24. Members desiring any information concerning accounts are requested to send their queries at least seven days before the date of meeting to the company so that information required may be made available at the meeting.
25. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
26. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or Aarthi Consultants Pvt. Limited.
27. Details as per Regulation 36(3) of the Listing Regulations in respect of the Director seeking appointment/re-appointment at the 28th Annual General Meeting, forms integral part of the notice. The Director has furnished the requisite declaration for his appointment/re-appointment.

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

##### Item No. 4

Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides a mechanism regarding reclassification from "Promoter and Promoter Group" category to "Public Shareholder" category. In terms of the said Regulation, the following persons belonging to Promoter/ Promoter Group had vide letter dated June 25, 2020 requested the Company for reclassification of their shareholding from the existing "Promoter & Promoter Group" category to "Public Shareholder" category in the Shareholding Pattern of the Company and/ or such other places wherever their names appears:

Name of the Shareholder	No. of Equity Shares held	Percentage of shareholding / voting rights
Ms. Lokyabai Sambhaji Pawar	3,27,835	3.28
Mr. Rajesh Sambhaji Pawar	10,060	0.10

On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the SEBI Listing Regulations, 2015, the aforesaid shareholders seeking reclassification have confirmed that-

- i. they together, do not hold more than ten percent of the total voting rights in the Company;
- ii. they do not exercise control over the affairs of the Company whether directly or indirectly;





- iii. they do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv. they do not represent on the Board of Directors of the Company (including not having a nominee director) of the Company;
- v. they are not acting as a Key Managerial Person in the Company;
- vi. they are not 'willful defaulter' as per the Reserve Bank of India Guidelines;
- vii. they are not a fugitive economic offender.

Further, the aforesaid shareholders have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A(4) of the SEBI Listing Regulations, 2015 post such reclassification from "Promoter & Promoter Group" category to "Public Shareholder" category.

The said requests for reclassification were considered and analyzed by the Board of Directors at its meeting held on June 29, 2020, which require members' approval by way of Ordinary Resolution, approval from BSE Limited and /or such other approval, if any as may be required. After receipt of the necessary approvals and re-classification, the Promoters & Promoter Group shareholding in the Company would be 57.29% of the total Equity Paid up Share Capital of the Company.

Accordingly, the Board of Directors recommends the resolution as set out at Item No.4 of the Notice, for the approval of the members by way of an Ordinary Resolution.

#### Item no.5

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

The Members of the Company, at their 24th (Twenty Fourth) Annual General Meeting held on September 29, 2016, had granted approval for appointment of Mr.Divakar N. Shetty (DIN: 01822463), as Non-Executive, Independent Directors of the Company for a term of 5 (five) years, w.e.f. September 29, 2016 upto September 7, 2021, not liable to retire by rotation.

Accordingly, the continuation as Non-Executive Independent Director with effect from April 1, 2020 shall require approval of the Members by way of passing Special Resolution(s).

A brief justification for his continuation as Non-Executive Independent Director on the Board of the Company with effect from April 1, 2020 is as under:

Mr.Shetty, independent director of the company, is a graduate. Being entrepreneur, he has commendable experience in hotel industry. His precise Business knowledge & Business tactics has proven a boon to the company. This has laid company to gain strategic

and competitive advantages.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the continuation of Mr. Shetty as "Independent Director" of the Company, considering his rich experience, expertise and valuable contribution made to the Board of Directors of the Company. His presence on the Board adds more value and gives confidence to the Board in its decisions.

The aforementioned Non-Executive Independent Director fulfill all conditions specified by applicable laws for the position of an Independent Director of the Company. The Company has also received necessary declarations from him that he meets the criteria of independence as prescribed under the Act and Listing Regulations, presently applicable. Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013.

The Members are, therefore, requested to grant their approval by way of passing Special Resolutions for the continuation of directorship of Mr.Shetty as Non-Executive, Independent Director of the Company upto September 07, 2021, not liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned resolutions.

The Board of Directors recommend the Special Resolution set forth in Item No. 5 of the Notice for approval of the Members.

#### Item no.6

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Mr. Narayanlal Pannalal Kalantri, is a Non-Executive Director of the Company liable to retire by rotation. He has been a Director of the Company since September 25, 1993. Since, Mr.Narayanlal Pannalal Kalantri has attained the age of 75 years, it is necessary to approve continuation of his directorship on the Board of Directors of the Company.

Mr. Kalantri is a qualified engineer and currently dominates the company as technical director. At Shiva Global Agro Industries, he is responsible for enhancing the company's manufacturing capabilities and ensuring smooth functioning of manufacturing processes. He has vast experience of more than 40 years in the agro product and fertilizer industry.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the continuation of directorship of Mr.Narayanlal Pannalal Kalantri as a "Non-Executive Director" of the Company, considering his rich experience, expertise



and immense contribution in the growth of the Company since its incorporation.

The Members are, therefore, requested to grant their approval by way of passing a Special Resolution for the continuation of directorship of Mr. Kalantri [Director Identification Number (DIN): 00486333] as a 'Non-Executive Director' of the Company, liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board of Directors recommend the Special Resolution set forth in Item No. 6 for approval of the Members.

#### Item no.7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, in their meeting held on July 03, 2020. Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder,

it was proposed to re-appoint Mr. Jayant B. Galande, Cost Accountant, as Cost Auditor of the Company. Mr. Jayant B. Galande has submitted a letter regarding their eligibility for appointment of Cost Auditors, which will be available for inspection at the Registered Office of the Company during 9.00 am to 5.00 pm on all working days except Saturday, upto and including the date of the 28th Annual General Meeting of the Company.

In accordance with the provisions of Section 148 of the Act read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors approved by the Board has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the above resolution. The Board recommends the Ordinary Resolution set out at Item No. 7 for approval by shareholders.

#### ANNEXURE TO NOTICE

Details of the directors seeking appointment/ re-appointment, pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2:

<b>Name of the Director</b>	<b>Mr. Arunkumar Toshniwal</b>
<b>DIN</b>	01655503
<b>Date of Birth</b>	02/01/1953
<b>Qualifications</b>	Chemical Engineer
<b>Date of Appointment</b>	06/01/1993
<b>Expertise</b>	34 years of Experience in Fertilizer Segment
<b>Chairman/ Member of the committees of Board of the Company</b>	Member of the Board of the Company
<b>Chairman/ Member of the committees of Board of the other Company</b>	Chairman of Stakeholders' Relationship Committee of the Company.
<b>Shareholding</b>	2,06,125 Equity Shares
<b>Brief Profile</b>	Mr.Arunkumar Toshniwal (60) is one of the founder member of Shiva Global Agro Industries. He is the Technical Director on the Board of Shiva Global Agro Industries since inception. A chemical engineer, Mr. Toshniwal has over 34 years experience in the fertilizer segment. At Shiva Global Agro Industries, he coordinates the manufacturing operations of the company's fertilizer business.  His prominence expertise in Fertilizer segment has proven as a boon to Shiva Global Agro Industries towards achieving it prime objectives.

- Notes :** 1. Directorships in unlisted entities and membership in governing councils, chambers & other bodies are not included.  
2. There is no inter-se relationship amongst the Directors and Key Managerial Personnel.  
3. The details of the number of Board and Committee meetings attended during the year are given in the Annual Report 2020.

By Order of the Board  
For **Shiva Global Agro Industries Ltd.**

Place : Nanded  
Dated : July 03, 2020

**Omprakash Gilda**  
Managing Director



# DIRECTORS' REPORT

Your Directors are pleased to present before you the Twenty Eighth Annual Report and the Audited Accounts of the company for the year ended March 31, 2020.

## PERFORMANCE OF THE COMPANY

Your company's financial results are summarized hereunder:

(Amount in Rs. Lacs)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
<b>Income</b>				
From Operations	48,963.36	49,961.83	9,285.25	11,329.5
Other	79.00	86.07	50.00	27.78
<b>Total</b>	<b>49,042.37</b>	<b>50,047.90</b>	<b>9,335.24</b>	<b>11,357.28</b>
Profit				
<b>Profit Before Interest, Depreciation and Taxation</b>	<b>2,171.89</b>	<b>2,522.66</b>	<b>720.29</b>	<b>916.33</b>
Less: Interest	757.71	816.47	236.81	281.45
Depreciation	243.90	238.08	100.32	97.77
<b>Profit Before Exceptional item &amp; Tax</b>	<b>1,170.28</b>	<b>1,468.11</b>	<b>383.16</b>	<b>537.11</b>
Less: Item of Exceptional Nature	-	379.83	-	379.83
<b>Profit Before Tax</b>	<b>1,170.28</b>	<b>1,088.28</b>	<b>383.16</b>	<b>157.28</b>
Less: Provision for Tax	238.28	409.14	70.18	152.25
(Including Deferred Tax and MAT Credit Entitlement)				
<b>Profit After Tax</b>	<b>932.00</b>	<b>679.15</b>	<b>312.97</b>	<b>5.03</b>

## REVIEW OF OPERATIONS

Fertilizer business maintained a stable growth, despite facing tough environmental conditions during the first half of the year. Business focused on backward integration of its plant operations, infrastructure strengthening, capability building, and customercentricity initiatives to sustain its growth track.

Your Company's Revenue from Operations for the year was Rs.9,285.25 as against Rs.11,330 Lacs in last year. The profit before interest, depreciation and tax stood at Rs.720.29 as against Rs.916.33 in the previous financial year. The profit before tax for the year was Rs.383.16 Lacs whereas it was Rs.157.28 Lacs in the previous financial year.

However, Profit after tax grew to Rs.312.97 Lacs from Rs.5.03 Lacs in previous financial year. The EPS of your company for the financial year ended March 31, 2020 was Rs.3.13 per share as compared to Rs.0.05 per share in previous year.

The company's consolidated revenue from Operations stood

at Rs.48,963.36 Lacs as compared to previous year's Rs. 49,961.83 Lacs and Net Profit Before Tax was Rs.1,170.28 Lacs for the year under review as against the previous year's consolidated Net Profit Before Tax of Rs.1,088.28.

## DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

## CONSOLIDATED FINANCIAL RESULTS :

Consolidated Financial Statements incorporating the operations of the Company and its subsidiaries is appended.

As required under the provisions of the Act, a statement showing the salient features of the financial statements of the subsidiaries is enclosed as an Annexure A to this Report.

However, the Accounts of the Subsidiary Companies and



the related information will be made available to the Members of Shiva Global Agro Industries Limited and its Subsidiary Companies on request and will also be kept for inspection at the Registered Office of the Company.

#### **SUBSIDIARY COMPANIES :**

##### **i) Shiva-Parvati Poultry Feed Private Limited**

The Company (a 51% subsidiary) achieved a total turnover of Rs.14,581.01 Lacs and earned Rs.145.45 Lacs of Profits After Tax.

##### **ii) Ghatprabha Fertilizers Private Limited**

The Company (a 61.53% subsidiary) achieved a total turnover of Rs.5,017.25 Lacs and earned Rs.70.45 Lacs of Profits After Tax.

##### **iii) Shrinivasa Agro Foods Private Limited**

The Company (a 51.01% subsidiary) achieved a total turnover of Rs.20,655.84 Lacs and earned Rs.403.12 Lacs of Profits After Tax.

#### **BUSINESS ENVIRONMENT :**

During the year, the country witnessed an above normal South West and North East monsoon, resulting in improved crop sowing. Your Company's key markets of Maharashtra & Telangana received above-normal rainfall, which increased reservoir levels and canal irrigation. During the year, the Kaleshwaram project on Godavari river was inaugurated, which has resulted in assured irrigation in the northern districts of Telangana. Agriculture in Maharashtra & Telangana continued to perform well, thanks to the active engagement by the State Governments, increased irrigation and income support schemes for the farmers.

The Government of India has been focusing on agriculture as one of its priority sector and has announced 16-point measures during Budget 2020-21 to revive the agriculture sector in line with the Government's target to double farmer's income. These measures include an increase in agriculture credit, improving the situation in water-stressed districts, focus on zero budget farming, & balanced use of Fertilizers.

Direct Income Support Schemes introduced by various State and the Central Government helped in improving the cash availability with farmers at the time of sowing. On the Direct Benefit Transfer (DBT) relating to Fertilizers, the Government is expanding its scope. During the year pilot testing was conducted through linking of PoS machines with soil health cards to promote balanced nutrition. "The Pesticide Management Bill 2020" was introduced in the Parliament during the year. The Bill seeks to regulate the highly fragmented agrochemical market in India, and ensure the availability of pesticides with minimum risks. This Bill, when passed, will replace the Insecticide Act, 1968. With the higher reservoir levels and the prediction of a normal South West monsoon by the Indian Meteorological Department (IMD), Indian agriculture is expected to witness a good Kharif season during the coming year.

#### **COVID-19 :**

At the end of the year, the business environment was severely impacted by COVID-19. The pandemic which originated in December 2019 at Wuhan in China spread across the globe, impacting trade and mobility. Several nations including India have adopted a complete lockdown of their economy in line with the recommendation of the World Health Organization (WHO) to contain the spread of

the pandemic and gear up their medical infrastructure.

The government has been very prompt in addressing the issues faced by the industry due to COVID 19. In India, the agricultural sector has remained relatively insular during COVID-19. The Government has classified agriculture and related industries under essential commodities, to ensure food security and provide livelihood opportunities to the rural workforce. Though the manufacture and transport of essential commodities like Fertilizer and Agrochemicals were exempted under the guidelines issued by the Ministry of Home Affairs, the Agri inputs industry faced challenges in the initial period, affected by the labour shortage, employee mobility and strict administrative checks, impacting the raw material handling, production and distribution. However, the situation is fast normalizing and the industry is now geared up to increase its production with support from the Centre and the State Governments.

The Government has announced three major reforms in the area of agri output marketing as the aftermath of COVID-19, which is expected to result in improved price discovery for the farm produce. These reforms include increased participation of private players, reforming the Agriculture Produce Market Committee (APMC) and promoting contract farming. With faster adoption of superior products, smarter delivery mechanism, digital and agri technology penetration, Indian agriculture is gearing up for a second green revolution in the years to come.

#### **RESPONSE TO COVID-19 :**

Your Company stands in support with the Central Government, State Governments and local governing bodies and remains committed to the farming community in these challenging times. Company's relief and rehabilitation interventions include the distribution of masks, hand sanitizers, hand wash soap, and other daily essentials to its employees & in around its area of operations. Your Company has been educating the farmers on the aspects of health, hygiene and safety through its retail and dealer network.

The Company is operating its plants after meeting all the standards laid down by the district administration on safety and social distancing to ensure the availability of agri inputs for the upcoming Kharif season. The majority of the retail centers and the dealer channel have been operating to meet the agri input demands of the farmers.

#### **RISK MANAGEMENT POLICY**

The Company has constituted a Risk Management Committee. Details of constitution of the Committee and its terms of reference are set out in the Report on Corporate Governance. The Company has formulated a Risk Management Policy, under which various risks associated with the business operations are identified and the mitigation process are being taken up.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has adequate Internal Financial Controls commensurate with the nature, size, and complexity of the businesses and operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up action are reported to the Audit Committee.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during



the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee / Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature. The related party transactions entered into are reviewed by an independent audit firm to confirm that they were in the ordinary course of business and at arm's length basis. The Company has formulated a policy for Related Party Transactions which has been approved by the Board and is placed on the website of the Company.

None of the Directors had any pecuniary relationship or transactions with the Company, except the payments made to them in the form of remuneration, sitting fee and commission.

#### **AUDITORS**

M/s Aditya Falor & Associates, Chartered Accountants, were appointed as Auditors of the Company for a period of five years from the conclusion of the Annual General Meeting held on September 29, 2016. As required under the provisions of Section 139 of the Act, a resolution for the yearly ratification of their appointment is being placed before the shareholders for their approval.

The Auditor's Report given by M/s Aditya Falor & Associates, Statutory Auditor's, on the financial statements of the Company for the year ended March 31, 2020 is part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

#### **COST AUDITORS**

Pursuant to Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules 2014, as amended, the cost records of the Company are required to be audited. Based on the recommendations of the Audit Committee, your Board has appointed the following practicing Cost Accountants, Mr. Jayant B. Galande, to audit the cost records of the Company for the year 2020-21.

The Cost Audit Report for the year 2018-19 has been filed with Ministry of Corporate Affairs within the prescribed time limit as per the Act.

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed Mr. Pawan Kasat of M/s. PHK & Associates, Practicing Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2019-20.

The report of the Secretarial Auditor is enclosed as Annexure B and forms part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **PARTICULARS OF LOANS, GUARANTEES AND**

#### **INVESTMENTS**

Details of loans and guarantees given and investments made under Section 186 of the Act are given in the Notes to the Financial Statements.

#### **PUBLIC FIXED DEPOSIT**

Your Company is eligible to accept deposit from public pursuant to Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 ("the Rules"). Pursuant to the Special Resolution passed by the members at the Annual General Meeting (AGM) of the Company held on September 30, 2014, the Board of Directors of the Company, approved the Fixed Deposit Scheme for acceptance of deposits from Members in accordance with the requirements of the Act and the Rules.

The Company has accepted deposits of Rs.13.55 Lacs during the year under review and total Rs.98.70 Lacs were outstanding as on March 31, 2020. There were no defaults in respect of repayment of any deposits or payment of interest thereon during the year under review.

The Company has not accepted any deposits which are not in compliance with the requirements of the Act. The Company has no overdue deposits as at the end of the year under review.

#### **DIRECTORS**

In accordance with Section 152 of the Companies Act, 2013, Mr. Arun Toshniwal is retiring at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

#### **BOARD EVALUATION**

In accordance with the provisions of Section 134 of the Act and Regulation 17 of the Listing Regulations, the Board has carried out evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee and also the Directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report.

#### **NUMBER OF BOARD MEETINGS**

A calendar of meetings is prepared and circulated in advance to the Directors. During the year 2019-20, Four Board Meetings were held, the details of which are given in the Report on Corporate Governance.

#### **AUDIT COMMITTEE**

The Audit Committee comprises of Mr. Deepak S. Maliwal, Chairman, Mr. Divakar Shetty and Mrs. Sandhya Maheshwari. All the recommendations made by the Audit Committee were accepted by the Board.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

On their appointment, Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business Heads and key executives of the Company is also facilitated. Detailed presentations on the business of each of the Division are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the group practices.



The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time. The details of familiarisation programme as above are also disclosed on the Company's website.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3) (c) and 134(5) of the Companies Act 2013, the Board of Directors of Shiva Global Agro Industries Limited make the following statements, to the best of their knowledge and belief and according to the information and explanations obtained by them :

- a) That in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed and there have been no material departures therefrom;
- b) That the accounting policies mentioned in Notes forming part of the Financials Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profits of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken 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) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) That the proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

#### **KEY MANAGERIAL PERSONNEL**

Mr. Omprakash Gilda, Managing Director, Mr. Umesh Bang, Chief Financial Officer and Mrs. Rashmi Agrawal, Company Secretary are the Key Managerial Personnel (KMP) of the Company.

#### **PARTICULARS OF EMPLOYEES**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure C to this Report.

The Company has no Employees whose salary exceeds the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Salient features of the Remuneration Policy are set out in the Report on Corporate Governance.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE POLICY**

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 (Act). An Internal Compliance Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this Policy. During the year 2019-20, there were no complaints received by the ICC.

#### **EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Act, an extract of the Annual Return in the prescribed format is appended as Annexure D to this Report.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower Policy which provides the employees, customers, vendors and directors an avenue to raise concerns on ethical and moral standards and legal provisions in conduct of the business operations of the Company. The Whistle Blower Policy is also placed on the website of the Company at [www.shivaagro.org](http://www.shivaagro.org).

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

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Act, read with Rule 3 of the Companies (Accounts) Rules, 2014, are detailed below.

##### **A) CONSERVATION OF ENERGY :**

The company has taken various measures for its energy conservation as detailed below;

- Small Group Activity teams have been constituted to constantly look at the energy conservation, other improvement schemes which have resulted in considerable energy savings.
- Energy efficient Lighting – LED Lighting replaced compact fluorescent lamps, fluorescent tube lights in Administrative Building & Storage Godowns.
- Replacement of old motors and pumps with high efficient pumps and motors.
- Measures for Reduction in power consumption undertaken with installation of new energy efficient motors and gear box.

##### **B) TECHNOLOGY ABSORPTION:**

- Company has fully absorbed the technology to manufacturing Single Super Phosphate (SSP) with an installed capacity of 400 TPD.
- The plant has been operated at its full efficiency level.
- Enhanced flexibility in use of raw materials.

##### **C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Foreign Exchange outgo on account of purchase of raw materials is Rs.1311.48 (Previous year Rs.1828.93 Lacs)

**SAFETY, HEALTH AND ENVIRONMENT (SHE) :**

Company's focus on Safety, Health and Environment continued during the year under review across all locations with all manufacturing plants maintaining high safety standards. Your Company maintained high standards of environmental performances with all facilities operating well within norms. The overall safety environment continued to improve during the year under review. To improve Environmental Management reporting, advanced emission monitoring equipment were installed and maintained at the sites.

**CORPORATE GOVERNANCE**

The Company is committed to maintain high standards of Corporate Governance. As stipulated under the requirements of the Listing Agreement with Stock Exchanges, a report on Corporate Governance duly audited is appended as Annexure E for information of the Members. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A report on Management Discussion and Analysis, which forms part of this Annual Report, inter-alia, deal with the operations as also current and future outlook of the company, is furnished separately.

**MATERIAL SUBSIDIARY POLICY**

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Regulations. The Policy on Material Subsidiary is available on the website of the Company.

**COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

**ACKNOWLEDGEMENT**

The Directors acknowledge and would like to place on record the commitment and dedication on the part of the employees of your Company for their continued efforts in achieving good results, in an adverse situation.

The Directors also wish to acknowledge and record their appreciation of the continued support and assistance received by the Company from Union Bank of India and other Banks, financial institutions, as well as from various Government bodies both at the Centre and the State.

For and on behalf of the Board of Directors

Place : Nanded  
Dated : July 03, 2020

**Omprakash K. Gilda**  
Managing Director



# MANAGEMENT DISCUSSION ANALYSIS

## ECONOMIC OVERVIEW

### Global Economy

The world is facing an unprecedented crisis posed by pandemic due to corona virus. It has emerged as a threat not only to health and safety of mankind but has also impacted the economies across the world. The transmission of virus from human to human has affected a large population around the world. As there is no treatment or vaccination available for COVID-19, only option left is to stop community spread by restricting the movement of the people.

The world has seen progress on many fronts in the last decade. Poorer countries have greater access to water, electricity and sanitation. Child mortality rate and poverty have fallen. Technology has spread so far and wide that there are now more mobile phones than people. 2019 can be summarized as a year of rebalancing increased protectionism with protracted globalization that was achieved over the last two and a half decades. Heightened trade conflicts resulting in immediate and arbitrary tariffs, geo-political tensions across many regions and economic realignments including uncertainty around Brexit resulted in a non-conducive environment for large scale investments and growth in consumption. The year got marked with events like frequent disturbances in Hong Kong and the Persian Gulf and blow hot - blow cold trade negotiations between the US and China.

Commodity prices including oil and metal remained soft. Global GDP growth rate, according to International Monetary Fund (IMF's World Economic Outlook, April 2020 issue) moderated by 70 basis points (bps) to 2.9% (3.6% in 2018). With a growth rate of 3.7%, Emerging Markets and Developing Economies (EMDE) outpaced the 1.7% growth rate of Advanced Economies. The growth rate of world trade volumes decelerated to 0.9% in 2019 from a healthy 3.8% in the previous year.

### Indian Economy

India entered its new financial year 2019-20 (April-March) in election mode that prolonged across 7 phases of polling conducted over 38 days. The impact of the NBFC crisis of the previous year was already dragging down private investment and consumption. GDP growth, consequently,

was dropping by the quarter. The return of a majority government from the same dispensation provided political stability and policy continuity. Aiming to revive growth by way of boosting private investment and consumptions, the Central Government and the Central Bank made many accommodative stances including successive lowering of policy rates and a substantive lowering of corporate taxes. Among the key themes of the year were added thrust to doubling of farmers' income, propelling the country's economy towards the 5 trillion dollar mark, rationalising corporate taxes, attracting global companies to manufacture in India, furthering ease of doing business and expanding exports.

Aimed at pushing India forward as a preferred destination for global manufacturing, the Government reduced corporate tax rate to 25.17% (from 35%) and 15% (from 25%) for the existing and the new manufacturing entities respectively. In terms of PPP (Purchasing Power Parity), Indian economy maintained its third position. In terms of nominal GDP, the country surged ahead of France and the UK to emerge as the 5th largest economy during the year. It climbed up to 63rd position in the World Bank's ease of doing business ranking.

The FDI flows for the first nine months of the year stood at USD 37 billion, a growth of 10% over the same period last year. India's current account deficit narrowed with easing of crude prices. On the exchange rate front, Indian rupee remained volatile during the year, registering a depreciation of 9.4% against USD, its steepest fall in the last 6 years. The impact of COVID-19 started to become visible on the Indian economy towards the fag end of the financial year 2019-20. The second fortnight of March 2020 was marked with a sharp brake on economic activities applied in the form of a nationwide lockdown implemented from March 25, 2020. As per IMF, Indian economy recorded its first sub 5% growth since 2008 to close 2019-20 with a GDP growth of 4.2%.

The year ended with the outbreak of coronavirus in China, which spread across the world within a matter of a few weeks with alarming speed. Declared as a pandemic by the World Health Organisation (WHO) in March 2020, COVID-19, soon forced the cities, nations and regions into prolonged





lockdowns. The worldwide economic disruptions that COVID-19 brought along means that all the forecasts and statistics on outlook would remain prone for frequent and sharp revisions. IMF's growth forecast for global GDP is a negative 3% (-3%) for 2020 followed with a sharp turnaround of 5.8% for 2021, which would be a first of its kind, if it comes true.

## AGRICULTURE SECTOR OVERVIEW

### Global Agriculture Overview

The global agricultural production is expected to grow by 15% over the next decade while the area under cultivation is projected to be largely flat, as per the OECD-FAO Agricultural Outlook 2019-28. The projected growth is singly attributable to yield improvement. Integrated crop management at the farm level and related infrastructure expansion through strategic investments in the enabling environment remain a must for raising productivity in a sustained manner. Smart agriculture driven by technological innovations, crop diversification, adoption of best in class agronomic practices and integration of livestock are likely to be the driving themes.

Per capita consumption of staples is projected to remain flat. Sugar and oilseeds' consumption is expected to rise. The prices for most of the commodities are expected to remain at or below the current levels as steadily improving production continues to outpace the demand growth.

### Indian Agriculture Overview

India ranks 2nd in global agricultural output in value terms with a cultivated land area of around 150 million hectares. It is also the 2nd largest producer of food grains and the 8th largest exporter of agricultural produce. Thanks to the continued focus on the rural economy and a spate of agricultural reforms, agricultural output has continued to rise in the recent years. The country is estimated to return another year of record food grain production at 296 million tons in crop season 2019-20.

In spite of the continued efforts of Government of India in terms of achieving food security through cereals, there

remains significant headroom for productivity improvement and growth in agricultural income. Having achieved food security for the nation, the time has come for Indian agriculture to diversify its cultivation mix in order to produce for nutritional needs and varying dietary patterns of a surging and aspiring middle class. The Government of India and various State Governments are intensifying their focus on the agriculture sector and rightly so. Agriculture's contribution to national GDP needs to increase if the country has to realise its stated mission of breaching the 5 trillion-dollar GDP mark within a short span of time. COVID-19 inflicted lockdown has amplified the resilient nature of the Indian agriculture sector. It also exposed the gaps in the supply chain from the producer to the consumer, especially in the case of perishables including fruits and vegetables. In the fiscal year 2020-21, the agriculture sector is poised to be the saviour for the Indian economy, with the forecast of a favourable monsoon, while most other sectors are facing production and demand contraction.

### Segmentwise and Production Wise Performance

Your company has maintained healthy growth rate, despite facing tough environment conditions during the second half of the year. Business focused on infrastructure strengthening, capability building, and customer centricity initiatives, sustaining its growth trajectory. Company successfully transitioned into DBT regime, effectively connecting with the channel partners and the Government, to ensure PoS machine based recording for the farmer purchases.

The Company has major business segment, viz. Fertilizers. It manufactures both the NPK and the SSP fertilizers. About 90% of the Company's products are sold in the state of Maharashtra. The Company maintains a good share of the market in Karnataka and a modest share in Telangana state.

During the year, company benefitted from a favourable business environment and improved liquidation profile, aiding the Business performance. It was affected due to fluctuation in exchange rates, raw material prices and government policies.

(Qty in MTs)

Particulars	2019-20		2018-19	
	Production	Sales	Production	Sales
SSP	75015	73292	71146	71044
NPK	21332	20900	1112	4790

### Key Financial Ratios :

Particulars	Units	2018-19	2019-20	Change	% Change
(i) Debtors Turnover	Months	2.23	2.58	0.34	15.36%
(ii) Inventory Turnover	Months	5.73	3.76	(1.97)	(34.35)%
(iii) Interest Coverage Ratio	Times	1.02	2.32	1.30	128.09%
(iv) Current Ratio	Ratio	1.58	1.69	0.11	6.97%
(v) Debt Equity Ratio	Ratio	0.35	0.31	(0.03)	(9.39)%
(vi) Operating Profit Margin (%)	%	4.49%	7.22%	0.03	60.77%
(vii) Net Profit Margin (%)	%	0.04%	3.37%	0.03	7489.81%
(viii) Return on Net Worth	%	0.10%	5.71%	0.06	5775.12%

Note : The significant change in ratios is on account of item of exceptional nature charged to Statement of Profit and Loss for the year 2018-19.



## OPPORTUNITIES AND STRENGTHS

### Opportunities

- Central and state governments' income support scheme for farmers increasing the disposable income in the hands of farmers for agri-inputs
- Government's focus on agriculture and doubling farmers income through various Agri reforms such as Agri output marketing reforms, VGF (viability gap funding), financing of NWRs (negotiable warehouse receipts) and PM KUSUM, among others
- Centre's Atma Nirbhar package totaling ` 20 lakh crore to push the economic engine back on track with more liquidity in hands of MSMEs and farmers.
- Direct benefit transfer to farmers in fertiliser and linking it to soil help to improve farm productivity.
- Central and State governments' support towards drip and micro-irrigation adoption to improve the resource use efficiency and promote water-soluble fertiliser usage
- Low per capita consumption of agri-chemicals in India offers significant upside potential
- Pesticide Management Bill 2020 to bring structural improvement to the sector
- India's low-cost manufacturing in crop protection and high capacity opens significant export potential. Further, the closure of China's chemical units due to increased environmental scrutiny may provide an export opportunity for domestic players.
- Improved awareness about soil health and sustainable practices to promote balanced nutrient usage including Bio-pesticides and organic fertiliser usage
- Adoption and acceleration of Agri technologies to improve crop yield and improve product efficiency
- The COVID-19 crisis is likely to shift the focus of the world towards India as a strong alternate source to China for chemical manufacture.

### Strengths

- Leading agriculture input solution provider having direct connect with farmers through a large retail network and through its strong distributor / dealer network.
- Significant presence in domestic and global markets. Strong in both B2B and B2C networks.
- High brand equity and farmers trust in major agri input consuming markets
- Diversified product portfolio to meet the farmer's requirements- focus on crop-specific, unique and differentiated products
- Significant captive infrastructure for manufacturing Phosphatic fertilisers, Secondary, Micronutrients, water-soluble fertilisers Crop protection chemicals and bio-pesticides.
- Efficient integrated manufacturing operations in Fertiliser enabling supply security and low-cost production.

Technical and formulation manufacturing capabilities in Crop Protection Chemicals.

- Strong Balance Sheet, Zero long term debt.

## Risk Management

Dynamic business environment with regards to regulatory changes, technology disruptions, financial markets, etc. poses significant challenges to the Company's Operational & Financial performance. To build a sustainable model that can absorb these changes, Shiva has put in place a robust Risk Management framework.

The Risk Management framework includes Risk Management Policy and identification of risks at Entity Level, Business Level and Operational level. The risk mitigation procedures associated with the business, mechanisms for identification and prioritisation of risks include scanning the business environment and having periodic risk meetings with process/ functional owners. Analysis of identified risks is carried out by way of focused discussion at the Board meetings & top Management level. The key risk management practices include risk assessment, measurement, monitoring, reporting, mitigation actions, integration with strategy and business planning. The identified key risks at the Entity Level are evaluated on quantitative, semi-quantitative and qualitative aspects of impact for timely decision on its treatment. The risks associated with the Company's businesses are broadly classified into eight major categories:

- **Environmental Risk:** Due to the adverse impact of its effluents on the eco-system, the Company may face litigation and penalty.
- **Economic Risk:** Due to downturn or adverse political situations which may negatively impact the Company's organisational objectives.
- **Regulatory Risk:** Due to inadequate compliance to regulations, contractual obligations, any other statutory violations and amendments thereto, which may lead to litigations and loss of reputation.
- **Operational Risk:** Inherent to business operations including manufacturing and distribution operations, tangible or intangible property and any other business activity disruptions.
- **Financial Risk:** Due to major fluctuations in the currency market, rise in interest rates and possible non recovery of debts, this could impact the organisation.
- **HR & Legal Risk:** Due to attrition of any Key Managerial Person or disruption of operations due to any other human resources issue.

**Pandemic Risk:** Identified recently due to Coronavirus, is having a significant impact across sectors, affecting the way business is being carried out and to be carried out in the future.

- In addition, IT-related risks that could result in loss of important data, etc. leading to disruption in operations.

These are addressed through adequate back-up mechanisms, including Disaster Recovery Centre, authorisation verification, regular training programs in line with the business requirement and other preventive measures.

The assets of the Company, including its plant and machinery, work in process inventory and finished stocks

are adequately insured against loss or destruction by fire and allied perils. The Company has also taken insurance



policies to cover public, product liability and business interruption risks. The key risks associated with the Company's business, its likely impact and the mitigation mechanism evolved are briefly described hereunder. The evaluation of risk is based on management's perception and the risks listed below are not exhaustive.

#### **Internal Control Systems and their Adequacy:**

The Company has adequate internal controls commensurate with the nature of its business and size of its operations, to effectively provide for the safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources.

These systems are reviewed and improved regularly. The Company has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis. The Company has its own corporate internal audit function, ably supplemented by external firms to monitor and assess the adequacy and effectiveness of the Internal Controls and System across all key processes covering various locations. Deviations are reviewed periodically and due compliance is ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to the Board.

#### **HUMAN RESOURCE DEVELOPMENT**

People well-being and capability development remain at the forefront of Shiva's business approach and are being recognised as a key component for achieving organizational goals. Investment in skills and accelerating employees' professional and personal development received adequate importance on the people's agenda during the year.

Talent Management Programs and Skill Development Programs designed to meet specific business requirements have been rolled out at business and functional levels that are aligned to the long-term business plan. Company's Learning and Development Programs cater to a wide variety of employee profiles addressing Sales and Marketing, Manufacturing and Leadership.

Our people are the most precious asset and we remain focused on delivering an employee experience wherein they feel strongly connected to the brand, the business and Shiva Group. On the basis of the last year feedback from the survey, various employee engagement initiatives were rolled out and the Leadership team at Shiva continues to review the key engagement agendas for the organisation through specific action plans.

#### **Corporate Social Responsibility**

The focus areas of the CSR initiatives continue to be on

Education, Healthcare, Environment & Sustainability and Community Development. Shiva has continued its focus of supporting and strengthening government programs. New initiatives have been included to contribute to a wholesome personality of the children in these government schools, including life skill education. They have also been made aware and trained on adolescent health education and the importance of health and hygiene in their lives.

The Company's commitment to environmental sustainability remains firm. To improve Environmental Management, reporting gap study was carried out and plans were established. Energy-efficient lighting systems were deployed across the organisation.

We carry the latest agricultural practices with the efforts of farmers to help them higher yields. The awareness and education programme implemented in earlier years helped in educating farmers about the benefits of adoption of higher yield techniques in farming. The response has been overwhelming.

Emphasis was also laid on creation of awareness amongst the villagers about the need to protect the environment. CSR activities carried out by the company have strengthened its relationship with local people.

Educating famers about the fertilizer best management practices was taken up throughout the year. Through programmes aimed at strengthening and modernizing farming practices in many parts of Maharashtra, we aim to improve the overall quality of life. It also is an affirmation of our belief in the sector and our goal to improve the living standards not just our employees but of a larger part of the society.

#### **Outlook:**

Agriculture continues to be a very important sector for the Indian economy. The recent reforms announced by

the Government in the agriculture sector augur well for its future growth and farmer's welfare. Indian agriculture will see improved focus on Smart Agri practices like balanced nutrition, precision farming, micro-irrigation, digital connect and shared service model. This will help to fulfill the changing dietary needs, mitigate rising pressure on natural resources and address the farm labour shortages. The Company with its rich experience and connect with farmers, customised product offerings, efficient supply chain and market presence is well placed to seize the opportunity presented by these trends.

Overall with good reservoir levels, expected normal monsoon and strengthened business processes, the Company is poised to sustain the growth momentum in FY2020-21, barring any uncertainties that may emerge due to the COVID 19 pandemic.

**ANNEXURE A****Statement showing salient features of the financial statements of subsidiaries and joint ventures and associates as per the Companies Act, 2013****Part "A" : Subsidiaries****(Rs. in Lacs)**

Name of Subsidiary	Ghatprabha Fertilizers Private Limited	Shiva-Parvati Poultry Feed Private Limited	Shrinivasa Agro Foods Private Limited
Share Capital	278.33	450.00	923.10
Reserves and Surplus	1,318.33	1,684.34	2,198.29
Total Assets	4,784.88	4,979.75	6,029.05
Total Liabilities	3,188.21	2,845.41	2,907.66
Details of Investments			
Investments in Equity Shares	-	0.41	-
Investments in Mutual Funds	-	5.17	-
Turnover	5,017.25	14,581.01	20,655.84
Profit/(Loss) Before Taxation	89.66	182.35	515.52
Provision for Taxation	19.21	36.90	111.99
Profit After Taxation	70.45	145.45	403.12
Proposed Dividend	-	-	-
% of shareholding	61.53%	51.00%	51.00%

**Notes :**

1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.

For and on behalf of the Board of Directors

\_\_\_\_\_  
**Omprakash K. Gilda**  
 Managing Director

\_\_\_\_\_  
**Deepak S. Maliwal**  
 Director

Place: Nanded  
 Date: July 03, 2020

\_\_\_\_\_  
**Umesh O. Bang**  
 Chief Financial Officer

\_\_\_\_\_  
**Rashmi G. Agrawal**  
 Company Secretary



**ANNEXURE B**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

To

**The Members**

**Shiva Global Agro Industries Limited**

'Shri Hanuman Nagar', Osman Nagar Road,  
Village Dhakni, Taluka Loha, District Nanded.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shiva Global Agro Industries Limited (CIN: L24120MH1993PLC070334) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 generally complied with some exceptions with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. There are no External Commercial Borrowings and Foreign Direct Investment during the year under review;
- 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) During the year under review, the Company has not

issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable as the Company has not issued any stock option during the financial year under review )

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company has not issued and listed any debt securities during the financial year under review )

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; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the financial year under review )

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review)

vi) Other laws applicable to the Company as per the representations made by the Company.

1. Fertiliser (Control) Order, 1985;
2. The Hazardous Wastes (Management and Handling) Rules, 1989
3. The Insecticide Act, 1968 and Insecticides Rules, 1971;
4. The Legal Metrology Act, 2009;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws as mentioned above.

With respect to the applicable financial laws such as direct and indirect tax laws, based on the information & explanations provided by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.



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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent applicable under the Companies Act, 2013
- ii) The Uniform Listing Agreement entered into by the Company with Bombay Stock Exchange pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and the representations made by the management and subject to clarifications given to us, the Company has generally complied with some exceptions with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that -

i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

ii) Adequate notice was 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.

Based on the verification of the records and minutes, the

decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a listed entity and this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that during the audit period, there were no specific events/actions having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards during the period under review.

For **PHK & Associates**  
Company Secretaries

**Pawan Kasat**  
Proprietor

Place: Nanded  
Date: July 03, 2020

Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN: A047152B000530008



## ANNEXURE C

A.The details of remuneration during the year 2019-20 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 are as follows:

i.Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Name of the Director	Designation	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Omprakash K. Gilda	Executive & Managing Director	Nil
2.	Mr. Arunkumar R. Toshniwal	Non Executive Director	Nil
3.	Mr. Deepak S. Maliwal	Non Executive Director	Nil
4.	Mr. Narayanlal P. Kalantri	Non Executive Director	Nil
5.	Mr. Vijayprakash O. Agrawal	Non Executive Director	Nil
6.	Dr. Santosh H. Malpani	Independent Director	Nil
7.	Mr. Divakar N. Shetty	Independent Director	Nil
8.	Mrs. Sandhya S. Maheshwari	Independent Director	Nil

ii. Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name of the Director	Designation	% increase in remuneration in the financial year
1	Mr. Omprakash K. Gilda	Executive & Managing Director	Nil
2	Mr. Arunkumar R. Toshniwal	Non Executive Director	Nil
3	Mr. Deepak S. Maliwal	Non Executive Director	Nil
4	Mr. Narayanlal P. Kalantri	Non Executive Director	Nil
5	Mr. Vijayprakash O. Agrawal	Non Executive Director	Nil
6	Dr. Santosh H. Malpani	Independent Director	Nil
7	Mr. Divakar N. Shetty	Independent Director	Nil
8	Mrs. Sandhya S. Maheshwari	Independent Director	Nil
9	Mr. Umesh O. Bang	Chief Financial Officer	Nil
10	Mrs. Rashmi Agrawal	Company Secretary	Nil

iii. Percentage increase/(decrease) in the median remuneration of employees in the financial year – Nil

iv. Number of permanent employees on the rolls of the company as on March 31, 2020 – 96

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The company is not paying any managerial remuneration.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company is in compliance with its remuneration policy.



- B. The details of top ten employees in terms of remuneration drawn during the financial year 2019-20 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment & Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:

Sr. No.	Name of the employee	Designation	Remuneration Received Rs. In Lacs.
1	Ajay Rakesh Sharma	Marketing Manager	8.82
2	Umesh Omprakash Bang	Chief Financial Officer	8.28
3	Udaiban Pratap Singh	Factory Manager	5.72
4	Dinkar Rajaram Mahajan	Personnel Manager	5.00
5	Nirajkumar Gopikishan Pandit	Accounts Executive	4.70
6	Govind Santoshrao Deore	Area Manager (Aurangabad)	4.16
7	Gopikishan Devkaran Sharma	Area Manager (Nanded)	4.16
8	Gorakshnath Raghunath Ghadge	Area Manager (Latur)	3.67
9	Vinodkumar Prabhunarayan Dubhari	Factory Supervisor	3.66
10	Amit Kumar Shukla	Area Manager (Nagpur)	3.53

For and on behalf of the Board of Directors

Place : Nanded  
Dated : July 03, 2020

**Omprakash K. Gilda**  
Managing Director





**ANNEXURE D**  
FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>									
1	CIN	L24120MH1993PLC070334							
2	Registration Date	06/01/1993							
3	Name of the Company	Shiva Global Agro Industries Limited.							
4	Category/Sub-category of the Company	Public Company / Company having share capital							
5	Address of the Registered office & contact details	'Shri Hanuman Nagar', Osmannagar Road, Village Dhakni, Taluka Loha, District Nanded (Maharashtra) Contact Details: 02462-284036, 284039							
6	Whether listed company	Yes							
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarthi Consultants Pvt Ltd1-2-285, Domalguda, Hyderabad - 500 029.Contact Details: 040-27638111, 27634445							
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>									
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)									
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company						
1	Fertilizers	20122	73.78%						
2	Seeds	46909	24.38%						
<b>III. PARTICULARS OF HOLDING , SUBSIDIARY AND ASSOCIATE COMPANIES</b>									
S. N.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Appliable Section				
1	Ghatprabha Fertilizers Private Limited	U24129MH2005PTC156501	Subsidiary	61.53%	2(87)				
2	Shiva-Parvati Poultry Feed Private Limited	U01222MH2004PTC145045	Subsidiary	51.00%	2(87)				
3	Shrinivasa Agro Foods Private Limited	U99999MH2005PTC157949	Subsidiary	51.00%	2(87)				
<b>IV. SHARE HOLDING PATTERN</b>									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	56,57,071	-	56,57,071	56.61%	60,61,650	-	60,61,650	60.66%	7.15%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>56,57,071</b>	<b>-</b>	<b>56,57,071</b>	<b>56.61%</b>	<b>60,61,650</b>	<b>-</b>	<b>60,61,650</b>	<b>60.66%</b>	<b>7.15%</b>
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>56,57,071</b>	<b>-</b>	<b>56,57,071</b>	<b>56.61%</b>	<b>60,61,650</b>	<b>-</b>	<b>60,61,650</b>	<b>60.66%</b>	<b>7.15%</b>



<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	2,000	-	2,000	0.02%	2,000	-	2,000	0.02%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	2,000	-	2,000	0.02%	2,000	-	2,000	0.02%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	93652	12400	1,06,052	1.06%	70397	12400	82,797	0.83%	-21.93%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1605665	150350	17,56,015	17.57%	1548170	125450	16,73,620	16.75%	-4.69%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2163960	116200	22,80,160	22.82%	1827143	116200	19,43,343	19.45%	-14.77%
c) Others (specify)									
Non Resident Indians	107164	-	1,07,164	1.07%	125047	-	1,25,047	1.25%	16.69%
Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	7956	-	7,956	0.08%	6091	-	6,091	0.06%	-23.44%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies-DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
IEPF	76,582	-	76,582	0.77%	98,452	-	98,452	0.99%	28.56%
<b>Sub-total (B)(2):</b>	<b>40,54,979</b>	<b>2,78,950</b>	<b>43,33,929</b>	<b>43.37%</b>	<b>36,75,300</b>	<b>2,54,050</b>	<b>39,29,350</b>	<b>39.32%</b>	<b>-9.34%</b>
<b>Total Public (B)</b>	<b>40,56,979</b>	<b>2,78,950</b>	<b>43,35,929</b>	<b>43.39%</b>	<b>36,77,300</b>	<b>2,54,050</b>	<b>39,31,350</b>	<b>39.34%</b>	<b>-9.33%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>97,14,050</b>	<b>2,78,950</b>	<b>99,93,000</b>	<b>100.00%</b>	<b>97,38,950</b>	<b>2,54,050</b>	<b>99,93,000</b>	<b>100.00%</b>	<b>-2.18%</b>

(ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares of the company	% of total Shares Pledged/encumbered to total shares	% of Shares	No. of Shares of the company	% of total Shares Pledged/encumbered to total shares	% of Shares	
1	Deepak Shyamsunder Maliwal	5,89,850	5.90%	-	6,81,148	6.82%	-	15.48%
2	Omprakash Kannaiyalal Gilda	11,05,000	11.06%	-	11,23,052	11.24%	-	1.63%
3	Narayanlal Pannalal Kalantri	3,58,813	3.59%	-	3,58,813	3.59%	-	0.00%
4	Rekha D Maliwal	3,48,350	3.49%	-	5,12,593	5.13%	-	47.15%



5	Madhusudan Pannalal Kalantri	3,73,750	3.74%	-	3,73,750	3.74%	-	0.00%
6	Santoshdevi Madhusudan Kalantri	2,83,200	2.83%	-	2,83,200	2.83%	-	0.00%
7	Sarojdevi Narayanlal Kalantri	2,75,975	2.76%	-	2,75,975	2.76%	-	0.00%
8	Deepak Shyamsunder Maliwal HUF	3,47,900	3.48%	-	4,06,065	4.06%	-	16.72%
9	Arun Ramgopal Toshniwal	2,06,125	2.06%	-	2,06,125	2.06%	-	0.00%
10	Anand Omprakash Gilda	3,34,352	3.35%	-	3,54,352	3.55%	-	5.98%
11	Lokyabai Sambhaji Pawar	3,27,835	3.28%	-	3,27,835	3.28%	-	0.00%
12	Kirti Anand Gilda	2,11,625	2.12%	-	2,11,625	2.12%	-	0.00%
13	Chandrabhagabai Omaprakash Gilda	1,54,000	1.54%	-	1,82,081	1.82%	-	18.23%
14	Mohit Deepak Maliwal	2,58,712	2.59%	-	2,69,745	2.70%	-	4.26%
15	Vijayprakash Onkarlal Agrawal	52,575	0.53%	-	52,575	0.53%	-	0.00%
16	Rajesh Sambhaji Pawar	10,060	0.10%	-	10,060	0.10%	-	0.00%
17	Agrawal Gokul V	50,000	0.50%	-	50,000	0.50%	-	0.00%
18	Kamalkishor O Agrawal	47,500	0.48%	-	47,500	0.48%	-	0.00%
19	Anilkumar Onkarlal Agrawal	32,500	0.33%	-	32,500	0.33%	-	0.00%
20	Vikas Shyam Sunder Maliwal	22,687	0.23%	-	16,600	0.17%	-	-26.83%
21	Kalantri Ravindra Narayanlal	47,500	0.48%	-	47,500	0.48%	-	0.00%
22	Preeti Suhas Kabra	31,546	0.32%	-	31,546	0.32%	-	0.00%
23	Chukidevi Ramgopal Toshniwal	20,000	0.20%	-	20,000	0.20%	-	0.00%
24	Narayanlal Pannalal Kalantri HUF	20,000	0.20%	-	32,500	0.33%	-	62.50%
25	Vikas Shyamsunder Maliwal HUF	16,600	0.17%	-	16,600	0.17%	-	0.00%
26	Mangal Sunilkumar Agrawal	12,600	0.13%	-	12,600	0.13%	-	0.00%
27	Lata Munnalal Agrawal	12,500	0.13%	-	12,500	0.13%	-	0.00%
28	Jaishree Santosh Agrawal	10,000	0.10%	-	10,000	0.10%	-	0.00%
29	Pushpa Kamalkishor Agrawal	10,000	0.10%	-	10,000	0.10%	-	0.00%
30	Madhusudan Pannalal Kalantri HUF	10,000	0.10%	-	22,500	0.23%	-	125.00%
31	Rekha Rajesh Dagdiya	3,560	0.04%	-	2,560	0.03%	-	-28.09%
32	Laxminiwas Narayanlal Kalantri	31,250	0.31%	-	31,250	0.31%	-	0.00%
33	Rukhmadevi Shyamsunder Maliwal	5,706	0.06%	-	5,706	0.06%	-	0.00%
34	Pooja Madhusudan Kalantri	21,600	0.22%	-	21,600	0.22%	-	0.00%
35	Shyamsunder Shivprasad Maliwal	6,900	0.07%	-	6,900	0.07%	-	0.00%
36	Vimlabai Ramkrishanji Agrawal	2,500	0.03%	-	2,500	0.03%	-	0.00%
37	Santosh Onkarlal Agrawal	2,000	0.02%	-	2,000	0.02%	-	0.00%
38	Tejashree Laxminiwas Kalantri	1,000	0.01%	-	6,500	0.07%	-	550.00%
39	Seema Ravindra Kalantri	1,000	0.01%	-	1,000	0.01%	-	0.00%
40	Laxminiwas Narayanlal Kalantri HUF	4,010	0.04%	-	5,500	0.06%	-	37.16%
41	Ravindra Narayanlal Kalantri Huf	11,468	0.11%	-	14,000	0.14%	-	22.08%

### (iii) Change in Promoters' Shareholding

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	%of total shares	No. of shares	%of total shares
1	Deepak Shyamsunder Maliwal	-	-	5,89,850	5.90%	5,89,850	5.90%
		23-Aug-19	Purchased	1,382	0.01%	5,91,232	5.92%
		06-Sep-19	Purchased	1,433	0.01%	5,92,665	5.93%
		13-Mar-20	Purchased	88,483	0.89%	6,81,148	6.82%
2	Omprakash Kannaiyalal Gilda	-	-	11,05,000	11.06%	11,05,000	11.06%
		14-Jun-19	Purchased	758	0.01%	11,05,758	11.07%
		21-Jun-19	Purchased	10,442	0.10%	11,16,200	11.17%
		16-Aug-19	Purchased	126	0.00%	11,16,326	11.17%



		23-Aug-19	Purchased	49	0.00%	11,16,375	11.17%
		06-Sep-19	Purchased	287	0.00%	11,16,662	11.17%
		13-Sep-19	Purchased	1,196	0.01%	11,17,858	11.19%
		20-Sep-19	Purchased	241	0.00%	11,18,099	11.19%
		29-Nov-19	Purchased	4,953	0.05%	11,23,052	11.24%
3	Narayanlal Pannalal Kalantri	-	-	3,58,813	3.59%	3,58,813	3.59%
4	Rekha D Maliwal	-	-	3,48,350	3.49%	3,48,350	3.49%
		13-Sep-19	Purchased	2,450	0.02%	3,50,800	3.51%
		06-Dec-19	Purchased	12,606	0.13%	3,63,406	3.64%
		10-Jan-20	Purchased	1,16,500	1.17%	4,79,906	4.80%
		14-Feb-20	Purchased	22,687	0.23%	5,02,593	5.03%
		21-Feb-20	Purchased	10,000	0.10%	5,12,593	5.13%
5	Madhusudan Pannalal Kalantri	-	-	3,73,750	3.74%	3,73,750	3.74%
6	Santoshdevi Madhusudan Kalantri	-	-	2,83,200	2.83%	2,83,200	2.83%
7	Sarojdevi Narayanlal Kalantri	-	-	2,75,975	2.76%	2,75,975	2.76%
8	Deepak Shyamsunder Maliwal HUF	-	-	3,47,900	3.48%	3,47,900	3.48%
		21-Jun-19	Purchased	25,000	0.25%	3,72,900	3.73%
		16-Aug-19	Purchased	14,319	0.14%	3,87,219	3.87%
		23-Aug-19	Purchased	4,778	0.05%	3,91,997	3.92%
		06-Mar-20	Purchased	2,000	0.02%	3,93,997	3.94%
		13-Mar-20	Purchased	12,068	0.12%	4,06,065	4.06%
9	Arun Ramgopal Toshniwal	-	-	2,06,125	2.06%	2,06,125	2.06%
10	Anand Omprakash Gilda	-	-	3,34,352	3.35%	3,34,352	3.35%
		21-Jun-19	Purchased	10,000	0.10%	3,44,352	3.45%
		06-Dec-19	Purchased	10,000	0.10%	3,54,352	3.55%
11	Lokyabai Sambhaji Pawar	-	-	3,27,835	3.28%	3,27,835	3.28%
12	Kirti Anand Gilda	-	-	2,11,625	2.12%	2,11,625	2.12%
13	Chandrabhagabai Omprakash Gilda	-	-	1,54,000	1.54%	1,54,000	1.54%
		21-Jun-19	Purchased	10,500	0.11%	1,64,500	1.65%
		28-Feb-20	Purchased	15	0.00%	1,64,515	1.65%
		06-Mar-20	Purchased	1,211	0.01%	1,65,726	1.66%
		13-Mar-20	Purchased	16,355	0.16%	1,82,081	1.82%
14	Mohit Deepak Maliwal	-	-	2,58,712	2.59%	2,58,712	2.59%
		02-Aug-19	Purchased	918	0.01%	2,59,630	2.60%
		11-Oct-19	Purchased	2,000	0.02%	2,61,630	2.62%
		20-Mar-20	Purchased	3,715	0.04%	2,65,345	2.66%
		27-Mar-20	Purchased	4,400	0.04%	2,69,745	2.70%
15	Vijayprakash Onkarlal Agrawal	-	-	52,575	0.53%	52,575	0.53%
16	Rajesh Sambhaji Pawar	-	-	10,060	0.10%	10,060	0.10%
17	Agrawal Gokul V	-	-	50,000	0.50%	50,000	0.50%
18	Kamalkishor O Agrawal	-	-	47,500	0.48%	47,500	0.48%
19	Anilkumar Onkarlal Agrawal	-	-	32,500	0.33%	32,500	0.33%
20	Vikas Shyam Sunder Maliwal	-	-	22,687	0.23%	22,687	0.23%
		14-Feb-20	Sold	(6,087)	-0.06%	16,600	0.17%
21	Kalantri Ravindra Narayanlal	-	-	47,500	0.48%	47,500	0.48%
22	Preeti Suhas Kabra	-	-	31,546	0.32%	31,546	0.32%
23	Chukidevi Ramgopal Toshniwal	-	-	20,000	0.20%	20,000	0.20%
24	Narayanlal Pannalal Kalantri HUF	-	-	20,000	0.20%	20,000	0.20%
		14-Jun-19	Purchased	12,500	0.13%	32,500	0.33%
25	Vikas Shyamsunder Maliwal HUF	-	-	16,600	0.17%	16,600	0.17%
26	Mangal Sunilkumar Agrawal	-	-	12,600	0.13%	12,600	0.13%
27	Lata Munnalal Agrawal	-	-	12,500	0.13%	12,500	0.13%
28	Jaishree Santosh Agrawal	-	-	10,000	0.10%	10,000	0.10%
29	Pushpa Kamalkishor Agrawal	-	-	10,000	0.10%	10,000	0.10%
30	Madhusudan Pannalal Kalantri HUF	-	-	10,000	0.10%	10,000	0.10%
		14-Jun-19	Purchased	12,500	0.13%	22,500	0.23%
31	Rekha Rajesh Dagdiya	-	-	3,560	0.04%	3,560	0.04%
		04-Oct-19	Purchased	500	0.01%	4,060	0.04%
		22-Nov-19	Sold	(500)	-0.01%	3,560	0.04%
		21-Feb-20	Sold	(1,000)	-0.01%	2,560	0.03%
32	Laxminiwas Narayanlal Kalantri	-	-	31,250	0.31%	31,250	0.31%
33	Rukhmadevi Shyamsunder Maliwal	-	-	5,706	0.06%	5,706	0.06%
34	Pooja Madhusudan Kalantri	-	-	21,600	0.22%	21,600	0.22%
35	Shyamsunder Shivprasad Maliwal	-	-	6,900	0.07%	6,900	0.07%
36	Vimlabai Ramkrishanji Agrawal	-	-	2,500	0.03%	2,500	0.03%
37	Santosh Onkarlal Agrawal	-	-	2,000	0.02%	2,000	0.02%
38	Tejashree Laxminiwas Kalantri	-	-	1,000	0.01%	1,000	0.01%
		29-Jun-19	Purchased	11	0.00%	1,011	0.01%
		05-Jul-19	Purchased	989	0.01%	2,000	0.02%
		21-Jun-19	Purchased	4,500	0.05%	6,500	0.07%



39	Seema Ravindra Kalantri	-	-	1,000	0.01%	1,000	0.01%
40	Laxminiwas Narayanlal Kalantri HUF	-	-	4,010	0.04%	4,010	0.04%
		29-Jun-19	Purchased	18	0.00%	4,028	0.04%
		05-Jul-19	Purchased	1,098	0.01%	5,126	0.05%
		12-Jul-19	Purchased	374	0.00%	5,500	0.06%
41	Ravindra Narayanlal Kalantri Huf	-	-	11,468	0.11%	11,468	0.11%
		05-Jul-19	Purchased	900	0.00%	12,368	0.12%
		29-Jun-19	Purchased	1,632	0.00%	14,000	0.14%

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	%of total shares	No. of shares	%of total shares
1	<b>RUPALI PAWAN KABRA</b>						
	At the beginning of the year			88,900	0.89%	88,900	0.89%
	Purchase/Sales during the year			-	0.00%	88,900	0.89%
	At the end of the year	-	-	-	-	88,900	0.89%
2	<b>SHRIKISHAN RAMPAL CHITLANGE</b>						
	At the beginning of the year	-	-	88,127	0.88%	88,127	0.88%
	Purchase/Sales during the year	05-Apr-19	Purchased	50	0.00%	88,177	0.88%
	At the end of the year	-	-	-	0.00%	88,177	0.88%
3	<b>ENFORCEMENT DIRECTORATE RAIPUR</b>						
	At the beginning of the year	-	-	78,582	0.79%	78,582	0.79%
	Purchase/Sales during the year	15-Nov-19	Purchased	21,870	0.22%	1,00,452	1.01%
	At the end of the year	-	-	-	-	1,00,452	1.01%
4	<b>RAJKUMAR MADHUSUDAN KALANTRI</b>						
	At the beginning of the year			78,198	0.78%	78,198	0.78%
	Purchase/Sales during the year	05-Apr-19	Purchased	248	0.00%	78,446	0.79%
		12-Apr-19	Purchased	9	0.00%	78,455	0.79%
		26-Apr-19	Purchased	143	0.00%	78,598	0.79%
	At the end of the year	-	-	-	-	78,598	0.79%
5	<b>ARCHANA SUDARSHAN SOMANI</b>						
	At the beginning of the year			75,000	0.75%	75,000	0.75%
	Purchase/Sales during the year			-	0.00%	75,000	0.75%
	At the end of the year	-	-	-	-	75,000	0.75%
6	<b>NIRVI KETAN VAKHARIA</b>						
	At the beginning of the year	-	-	54,166	0.54%	54,166	0.54%
	Purchase/Sales during the year	21-Jun-19	Purchased	500	0.01%	54,666	0.55%
		01-Nov-19	Purchased	9	0.00%	54,675	0.55%
		08-Nov-19	Purchased	991	0.01%	55,666	0.56%
		15-Nov-19	Purchased	249	0.00%	55,915	0.56%
		22-Nov-19	Purchased	1,017	0.01%	56,932	0.57%
		29-Nov-19	Purchased	20,754	0.21%	77,686	0.78%
		10-Jan-20	Sold	(400)	0.00%	77,286	0.77%
		17-Jan-20	Sold	(5,627)	-0.06%	71,659	0.72%
	31-Jan-20	Purchased	2,000	0.02%	73,659	0.74%	
	At the end of the year	-	-	-	-	73,659	0.74%
7	<b>RAJESH KAMALKISHOR AGRAWAL</b>						
	At the beginning of the year	-	-	49,394	0.49%	49,394	0.49%
	Purchase/Sales during the year	21-Jun-19	Purchased	1,000	0.01%	50,394	0.50%
		04-Oct-19	Purchased	209	0.00%	50,603	0.51%
		11-Oct-19	Purchased	3,964	0.04%	54,567	0.55%
		18-Oct-19	Purchased	3,180	0.03%	57,747	0.58%
		25-Oct-19	Purchased	5,047	0.05%	62,794	0.63%
		01-Nov-19	Purchased	1,115	0.01%	63,909	0.64%
	08-Nov-19	Purchased	6,091	0.06%	70,000	0.70%	
	At the end of the year	-	-	-	-	70,000	0.70%



8	<b>VIJAY KALANI</b>						
	At the beginning of the year	-	-	47,000	0.47%	47,000	0.47%
	Purchase/Sales during the year	03-Jan-20	Purchased	5,000	0.05%	52,000	0.52%
		17-Jan-20	Purchased	9,500	0.10%	61,500	0.62%
		24-Jan-20	Purchased	10	0.00%	61,510	0.62%
	21-Feb-20	Purchased	1,000	0.01%	62,510	0.63%	
	At the end of the year	-	-	-	-	62,510	0.63%
9	<b>ANILKUMAR RAMCHANDRA TOSHNIWAL</b>						
	At the beginning of the year	-	-	57,375	0.57%	57,375	0.57%
	Purchase/Sales during the year	-	-	-	-	57,375	0.57%
	At the end of the year	-	-	-	-	57,375	0.57%
10	<b>PRADEEP KANDHARI</b>						
	At the beginning of the year	-	-	18,300	0.18%	18,300	0.18%
	Purchase/Sales during the year	07-Jun-19	-	13,800	0.14%	32,100	0.32%
		14-Jun-19	-	13,000	0.13%	45,100	0.45%
		11-Oct-19	-	54	0.00%	45,154	0.45%
		21-Feb-20	-	6,850	0.07%	52,004	0.52%
		28-Feb-20	-	339	0.00%	52,343	0.52%
		06-Mar-20	-	1,043	0.01%	53,386	0.53%
		20-Mar-20	-	3,759	0.04%	57,145	0.57%
	At the end of the year	-	-	-	-	57,145	0.57%

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors & each Key Managerial Personnel	Date	ReasonShareholding at the beginning of the year		the Cumulative Shareholding during the year		
			No. of shares	% of total shares	No. of shares	% of total shares	
1	<b>Deepak Shyamsunder Maliwal</b>						
	At the beginning of the year	-	-	5,89,850	5.90%	5,89,850	5.90%
	Purchase/Sales during the year	23-Aug-19	Purchased	1,382	0.01%	5,91,232	5.92%
		06-Sep-19	Purchased	1,433	0.01%	5,92,665	5.93%
		13-Mar-20	Purchased	88,483	0.89%	6,81,148	6.82%
	At the end of the year	-	-	-	-	6,81,148	6.82%
2	<b>Omprakash Kannaiyalal Gilda</b>						
	At the beginning of the year	-	-	11,05,000	11.06%	11,05,000	11.06%
	Purchase/Sales during the year	14-Jun-19	Purchased	758	0.01%	11,05,758	11.07%
		21-Jun-19	Purchased	10,442	0.10%	11,16,200	11.17%
		16-Aug-19	Purchased	126	0.00%	11,16,326	11.17%
		23-Aug-19	Purchased	49	0.00%	11,16,375	11.17%
		06-Sep-19	Purchased	287	0.00%	11,16,662	11.17%
		13-Sep-19	Purchased	1,196	0.01%	11,17,858	11.19%
		20-Sep-19	Purchased	241	0.00%	11,18,099	11.19%
	29-Nov-19	Purchased	4,953	0.05%	11,23,052	11.24%	
	At the end of the year	-	-	-	-	11,23,052	11.24%
3	<b>Narayanlal Pannalal Kalantri</b>						
	At the beginning of the year	-	-	3,58,813	3.59%	3,58,813	3.59%
	Purchase/Sales during the year	-	-	-	-	3,58,813	3.59%
	At the end of the year	-	-	-	-	3,58,813	3.59%
4	<b>Arun Ramgopal Toshniwal</b>						
	At the beginning of the year	-	-	2,06,125	2.06%	2,06,125	2.06%
	Purchase/Sales during the year	-	-	-	-	2,06,125	2.06%
	At the end of the year	-	-	-	-	2,06,125	2.06%
5	<b>Vijayprakash Onkarlal Agrawal</b>						
	At the beginning of the year	-	-	52,575	0.53%	52,575	0.53%
	Purchase/Sales during the year	-	-	-	-	52,575	0.53%
	At the end of the year	-	-	-	-	52,575	0.53%
6	<b>Dr. Santosh Hanumandas Malpani</b>						
	At the beginning of the year	-	-	-	-	-	0.00%
	Purchase/Sales during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	-	-	-	0.00%



7	<b>Divakar Nagappa Shetty</b>	-	-	-	-	-	0.00%
	At the beginning of the year	-	-	-	-	-	0.00%
	Purchase/Sales during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	-	-	-	0.00%
8	<b>Mrs. Sandhya Satish Maheshwari</b>	-	-	-	-	-	0.00%
	At the beginning of the year	-	-	-	-	-	0.00%
	Purchase/Sales during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	-	-	-	0.00%
9	<b>Mr. Umesh Omprakash Bang</b>	-	-	-	-	-	0.00%
	At the beginning of the year	-	-	-	-	-	0.00%
	Purchase/Sales during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	-	-	-	0.00%
10	<b>Mrs. Rashmi Ganesh Agrawal</b>	-	-	-	-	-	0.00%
	At the beginning of the year	-	-	-	-	-	0.00%
	Purchase/Sales during the year	-	-	-	-	-	0.00%
	At the end of the year	-	-	-	-	-	0.00%

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment. (Amt. Rs. / Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	1,575.71	110.50	113.60	1,799.81
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,575.71</b>	<b>110.50</b>	<b>113.60</b>	<b>1,799.81</b>

#### Change in Indebtedness during the financial year

* Addition	10,763.45	11.05	69.14	10,843.64
* Reduction	10,821.70	11.05	84.04	10,916.79
<b>Net Change</b>	<b>(58.25)</b>	<b>-</b>	<b>(14.90)</b>	<b>(73.15)</b>

#### Indebtedness at the end of the financial year

i) Principal Amount	1,517.46	110.50	98.70	1,726.66
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,517.46</b>	<b>110.50</b>	<b>98.70</b>	<b>1,726.66</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs in Lac)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Nil	
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
5	- others, specify	-	-
	Others, please specify	-	-
	<b>Total (A)</b>	<b>-</b>	<b>-</b>
	<b>Ceiling as per the Act</b>		



<b>B. Remuneration to other Directors</b>					(Rs in Lac)
SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Dr. Santosh H. Malpani	Mr. Divakar N. Shetty	Mrs. Sandhya S. Maheshwari	
	Fee for attending board committee meetings	0.08	0.08	0.08	0.24
	Commission				-
	Others, please specify				-
	<b>Total (1)</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>	<b>0.24</b>
2	Other Non-Executive Directors		Nil		-
	Fee for attending board committee meetings		-		-
	Commission				-
	Others, please specify				-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>	<b>0.24</b>
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				-

<b>C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD</b>					(Rs in Lac)
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	<b>Omprakash K. Gilda</b>	<b>Umesh O. Bang</b>	<b>Rashmi G. Agrawal</b>	
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	8.28	1.20	9.48
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>8.28</b>	<b>1.20</b>	<b>9.48</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment /Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Nil		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date: July 03, 2020.  
Place: Nanded.

**Omprakash K. Gilda**  
Managing Director





# REPORT ON CORPORATE GOVERNANCE

## ANNEXURE E

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

### COMPANY'S PHILOSOPHY

Shiva Global Agro Industries Ltd. is committed to the highest standards of corporate governance in all its activities and processes.

Corporate Governance deals with conducting affairs of a Company to maximize share holders value, such that:

- Trust is built around that enterprises is managed adequately and efficiently in its chosen business.
  - There is openness, integrity and accountability in the dealings of the Company to the extent, possible.
  - There is fairness to its shareholders.
  - There is adequate supervision of its business activities.
- The following is a report on the corporate governance.

### 1. BOARD OF DIRECTORS

**a. Composition and size of the Board and the number of Directorship, Membership and Chairmanship held in Committees of other Companies as on March 31, 2020.**

Sr. No.	Name of the Director(s)	Executive / Non Executive / Independent	No. of other Directorship in Public Limited Companies*	No. of other Committee Memberships**	
				Chairmanship	Membership
1	Mr. Omprakash K. Gilda	Executive-Managing Director	1	Nil	1
2	Mr. Arunkumar R. Toshniwal	Non Executive	1	1	Nil
3	Mr. Deepak S. Maliwal	Non Executive	1	Nil	1
4	Mr. Narayanlal P. Kalantri	Non Executive	1	Nil	Nil
5	Mr. Vijayprakash O. Agrawal	Non Executive	1	Nil	Nil
6	Dr. Santosh H. Malpani	Independent	1	Nil	1
7	Mr. Divakar N. Shetty	Independent	1	1	Nil
8	Mrs. Sandhya S. Maheshwari	Independent	1	Nil	1

\* Excludes alternate directorships/directorships in associations, private, foreign and section 8 Companies & includes directorship in Shiva Global Agro Industries Ltd.

\*\* Represents Directorships/Memberships of Audit and Stakeholders' Relationship Committee of Public Limited Companies.

The Board composition of your Company encompasses right mix of skill and competencies, namely Directors having experience and expertise in general management, business strategy, corporate strategy, governance practices, etc. All the Directors have the ability to make points succinctly and effectively at Board Meetings.

b. Board Meetings and attendance :

During the Financial year 2019-2020, Four Meetings of the Board of Directors were held. The dates on which the meetings were held as follows: The maximum time gap between two Board Meetings was not more than four calendar months.

Sr.No.	Date of Meeting	Board Strength	No. of Directors present
1	May 30, 2019	8	8
2	July 30, 2019	8	8
3	November 14, 2019	8	8
4	February 07, 2020	8	8

**c. Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):**

Directors	Board Meetings	Annual General Meeting
Mr. Omprakash K. Gilda	4	Yes
Mr. Arunkumar R. Toshniwal	4	Yes
Mr. Deepak S. Maliwal	4	Yes
Mr. Narayanlal P. Kalantri	4	Yes
Mr. Vijayprakash O. Agrawal	4	Yes
Dr. Santosh H. Malpani	4	Yes
Mr. Divakar N. Shetty	4	Yes
Mrs. Sandhya S. Maheshwari	4	Yes

**d. Independent Directors Meeting**

A meeting of the Independent Directors was held on February 07, 2020 which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of the non-independent directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting. The details of Familiarisation Program imparted to Independent Directors of the Company are available on website of the Company at [www.shivaagro.org](http://www.shivaagro.org).

**e. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was

carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman & the Non Independent Directors was carried out by the Independent Directors.

In the opinion of the Board of Directors, Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder and the Listing Regulations for an Independent Director and they are independent of the Management.

**2. AUDIT COMMITTEE :**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 & Regulation 18 of the Listing Regulations &, inter alia, includes.

● Four Audit Committee Meetings were held during the year. The dates on which the meetings were held are 30/05/2019, 30/07/2019, 14/11/2019 and 07/02/2020.

Name	Designation	Category of Directorship	Attendance
Mr. Deepak S. Maliwal	Member	Non-Executive	4
Mrs. Sandhya S. Maheshwari	Member	Non-Executive & Independent	4
Mr. Divakar N. Shetty	Chairman	Non-Executive & Independent	4

The Head of the Accounts Function and representatives of the firm of Statutory Auditors and Cost Auditors are the permanent invitees to the Audit Committee.

During the year, the Audit Committee, in its meetings, discussed among other things, the following:

- Reviewed with management, quarterly, half yearly and annual financial statements, before submission to the Board.
- Recommended appointment & fees of Auditor's and discussed with the Management & the Statutory Auditors the scope and program of internal Audit.
- Reviewed with the Management, and the Statutory Auditors, adequacy of internal control system.
- Discussed with the Management, Auditors finding in the audit report.
- Deliberated on the applicability, compliance and impact of various Accounting Standards & guidelines issued by the Institute of Chartered Accountants of India from time to time.

The Chairman of the Audit Committee has briefed the Board of Directors, about the Audit committee on various issues

discussed at its meetings. Minutes of the Audit Committee Meetings are also circulated to all the board members along with agenda of the subsequent meeting.

All the suggestions/recommendations of the Audit Committee during the financial year 2019-2020 have been accepted by the Board of Directors.

**3. NOMINATION AND REMUNERATION COMMITTEE :**

- The terms of reference of the Nomination & Remuneration Committee encompasses the terms of reference as per Section 178 of the Companies Act, 2013.
- The main scope of the Committee is to determine and recommend to the Board the persons to be appointed/reappointed as Executive Director/Non-Executive Director.
- The Committee also determines and recommends to the Board on the financial component and the incentive/commission to the Executive Directors, if any. Presently the Company is not paying any remuneration to any of its directors.
- Four Meetings of the Committee were held during the year. The dates on which the meetings were held are 30/05/2019, 30/07/2019, 14/11/2019 and 07/02/2020.



➤ Details of the composition of the Nomination & Remuneration Committee and attendance of Members

during the year are as follows:

Name	Designation	Category of Directorship	Attendance
Mr. Narayanlal P. Kalantri	Member	Non-Executive	4
Mr. Santosh H. Malpani	Chairman	Non-Executive & Independent	4
Mr. Divakar N. Shetty	Member	Non-Executive & Independent	4

➤ **Shareholding** : The details of Shareholdings of the Non-Executive Directors in the Company as at March 31, 2020 are :

Name	No. of Shares	Category of Directorship	No. of Shares
Mr. Arunkumar R. Toshniwal	206125	Dr. Santosh H. Malpani	Nil
Mr. Deepak S. Maliwal	681148	Mr. Divakar N. Shetty	Nil
Mr. Narayanlal P. Kalantri	358813	Mrs. Sandhya S. Maheshwari	Nil
Mr. Vijayprakash O. Agrawal	52575		

#### 4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

➤ Four meetings of the committee were held during the year. The dates on which the meetings were held are 30/05/2019, 30/07/2019, 14/11/2019 and 07/02/2020.

➤ Details of the composition of the Stakeholders Relationship Committee and attendance of Members during the year are as follows:

Name	Designation	Category of Directorship	Attendance
Mr. Arunkumar R. Toshniwal	Chairman	Non-Executive	4
Mr. Santosh H. Malpani	Member	Non-Executive & Independent	4
Mr. Omprakash K. Gilda	Member	Executive	3

#### ➤ Name, designation & address of the Compliance Officer : **Mrs. Rashmi Ganesh Agrawal**

Company Secretary and Compliance Officer  
"Shiva House", Near State Bank of India, New Mondha,  
Nanded - 431602.  
Ph.No. 02462 – 284400 Fax : 02462 - 284729  
Email ID: admin@shivaagro.org

➤ During the year the Company had not received any complaints from the investors. There are no complaints pending at the end of the financial year.

➤ In order to facilitate faster redressal of investors' grievances the company requests all the investors and shareholders to lodge their query/complaints to email id admin@shivaagro.org which would be attended to immediately.

#### 5. GENERAL BODY MEETINGS:

Location and time, where last three AGMs held :

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
Day	Friday	Saturday	Saturday
Date	September 29, 2017	September 29, 2018	September 28, 2019
Time	1:00 p.m.	1:00 p.m.	1:00 p.m.
Venue	Shri Hanuman Nagar, Osman Nagar Road, Village-Dhakni, Nanded - 431708 (MH.)		
Whether any special resolutions passed in the previous 3 AGM's	Yes	No	Yes

#### Special Resolutions passed during the previous three Annual General Meetings:

##### FY 2016-17

- Reappointment Mr. Santosh Hanumandas Malpani, as an independent director of the Company to hold office for a period of 5 (five) years.
- Reappointment Mr. Divakar Nagappa Shetty as an independent director of the Company to hold office for a period of 5 (five) years.

##### FY 2018-19

• Reappointment Mrs. Sandhya Satish Maheshwari, as an independent director of the Company to hold office for a period of 5 (five) years.

##### Postal Ballot :

During the year under review, no resolutions were passed through Postal Ballot.



## 6. DISCLOSURES :

### ➤ CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.

### ➤ Related Party Transactions:

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested and details of which are required to be entered therein are placed before the Board.

Transactions with the Related Parties as required under Indian Accounting Standard (Ind AS) - 24, Related Party Transactions, are disclosed in Note No. 40 of the financial statements forming part of this Annual Report.

The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at [www.shivaagro.org](http://www.shivaagro.org).

### ➤ Material Subsidiary Policy

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Regulations. The Policy on Material Subsidiary is available on the website of the Company at [www.shivaagro.org](http://www.shivaagro.org).

### ➤ Compliance :

A Statement of Compliance with all Laws and Regulations as certified by the Managing Director and the Company Secretary is placed at periodic intervals for review by the Board. The Board considers material Show Cause/Demand Notices received from Statutory Authorities and the steps/action taken by the Company in this regard. The Board reviews the compliance of all the applicable Laws and gives appropriate directions wherever necessary.

### ➤ Code of Conduct:

The Board of Directors have laid-down a "Code of Conduct" (Code) for all the Board Members and the senior management of the Company and this Code is posted on the Website of the Company. Annual declaration is obtained from every person covered by the Code.

### ➤ Risk Management :

The Board regularly discusses the significant business risks identified by the management process and the mitigation process being taken up.

### ➤ Vigil Mechanism:

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it and also for appointment of an Ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. During the year, no employee was denied access to Chairman of the Audit Committee.

### ➤ Pecuniary transactions with Non-Executive Directors:

There were no pecuniary transactions with any of the Non-Executive Directors except for Sitting Fees paid to them as Directors of the Company.

### ➤ Strictures/Penalty:

During the last three years, there were no strictures or penalties imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any statutory authority for non-compliance on any matter related to capital markets except during the year 2018-19 wherein BSE has fined Rs.10,000/- for non-compliance with the provisions of Regulation 29(2) & (3) for delay in furnishing prior intimation about the meeting of board of directors.

### ➤ Management Discussion and Analysis:

Management Discussion & Analysis is annexed to the Directors' Report which forms part of this Annual Report.

### ➤ Other Disclosures:

● The Company has complied with all the mandatory requirements and adopted part of the non-mandatory requirements.

● During the financial year 2019-20, Company has not raised any fund through preferential allotment or qualified institutions placement.

● The Certificate from Practicing Company Secretary w.r.t. qualification for continuing as Director on the Board of Company as per Ministry of Corporate Affairs or any other statutory authority is enclosed as Annexure E (i) to Corporate Governance Report.

● Total fees amounting to Rs.10.30 Lacs for all services, paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor.

● Company has complied with all the relevant corporate governance requirements stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.

● Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

## 8. MEANS OF COMMUNICATION:

Half Yearly / Quarterly Results are not sent to the shareholders; instead the quarterly, half yearly and annual results of the Company's financial performance are published in the newspapers viz. Daily Ekjoot. These, before release to the press, are submitted to the Stock Exchange. The results are also displayed on the Company's website: [www.shivaagro.org](http://www.shivaagro.org).

**9. GENERAL SHAREHOLDER INFORMATION :**

1	Annual General Meeting Day, Date, Time and Venue	Wednesday, September 30, 2020 at 01:00 P.M. 'Shri Hanuman Nagar', Osmanagar Road, Village Dhakni, Taluka Loha, District Nanded (Maharashtra)
2	Financial Year/Calendar - First Quarter Results - Second Quarter Results - Third Quarter Results - Results for the year ending on 31.03.2021	Financial Year – April to March On or before August 14, 2020*. On or before November 14, 2020*. On or before February 14, 2021*. On or before May 30, 2021. *Provisional
3	Date of Book Closure	September 22, 2020 to September 29, 2020 (Both the days inclusive)
4	Registered Office	'Shri Hanuman Nagar', Osmanagar Road, Village Dhakni, Taluka Loha, District Nanded (Maharashtra)
5	Administrative Office	"Shiva House", Near State Bank of India, New Mondha, Nanded District Nanded.(Maharashtra)
6	Phone, Fax, E-mail	Phone: (02462) 284036, 284039 Fax: (02462) 284729 E-mail: admin@shivaagro.org Website: www.shivaagro.org
7	Plant Locations	1. 'Shri Hanuman Nagar', Osmanagar Road, Village Dhakni, Taluka Loha, District Nanded (Maharashtra) 2. B-17/2 MIDC, Nanded, Dist. Nanded (Maharashtra)
8	Registrar & Share Transfer Agent (RTA) and Address for investor's correspondence	Aarthi Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad -500 029.
9	Phone, Fax, E-mail of RTA	Phone : (040) 2763 8111, 2763 4445 Fax : (040) 2763 2184 E-mail : info@arthiconsultants.com
10	Listing on Stock Exchanges	Bombay Stock Exchange Limited (BSE) Annual Listing Fee for the Financial Year 2019-20 has been paid to the exchange.
11	Stock Code Scrip ID	530433 "SHIVAAGRO"
12	Demat ISIN in NSDL and CDSL	INE960E01019
13	Share Transfer System	All the transfers received are processed and approved by the Stakeholder Relationship Committee at its meetings or by circular resolutions.
14	Credit Rating obtained by the Company during the financial year 2019-20	The Company's credit rating for long-term bank facilities by 'Acquite Ratings & Research Ltd.' continued to be 'Acquite BB+' and short-term bank facilities rating at Acquite A4+.
15	Dematerialisation of shares and Liquidity	97.45% of the shareholding has been dematerialized as on March 31, 2020.
16	Outstanding GDR / ADR / Warrants / Convertible instruments, Conversion Date and likely impact on Equity	The Company has not issued any GDR / ADR / Warrants or any convertible instrument, which is likely to have impact on the Company's Equity.
17	Commodity price risk or foreign exchange risk and hedging activities	As the Company is not engaged in commodity business, commodity risk is not applicable. Foreign Exchange risk is managed/hedged in accordance with the Policy framed by the Company for that purpose and periodical update is given to the Board on a quarterly basis.

**18. Market price data for 2019-20 :**

Month	Share price		BSE Sensex	
	High	Low	High	Low
April	42.85	36.35	39,487.45	38,460.25
May	42.00	32.90	40,124.96	36,956.10
June	39.60	17.10	40,312.07	38,870.96
July	26.50	19.30	40,032.41	37,128.26
August	25.95	20.40	37,807.55	36,102.35
September	27.00	19.70	39,441.12	35,987.80
October	21.45	17.15	40,392.22	37,415.83
November	21.70	16.35	41,163.79	40,014.23
December	18.80	16.50	41,809.96	40,135.37
January	24.00	17.00	42,273.87	40,476.55
February	21.40	14.35	41,709.30	38,219.97
March	17.40	11.21	39,083.17	25,638.90

**19. Distribution of shareholding as on March 31, 2020 :**

Distribution of Shares (slabwise)	No. of shareholders	Percentage to total no. of shareholders	No. of shareholders	Percentage to total share capital
Upto 5000	2,281	73.51	4,10,681	4.11
5001 – 10000	344	11.09	2,84,331	2.85
10001 – 20000	183	5.90	2,75,920	2.76
20001 – 30000	78	2.51	1,96,906	1.97
30001 – 40000	36	1.16	1,27,556	1.28
40001 – 50000	27	0.87	1,26,011	1.26
50001 – 100000	57	1.84	4,14,243	4.15
100001 & above	97	3.13	81,57,352	81.63
<b>Total</b>	<b>3,103</b>	<b>100.00</b>	<b>99,93,000</b>	<b>100.00</b>

**20. Share holding pattern as on March 31, 2020:**

Sr.No.	Particulars	No. of shares	% of shareholding
a.	Promoters	60,61,650	60.66%
b.	Central/State Government	2,000	0.02%
c.	Private Corporate Bodies	82,797	0.83%
d.	Indian Public	36,16,963	36.19%
e.	NRI's/OCB's	1,25,047	1.25%
f.	Clearing Members	6,091	0.06%
g.	IEPF	98,452	0.99%
	<b>Total</b>	<b>99,93,000</b>	<b>100.00%</b>

For and on behalf of the Board of Directors

Date: July 03, 2020.  
Place: Nanded\_\_\_\_\_  
**Omprakash K. Gilda**  
Managing Director



**ANNEXURE E (i)**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To

**The Members**

**Shiva Global Agro Industries Limited**

'Shri Hanuman Nagar', Osman nagar Road,  
Village Dhakni, Taluka Loha, District Nanded.

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the directors during the financial year under review and other records maintained by the Company and also the information provided by the company, its officers, agents and authorised representatives of **Shiva Global Agro Industries Limited (CIN: L24120MH1993PLC070334)** having its Registered Office at 'Shri Hanuman Nagar', Osman nagar Road, Village Dhakni, Taluka Loha, District Nanded, (hereinafter referred to as "The Company") for the purpose of issue of certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 as amended vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 issued by the Securities and Exchange Board of India.

In our opinion & to the best of our knowledge and based on such examination as well as information & explanations furnished to us, which to the best of our knowledge & belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors as stated below on the Board of the Company as on March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of the companies by the Board (SEBI) / Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	DIN	Name of the director	Designation
1	01655503	Omprakash K. Gilda	Managing Director
2	01689971	Arunkumar R. Toshniwal	Non Executive – Non Independent Director
3	00452540	Deepak S. Maliwal	Non Executive – Non Independent Director
4	00486333	Narayanlal P. Kalantri	Non Executive – Non Independent Director
5	00101836	Vijayprakash O. Agrawal	Non Executive – Non Independent Director
6	00547824	Santosh H. Malpani	Non Executive – Independent Director
7	01822463	Divakar N. Shetty	Non Executive – Independent Director
8	06956895	Sandhya S. Maheshwari	Non Executive – Independent Director

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

For **PHK & Associates**

Company Secretaries

Sd/-

**Pawan Kasat**

Proprietor

Membership No. ACS 47152

Certificate of Practice No.17249

UDIN: A047152B000530008

Place: Nanded

Date: July 03, 2020



**ANNEXURE E (ii)**  
**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
**The Members of**  
**Shiva Global Agro Industries Limited**

We, **M/s Aditya Falor & Associates**, Chartered Accountants, the Statutory Auditor's of Shiva Global Agro Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).

**Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance

Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2020.

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

For **Aditya Falor & Associates**  
Chartered Accountants  
Registration No. 127273W

Place: Nanded  
Date: July 03, 2020

\_\_\_\_\_  
**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 20122487AAAAACL8939





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**ANNEXURE E (iii)**  
**DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31 March, 2020 as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: July 03, 2020.

Place: Nanded.

**Omprakash K. Gilda**  
Managing Director

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**Standalone Financial Statements  
for the year ended March 31, 2020**



# Independent Auditor's Report

**To**  
**The Members of**  
**SHIVA GLOBAL AGRO INDUSTRIES LIMITED**

Report on the audit of the Standalone Financial Statements

## Opinion

We have audited the accompanying Consolidated financial statements of Shiva Global Agro Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements".)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their

consolidated cash flows and their consolidated changes in equity for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
1	<b>Revenue recognition (as described in note 1.16 of the standalone financial statements)</b>	
	<p>For the year ended March 31, 2020 the Company has recognized revenue from sale of products of Rs.48963.36 lakhs.</p> <p>Revenue from sale of products is recognized when the significant risk and rewards of ownership of the goods have been transferred to the customer which generally coincide with the</p>	<p><b>Our audit procedures included the following :</b></p> <ul style="list-style-type: none"> <li>•Our audit procedures included the following:</li> <li>•Evaluated the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>•Understood and tested the operating effectiveness of internal controls as established by the management in relation to revenue recognition.</li> </ul>



	<p>delivery of goods, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. The Company considers estimated time of delivery of goods and this has an impact on the timing and extent of revenue recognition from sale of products. The varied terms that define when title, risk and rewards are transferred to the customer, as well as the high volume of transactions, give rise to the risk that revenue could be recognized in the incorrect period for sales transactions occurring on and around the year end.</p> <p>Accordingly, due to the significant risk associated with revenue recognition, it has been determined to be a key audit matter in our audit of the Consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>•Performed sales transactions testing based on a representative sampling and traced to sales invoices and other related documents to ensure that the related revenues and trade receivables are recorded appropriately taking into consideration the terms and conditions of the agreements with customers, including the shipping terms.</li> <li>•Tested sales transactions made near the year end by agreeing a sample of sales transactions occurring around the year end to supporting documentation including customer confirmation of receipt of goods to establish that sales and corresponding trade receivables are properly recorded in the correct period.</li> <li>•Performed monthly analytical review of revenue from sale of goods by streams to identify any unusual trends.</li> <li>•Assessed the relevant disclosures made within the Consolidated financial statements</li> </ul>
<p><b>2 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability (as described in note 1.16 of the standalone financial statements)</b></p>		
	<p>Subsidy income pertaining to fertilizer business is recognised on the basis of the rates notified from time to time by the Department of Fertilizers, Government of India ('GOI') in accordance with the Nutrient Based Subsidy ('NBS') policy on the quantity of fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy including Direct Benefit Transfer ('DBT') System which was introduced by Government of India.</p> <p>For the year ended March 31, 2020, subsidy income of Rs.1985.71 lakhs is recognized.</p> <p>Recognition and realisability of subsidy income is dependent on GOI Policy and its various initiatives/schemes.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>•Obtained an understanding of the process and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the subsidy</li> <li>•Evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifications and policies and collections of subsidy</li> <li>•Read all the notifications issued by Department of Fertilizers applicable for subsidy recognized during the year</li> <li>•Considered the relevant notifications and policies issued by Department of Fertilizers to ascertain the recognition of subsidy, adjustments thereto recognised pursuant to changes in the rates and basis for determination of subsidy.</li> <li>•Tested the ageing analysis and assessed the information used by the management to determine the recoverability of the subsidy by considering collections against historical trends, the level of credit loss charged over time and provisions made.</li> <li>•Correlated the sales quantity considered for subsidy income with the actual sales made by the Company.</li> <li>•Agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers and tested the DBT claims made by the Company.</li> <li>•Enquired from the Management and discussed with the Board of Directors, the appropriateness of the subsidy rates applied to recognise subsidy income.</li> <li>•Assessed the related disclosure in Consolidated financial statements</li> </ul>

**Other Information**

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial

statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information



and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise

professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Group's ability 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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



we identify during our audit.

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Parent and

its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.
2. 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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No. 127273W

Place : Nanded  
Date : July 03, 2020

**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 20122487AAAACG3329



# Annexure to Independent Auditor's Report

## **“Annexure A” to Independent Auditors’ Report**

(Referred to in Paragraph 1(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date:)

### **i. FIXED ASSETS :**

#### **(Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act'))**

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Shiva Global Agro Industries Limited (hereinafter referred to as “the Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India



### 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 authorizations of the Management and Directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No. 127273W

Place : Nanded  
Date : July 03, 2020

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**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 20122487AAAACG3329





# Annexure to Independent Auditor's Report

## Annexure B to Independent Auditors' Report

(Referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date:)

### i. FIXED ASSETS:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.

(c) According to the information & explanations given to us & on the basis of our examination of the records of the Company, title deeds of all immovable properties are held in the name of company.

### ii. INVENTORY :

As explained to us, the inventories except goods-in-transit, were physically verified during the year by the management at reasonable intervals. According to the information & explanation given to us, no material discrepancies were noticed on such verification.

### iii. LOANS GRANTED TO PARTIES COVERED U/S 189 OF COMPANIES ACT, 2013 :

The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act during the year. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

### iv. COMPLIANCE WITH SEC. 185 & SEC. 186 OF THE COMPANIES ACT, 2013 :

In our opinion & according to the information & explanations given to us, the Company has duly complied with the provisions of Section 185 & Section 186 of the Companies Act, 2013 with respect to the loans & investments made.

### v. DEPOSIT :

In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of

Section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

### vi. COST RECORDS :

The Central Government has prescribed the maintenance of Cost Records u/s 148(1) of the Companies Act, 2013 for Fertilizers. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

### vii. STATUTORY DUES :

According to the information and explanations given to us, in respect of statutory dues;

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Customs Duty which has not been deposited as on March 31, 2020 on account of disputes are given below:



Name of Statute	Nature of Dues	Amount (Rs)	Period to which the amount relate	Forum where the dispute is pending
The Customs Act,1962	Custom Duty	18,36,639	2009-10	The Customs, Excise and Service Tax Appellate Tribunal
The Central Sales Tax Act, 1956.	Central Sales Tax	5,93,168	2015-16	Appellate Deputy Commissioner, Secunderabad.

**viii. DUES TO FINANCIAL INSTITUTION/BANKS/GOVT./ DEBENTUREHOLDERS:**

The Company has not defaulted in repayment of loans or borrowings to the financial institution, banks, government or has not issued any debentures.

**ix. APPLICATION OF MONEY RAISED FROM INITIAL PUBLIC OFFER & TERM LOAN:**

The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) & term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable to the company.

**x. FRAUD:**

To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

**xi. MANAGERIAL REMUNERATION:**

The Managerial Remuneration has not been paid or provided and accordingly the requisite approvals mandated by the Provisions of Section 197 read with Schedule V of the Companies Act are not required.

**xii. NIDHI COMPANY:**

As the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

**xiii. RELATED PARTIES:**

According to the information & explanations given to us & based on our examination of the records of the Company, transactions with related parties are in compliance with the provisions of Section 177 & Section 188 of the Act where

applicable & the details of the transactions are disclosed in the Financial Statements as required by the applicable accounting standards.

**xiv. PREFERENTIAL ALLOTMENT OR PRIVATE PLACEMENT OF SHARES/ CONVERTIBLE DEBENTURES :**

The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year.

**xv. COMPLIANCE OF SECTION 192 WITH REGARD TO NON-CASH TRANSACTIONS WITH DIRECTORS & CONNECTED PERSONS :**

According to the information & explanations given to us & based on our examination of the records of the Company, the Company has not entered in any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

**xvi. REGISTRATION U/S 45-IA OF THE RBI ACT,1934:**

The Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No. 127273W

Place : Nanded  
Date : July 3, 2020

**Aditya G. Falor**  
Proprietor  
Membership No.122487  
UDIN: 20122487AAAACG3329



## SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED

Balance Sheet as at March 31, 2020

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	1,905.91	1,611.42
(b) Investment property	3	8.70	8.70
(c) Other intangible assets	4	0.22	-
(d) Financial assets		-	-
(i) Investments	5	841.04	851.07
(ii) Other financial assets	6	-	0.55
(e) Other non-current assets	7	398.16	654.25
<b>Total non-current assets</b>		<b>3,154.03</b>	<b>3,126.00</b>
<b>Current Assets</b>			
(a) Inventories	8	4,395.47	3,616.35
(b) Financial assets		-	-
(i) Trade receivables	9	1,993.34	2,108.41
(ii) Cash and cash equivalents	10	56.63	24.21
(iii) Bank balances other than above	11	130.11	52.49
(iv) Others financial assets	12	43.22	6.68
(c) Other current assets	13	52.92	38.30
<b>Total current assets</b>		<b>6,671.69</b>	<b>5,846.43</b>
<b>Non-current assets held for sale</b>		<b>-</b>	<b>269.48</b>
<b>Total - assets</b>		<b>9,825.73</b>	<b>9,241.91</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	999.30	999.30
(b) Other equity	15	4,486.30	4,181.86
<b>Total equity</b>		<b>5,485.60</b>	<b>5,181.16</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	194.80	151.40
(b) Provisions	17	12.30	15.88
(c) Deferred tax liabilities (Net)	18	177.84	185.83
<b>Total non-current liabilities</b>		<b>384.94</b>	<b>353.11</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	1,531.86	1,648.41
(ii) Trade payables		1,169.97	858.26
(iii) Other current financial liabilities	20	112.50	157.35
(b) Other current liabilities	21	1,124.08	1,013.39
(c) Provisions	22	16.68	3.18
(d) Current tax liabilities (net)	18.5	0.09	27.04
<b>Total current liabilities</b>		<b>3,955.18</b>	<b>3,707.63</b>
<b>Total equity and liabilities</b>		<b>9,825.73</b>	<b>9,241.91</b>

See accompanying notes forming part of the financial statements.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

For and on behalf of the Board of Directors

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

Place : Nanded  
Date : July 03, 2020

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



**SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANNED**  
Statement of Profit and Loss for the year ended March 31, 2020 (Rs. In Lacs)

Particulars	Note No	March 31, 2020	March 31, 2019
<b>I. Incomes:</b>			
Revenue from operations	23	9,285.25	11,329.50
Other income	24	50.00	27.78
<b>Total income</b>		<b>9,335.24</b>	<b>11,357.28</b>
<b>II. Expenses :</b>			
Cost of materials consumed	25	4,263.74	6,405.79
Purchases of stock-in-trade	26	3,451.98	2,522.17
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(602.10)	(323.16)
Employee benefits expense	28	218.81	227.33
Finance costs	29	236.81	281.45
Depreciation and amortization expense	30	100.32	97.77
Other expenses	31	1,282.52	1,608.83
<b>Total expenses</b>		<b>8,952.08</b>	<b>10,820.17</b>
<b>III. Profit before exceptional items and tax</b>		<b>383.16</b>	<b>537.11</b>
<b>IV. Exceptional items</b>		<b>0.00</b>	<b>(379.83)</b>
<b>V. Profit before tax</b>		<b>383.16</b>	<b>157.28</b>
<b>VI Tax expenses:</b>			
(1) Current tax		76.12	149.04
(2) Deferred tax	18	(6.66)	3.12
(3) Income tax relating to earlier years		0.73	0.10
<b>VII. Profit for the year</b>		<b>312.97</b>	<b>5.03</b>
<b>VIII. Other Comprehensive Income</b>			
[A] (i) Items that will not be reclassified to profit & loss			
Fair valuation of equity instruments through other comprehensive income		(2.21)	(1.00)
Re-measurements of the defined benefit plan		(7.65)	(1.93)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.33	0.64
[B] (i) Items that will be reclassified to profit & loss		-	-
<b>Total Other comprehensive income</b>		<b>(8.54)</b>	<b>(2.29)</b>
<b>Total Comprehensive Income for the year</b>		<b>304.44</b>	<b>2.74</b>
<b>IX. Earnings per equity share :</b>			
- Basic/Diluted	<b>32</b>	3.13	0.05

See accompanying notes forming part of the financial statements.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

For and on behalf of the Board of Directors

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

Place : Nanded  
Date : July 03, 2020

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



## SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANNED

### Cash Flow Statement for the period ended March 31, 2020

(Rs. in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>383.16</b>	<b>157.28</b>
<b>Adjustments for:</b>		
Interest Paid	236.81	281.45
Depreciation & Amortization	100.32	97.77
Exceptional items - Loss on sale of Subsidiary Company	-	379.83
Re-measurement of Defined Benefit Plans	(7.65)	(1.93)
Amortisation of Preliminary Expenses	0.27	0.27
Interest Received	(8.74)	(15.12)
Dividend Income	(0.09)	(0.13)
Share of profits from partnership firm	-	(0.21)
Other non-operating income	(41.17)	(12.32)
<b>Operating Profit Before Working Capital Changes</b>	<b>662.92</b>	<b>886.89</b>
Changes in working capital:		
Trade and other receivables	322.16	(148.46)
Inventories	(779.12)	(774.33)
Trade payables and other liabilities	389.36	572.41
<b>Cash Generated From Operations</b>	<b>595.32</b>	<b>536.51</b>
Direct taxes paid	(103.80)	(151.84)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>491.52</b>	<b>384.67</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(395.03)	(126.63)
Investments realised / (made)	7.82	(0.04)
Sale of investment in subsidiary	269.48	375.00
Investment in fixed deposit	(79.52)	68.60
Interest Received	8.74	15.12
Dividend Received	0.09	0.13
Share of profits from partnership firm	-	0.21
Other non-operating income	41.17	12.32
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(147.25)</b>	<b>344.70</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	(116.55)	(291.50)
Proceeds/(Repayment) of Unsecured Loans	43.40	(83.70)
Interest Paid	(236.81)	(281.45)
Dividend Paid	(1.89)	(71.97)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(311.85)</b>	<b>(728.63)</b>
<b>D Net Increase in Cash and Cash Equivalents</b>	<b>32.42</b>	<b>0.74</b>
<b>E Cash and Cash Equivalents at the beginning of the year</b>	<b>24.21</b>	<b>23.48</b>
<b>F Cash and Cash Equivalents at the end of the year</b>	<b>56.63</b>	<b>24.21</b>

**Note :**

Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

\_\_\_\_\_  
**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 3, 2020

For and on behalf of the Board of Directors

\_\_\_\_\_  
**Omprakash K. Gilda**  
Managing Director

\_\_\_\_\_  
**Deepak S. Maliwal**  
Director

\_\_\_\_\_  
**Umesh O. Bang**  
Chief Financial Officer

\_\_\_\_\_  
**Rashmi G. Agrawal**  
Company Secretary



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2020

## a. Equity share capital

(Rs. In Lacs)

	Number of Shares	Amount
<b>Balance as at April 01, 2018</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2018-19	-	-
<b>Balance as at March 31, 2019</b>	<b>99,93,000</b>	<b>999.30</b>
<b>Balance as at April 01, 2019</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2019-20	-	-
<b>Balance as at March 31, 2020</b>	<b>99,93,000</b>	<b>999.30</b>

## b. Other equity

(Rs. In Lacs)

Particulars	Reserves & Surplus			Items of other comprehensive income		Total
	Securities premium	General reserve	Retained earnings	Equity instruments through OCI	Remeasurement of the defined benefit plan	
<b>Balance as on April 01, 2018</b>	<b>1,769.28</b>	<b>334.98</b>	<b>2,136.29</b>	<b>10.28</b>	<b>0.58</b>	<b>4,251.40</b>
Profit for the period	-	-	5.03	-	-	5.03
Other Comprehensive income for the year, net of income tax	-	-	-	(0.89)	(1.39)	(2.29)
<b>Total comprehensive income for the year</b>	<b>1,769.28</b>	<b>334.98</b>	<b>2,141.32</b>	<b>9.38</b>	<b>-0.81</b>	<b>4,254.15</b>
Dividend on equity shares*	-	-	(72.28)	-	-	(72.28)
Transfer to General Reserve	-	2.02	(2.02)	-	-	-
<b>Balance as on March 31, 2019</b>	<b>1,769.28</b>	<b>337.00</b>	<b>2,067.02</b>	<b>9.38</b>	<b>-0.81</b>	<b>4,181.86</b>
<b>Balance as on April 01, 2019</b>	<b>1,769.28</b>	<b>337.00</b>	<b>2,067.02</b>	<b>9.38</b>	<b>-0.81</b>	<b>4,181.86</b>
Profit for the period	-	-	312.97	-	-	312.97
Other Comprehensive income for the year, net of income tax	-	-	-	(2.78)	(5.76)	(8.54)
<b>Total comprehensive income for the year</b>	<b>1,769.28</b>	<b>337.00</b>	<b>2,379.99</b>	<b>6.60</b>	<b>(6.57)</b>	<b>4,486.30</b>
Transfer to General Reserve	-	8.00	(8.00)	-	-	-
<b>Balance as on March 31, 2020</b>	<b>1,769.28</b>	<b>345.00</b>	<b>2,371.99</b>	<b>6.60</b>	<b>(6.57)</b>	<b>4,486.30</b>

## Notes :

\*In September 2018, a dividend of Rs.0.60 per share amounting total dividend of Rs.72.28 Lakhs including dividend distribution tax of Rs.12.32 Lakhs was paid to holders of fully paid equity shares.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 03, 2020

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### COMPANY INFORMATION

Shiva Global Agro Industries Limited, having corporate office in Nanded, Maharashtra, India, incorporated under provisions of The Companies Act, 2013. The company is a public limited company and listed on the Bombay Stock Exchange Limited. The company is engaged in manufacturing and trading of fertilizers.

These are Company's standalone financial statements. The Company also prepared consolidated financial statements separately. The financial statements for the year ended March 31, 2020 were authorized and approved for issue by the Board of Directors on July 03, 2020.

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable.

#### 1.2 BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, a number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair value categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based

on observable market data (unobservable inputs)

Based on the nature of activities of the Company and the average time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### 1.3 NON CURRENT ASSETS HELD FOR SALE:

Assets held for sale are measured at the lower of the carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes the use of management estimates and assumptions. The fair value of the asset held for sale has been estimated using valuation techniques (mainly income and market approach), which includes unobservable inputs.

#### 1.4 FUNCTIONAL AND PRESENTATION CURRENCY:

The financial statements have been prepared and presented using Indian Rupees (Rs.) which is company's functional and presentation currency.

#### 1.5 USE OF ESTIMATES:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent liabilities at that date of the financial statements and the reported amounts of revenues and expenses during the year.

Application of accounting policies that require complex and subjective judgements and the use of assumptions in these financial statements are disclosed below:

1. Recognition of revenue
2. Recognition of Deferred tax liability
3. Measurement of defined benefit obligation: key actuarial assumptions.
4. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
5. Estimation of useful life of property, plant and equipments and intangible assets
6. Estimation of current tax expenses and payable.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods and, if material, their effects are disclosed in the notes to financial statements.

#### 1.6 PROPERTY, PLANT & EQUIPMENT & DEPRECIATION :

##### i) Recognition & Measurement:

Property, plant & equipment are stated at original cost net of tax/ duty credits availed, if any, less accumulated depreciation and impairment losses, if any. Cost comprises of the acquisition price/construction cost, including any non-refundable taxes or levies, cost of borrowings till the date of capitalization in the case of assets involving material investment and substantial lead time and any directly attributable expenditure incurred in bringing the asset to its working condition for the intended use by management.





Further any trade discounts and rebates are deducted. Property, plant and equipment not ready for intended use as on the date of balance sheet are disclosed as "Capital work-in-progress" at cost less impairment losses, if any.

#### ii) Subsequent recognition:

Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance & such costs of the item can be measured reliably.

#### iii) Depreciation:

Property, plant & equipment, other than Land, are depreciated on a pro-rata basis on the straight-line method as per the estimated useful life specified in Schedule II of the Companies Act, 2013 effective from April 01, 2014.

#### iv) Derecognition:

An item of property, plant and equipment is derecognized either when they have been disposed of or when no future economic benefit is expected to arise from the continued use of the asset. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

### 1.7 INVESTMENT PROPERTIES

#### i) Recognition:

Property that is held for long-term rental yields or for capital appreciation, or both and that is not occupied by the Company is classified as Investment Property. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use by management. Any trade discount, rebate are deducted in arriving at the purchase price. All repairs and maintenance costs are recognized in statement of profit and loss account as incurred.

#### ii) Subsequent Recognition :

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

#### iii) Depreciation :

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per the estimated useful lives, prescribed in schedule II to the Companies Act, 2013, effective from April 01, 2014.

#### iv) De-recognition :

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

### 1.8 INTANGIBLE ASSETS:

#### i) Recognition & Measurement:

Intangible Assets are stated at acquisition cost and other costs incurred, which is attributable to preparing the asset

for its intended use, less accumulated amortization and impairment losses, if any.

#### ii) Subsequent recognition:

Expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the entity and such costs can be measured reliably. All other expenditure shall be recognized in profit or loss as incurred.

#### iii) Amortization:

Intangible Assets are amortized on the basis of straight-line method. Specified software purchased is amortized over their estimated useful lives.

#### iv) Derecognition:

An intangible asset is derecognized either when they have been disposed of or when no future economic benefit is expected to arise from the continued use of the asset. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

### 1.9 IMPAIRMENT:

The carrying amount of property, plant & equipment, Investment properties and Intangible assets are reviewed at each balance sheet date to assess impairment if any, based on internal/external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired.

### 1.10 LEASES

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit & loss on a straight-line basis over the lease term.

### 1.11 FINANCIAL INSTRUMENTS:

#### i) Recognition & Initial Measurement:

a. Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instruments.

b. The company measures a financial asset or financial liability at its fair value plus or minus, in case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### ii) Financial assets – Classification :

On initial recognition, a financial asset is classified as, measured at



1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and for sale; and
2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognizing them as measured at amortized cost or at FVOCI.

### iii) Financial assets - Subsequent measurement

#### 1) Financial assets at amortized cost:

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Any gain or loss on derecognition is recognized in profit or loss.

#### 2) Financial assets measured at FVTOCI- Debt investments:

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign gains and losses and impairment are recognized in profit or loss. Other net gains or losses are recognized in OCI.

On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### 3) Financial assets measured at FVTOCI- Equity investments:

These assets are subsequently measured at fair value.

Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of cost the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to profit or loss.

The company has elected to recognize changes in the fair value of certain equity securities in OCI. These changes are accumulated within FVOCI equity investment reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

#### 4) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

#### 5) Financial Assets – Impairment :

The Company assesses on a forward looking basis "expected credit loss" (ECL) associated with its assets carried at amortized cost and FVOCI debt instruments. The company recognizes loss allowance for expected credit losses on financial assets.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

#### 6) Financial assets - Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transaction whereby it transfers asset recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### 7) Financial liabilities - Classification

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

#### 8) Financial liabilities - Subsequent measurement

Financial liabilities measured at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.

#### 9) Financial liabilities - Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognized



at fair value. Any gain or loss on derecognition in these cases, shall be recognized in profit or loss.

## 10) Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### 1.12 INVENTORIES:

Inventories are valued at the lower of cost and net realisable value.

#### The cost is determined as follows:

a) Raw materials and store and spares: cost includes cost of purchase including non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in first out (FIFO) method.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average method.

c) Traded goods: cost includes cost of purchase including non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in first out (FIFO) method.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

### 1.13 CASH & CASH EQUIVALENTS:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

### 1.14 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS:

i) Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When a provision is expected to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects,

when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

iii) Contingent liabilities disclosed for :

a. A possible obligation that arises from the past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

iv) Contingent assets are neither recognized nor disclosed in the financial statements.

### 1.15 EMPLOYEES BENEFITS:

#### i) Short-term Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

#### ii) Post Employment Benefits:

##### 1. Defined Contribution Plan:

Company's contributions paid/ payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

##### 2. Defined Benefit plan:

Company's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method (PUCM) as at the reporting date.

All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

### 1.16 REVENUE RECOGNITION:

a) The Company derives revenues primarily from manufacturing & trading of Fertilizers and trading in other agricultural products.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts. Revenue is recognized on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue is also recognized on sale of goods in case where the delivery is kept pending at the instance of the customer, as the performance obligation has been satisfied and control are transferred and customer takes title and accepts billing as per usual payment terms.

b) The Company recognizes subsidy income as per Ind AS



20 'Accounting for Government Grants and Disclosure of Government Assistance' on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy.

c) Income from services rendered is recognized based on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services.

#### **1.17 OTHER INCOME:**

i) Dividend income from investments is recognized when right to receive is established.

ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and transactional interest rate applicable.

iii) Rental income from investment properties and subletting of properties is recognized on a time proportion basis over the term of the relevant leases.

#### **1.18 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.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

#### **1.19 FOREIGN CURRENCY TRANSACTIONS:**

##### **i) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions.

##### **ii) Subsequent Recognition**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction.

Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss

#### **1.20 EXCEPTIONAL ITEM:**

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed

as 'Exceptional item'.

#### **1.21 INCOME TAX:**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to other comprehensive income.

##### **i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

##### **ii) Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognized in respect of carried forward losses and tax credits. Deferred tax also not recognized for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

#### **1.22 EARNINGS PER SHARE:**

Basic earnings per shares has been calculated by dividing profit for the year attributable to equity shares holders by the weighted average number of equity shares outstanding during the financial year. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per shares are the same.



(Rs. In Lacs)

## 2. Property, plant and equipment

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block	
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu sment	As on 31/03/2020	As on 31/03/2020	As on 31/03/2019
<b>Leased Assets</b>										
Leasehold Land	6.47	0.00	-	6.47	-	-	-	-	-	6.47
Leasehold Buildings	11.46	-	-	11.46	0.40	0.39	-	0.79	10.66	11.06
<b>Owned Assets</b>										
Land	77.16	250.85	-	328.01	-	-	-	-	328.01	77.16
Buildings	944.27	143.20	-	1,087.48	125.95	42.50	-	168.45	919.03	818.32
Plant & Equipments	708.85	-	-	708.85	105.66	36.68	-	142.35	566.51	603.19
Electrical Installation	72.21	-	-	72.21	32.57	10.36	-	42.93	29.27	39.64
Lab Equipments	5.67	-	-	5.67	2.83	0.94	-	3.77	1.90	2.84
Furniture & Fixtures	7.11	-	-	7.11	4.64	1.01	-	5.65	1.46	2.47
Vehicles	66.96	0.72	-	67.68	16.97	8.19	-	25.17	42.52	49.99
Office Equipments	1.39	-	-	1.39	1.24	0.07	-	1.31	0.08	0.15
Computer	0.75	-	-	0.75	0.62	0.13	-	0.75	-	0.13
<b>Total Property, plant and equipment</b>	<b>1,902.30</b>	<b>394.78</b>	<b>-</b>	<b>2,297.07</b>	<b>290.87</b>	<b>100.29</b>	<b>-</b>	<b>391.17</b>	<b>1,905.91</b>	<b>1,611.42</b>

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block	
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu sment	As on 31/03/2019	As on 31/03/2019	As on 31/03/2018
<b>Leased Assets</b>										
Leasehold Land	6.47	-	-	6.47	-	-	-	-	-	6.47
Leasehold Buildings	0.21	11.25	-	11.46	0.01	0.39	-	0.40	11.06	0.20
<b>Owned Assets</b>										
Land	77.16	-	-	77.16	-	-	-	-	77.16	77.16
Buildings	878.11	66.16	-	944.27	83.84	42.10	-	125.95	818.32	794.26
Plant & Equipments	683.67	25.18	-	708.85	70.18	35.48	-	105.66	603.19	613.49
Electrical Installation	68.74	3.47	-	72.21	21.92	10.65	-	32.57	39.64	46.83
Lab Equipments	5.67	-	-	5.67	1.88	0.94	-	2.83	2.84	3.78
Furniture & Fixtures	7.11	-	-	7.11	3.63	1.01	-	4.64	2.47	3.48
Vehicles	46.38	20.58	-	66.96	10.41	6.57	-	16.97	49.99	35.98
Office Equipments	1.39	-	-	1.39	0.99	0.25	-	1.24	0.15	0.40
Computer	0.75	-	-	0.75	0.38	0.24	-	0.62	0.13	0.37
<b>Total Property, plant and equipment</b>	<b>1,775.67</b>	<b>126.63</b>	<b>-</b>	<b>1,902.30</b>	<b>193.23</b>	<b>97.64</b>	<b>-</b>	<b>290.87</b>	<b>1,611.42</b>	<b>1,582.43</b>

2.1 Refer Note 19.1 for details of assets pledged.

**3. Investment property** (Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block	
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu s tment	As on 31/03/2020	As on 31/03/2020	As on 31/03/19
<b>Leased Assets</b> Leasehold Buildings	0.10	-	-	0.10	0.01	**	-	0.01	0.10	0.10
Owned Assets Land	8.60	-	-	8.60	-	-	-	-	8.60	8.60
<b>Total Investment Property</b>	<b>8.71</b>	<b>-</b>	<b>-</b>	<b>8.71</b>	<b>0.01</b>	<b>**</b>	<b>-</b>	<b>0.01</b>	<b>8.70</b>	<b>8.70</b>

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block	
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu s tment	As on 31/03/2019	As on 31/03/2019	As on 31/03/18
<b>Leased Assets</b> Leasehold Buildings	0.10	-	-	0.10	**	**	-	0.01	0.10	0.10
Owned Assets Land	8.60	-	-	8.60	-	-	-	-	8.60	8.60
<b>Total Investment Property</b>	<b>8.71</b>	<b>-</b>	<b>-</b>	<b>8.71</b>	<b>**</b>	<b>**</b>	<b>-</b>	<b>0.01</b>	<b>8.70</b>	<b>8.70</b>

3.1 The Company's investment properties consist of commercial properties located at Nanded. The management has determined that the investment properties consist of two classes of assets - land and building.

\*\* Less than a Lac.



### 3.2 Information regarding income and expenditure of Investment Property

(Rs. In Lacs)

Particulars	31.03.2020	31.03.2019
Rental income derived from investment properties	0.60	0.60
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.15	0.15
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	0.45	0.45
Less: Depreciation	**	**
Profit arising from investment properties	0.45	0.45

**3.3** Company undertakes expenditure towards Maintenance for upkeep of its properties which also covers the portion relating to Investment Property. The same being not material no separate disclosure of contracts entered into for maintenance of investment property is given.

**3.4** As at 31 March 2020, the fair values of the properties is Rs.216.6 Lacs (P.Y. Rs.216.6 Lacs). These valuations

are based on government stamp duty valuations and has been worked out by the management based on the information and a study of the micro market in discussions with industry experts, local brokers and regional developers.

**3.5** Refer Note 19.1 for details of assets pledged.

\*\* Less than a Lac.

### 3.6 Fair value disclosures for investment properties is detailed below.

Particulars	31.03.2020	31.03.2019
<b>Reconciliation of fair value</b>		
<b>Land</b>		
Opening Balance	111.21	111.21
Fair Value	111.21	111.21
Fair Value difference	-	-
Closing Balance	111.21	111.21
<b>Leasehold building</b>		
Opening Balance	105.39	105.39
Fair Value	105.39	105.39
Fair Value difference	-	-
Closing Balance	105.39	105.39
<b>Total</b>		
<b>Opening Balance</b>	<b>216.60</b>	<b>216.60</b>
<b>Fair Value</b>	<b>216.60</b>	<b>216.60</b>
<b>Fair Value difference</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>216.60</b>	<b>216.60</b>

(Rs. In Lacs)

**4. Other intangible assets**

Particulars	Gross Block (At Deemed Cost)				Depreciation			Net Block		
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu tment	As on 31/03/2020	As on 31/03/2020	As on 31/03/2019
Computer Software	1.36	0.25	-	1.61	1.36	0.03	-	1.39	0.22	-
	<b>1.36</b>	<b>0.25</b>	<b>-</b>	<b>1.61</b>	<b>1.36</b>	<b>0.03</b>	<b>-</b>	<b>1.39</b>	<b>0.22</b>	<b>-</b>

Particulars	Gross Block (At Deemed Cost)				Depreciation			Net Block		
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu tment	As on 31/03/2019	As on 31/03/2019	As on 31/03/2018
Computer Software	1.36	-	-	1.36	1.24	0.12	-	1.36	-	0.12
<b>Total Intangible Assets</b>	<b>1.36</b>	<b>-</b>	<b>-</b>	<b>1.36</b>	<b>1.24</b>	<b>0.12</b>	<b>-</b>	<b>1.36</b>	<b>-</b>	<b>0.12</b>





## 5 Non-current financial assets - Investments

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Quoted equity instruments</b>		
<b>Investments in fully paid quoted equity instruments at FVTOCI</b>		
<b>Gujarat State Fertilizers &amp; Chemicals Limited.</b> 500 (2019:500) Equity shares of Rs.2 each	0.18	0.52
<b>Aditya Birla Fashion and Retail Limited.</b> 171 (2019:171) Equity shares of Rs.10 each	0.26	0.38
<b>Aditya Birla Capital Limited.</b> 68 (2019:68) Equity shares of Rs.10 each	0.03	0.07
<b>Grasim Industries Limited.</b> 49 (2019:49) Equity shares of Rs.2 each	0.23	0.42
<b>Zuari Global Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.03	0.11
<b>Zuari Agro Chemicals Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.06	0.19
<b>Rashtriya Chemicals &amp; Fertilizers Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.03	0.06
<b>Coromandel International Limited.</b> 1500 (2019:1500) Equity shares of Rs.2 each	8.16	7.49
<b>Nagarjuna Fertilizers &amp; Chemicals Ltd.</b> 550 (2019:550) Equity shares of Rs.1 each	0.02	0.04
<b>Nagarjuna Oil Refinery Limited.</b> 500 (2019:500) Equity shares of Rs.1 each	-	-
<b>Union Bank Of India</b> 2321 (2019:2321) Equity shares of Rs.10 each	0.67	2.22
<b>Deepak Fertilisers &amp; Petrochemicals Corporation Limited.</b> 50 (2019:50) Equity shares of Rs.10 each	0.04	0.07
<b>Monsanto India Limited.</b> Nil (2019:20) Equity shares of Rs.10 each	-	0.52
<b>Bayer CropScience Limited.</b> 13 (2019:Nil) Equity shares of Rs.10 each	0.45	-
<b>Kaveri Seed Company Limited.</b> 250 (2019:250) Equity shares of Rs.10 each	0.85	1.15
<b>Unquoted equity instruments</b>		
<b>Investments in subsidiaries at cost</b>		
<b>Shiva-Parvati Poultry Feed Private Limited.</b> 2,29,500 (2019:2,29,500) Equity shares of Rs.100 each (India)	280.93	280.93
<b>Ghatprabha Fertilizers Private Limited.</b> 1,71,250 (2019:1,71,250) Equity shares of Rs.100 each (India)	205.50	205.50
<b>Shrinivasa Agro Foods Private Limited.</b> 4,70,781 (2019:4,70,781) Equity shares of Rs.100 each (India)	343.28	343.28
<b>Investments in partnership firms at cost</b>		
Shiva Global Biotech	-	7.82
<b>Investment in Government Securities at amortised cost</b>		
National Savings Certificate	0.33	0.33
<b>Total Investments</b>	<b>841.04</b>	<b>851.07</b>
<b>Non-current assets held for sale</b>		
<b>Equity shares of associate companies</b>		
Kirtiman Agrogenetics Limited. Nil (2019:3,59,300) Equity shares of Rs.100 each (India)	-	269.48
<b>Aggregate amount of quoted investments and market value thereof</b>	<b>11.01</b>	<b>13.22</b>
<b>Aggregate amount of unquoted investments</b>	<b>830.04</b>	<b>837.85</b>

**5.1 Details of investments in partnership firms****Investment in M/s Shiva Global Biotech**

(Rs. In Lacs)

Names of the Partners	Share of Profits (%)	
	As at 31.03.2020	As at 31.03.2019
1. Shiva Global Agro Industries Limited	55.00%	55.00%
2. Mrs. Rajshree Sharma	22.00%	22.00%
3. Mr. Sanjay Laddha	23.00%	23.00%
<b>Total Capital of the Firm</b>	-	<b>11.55</b>

**6 Non-current financial assets - Other financial assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
Interest accrued but not due on deposits	-	0.55
<b>Total</b>	-	<b>0.55</b>

**7 Other non-current assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
Capital advances*	-	375.00
Deposits	59.08	52.30
Other advances:		
Advances to suppliers & others	0.25	0.25
Unamortised expenses	-	0.27
VAT/GST refund receivable	338.83	226.43
<b>Total</b>	<b>398.16</b>	<b>654.25</b>

\*Capital advance Rs.375 Lacs as on March 31, 2019 is in respect of advance given to associate company towards purchase of Land and Building.

**8 Inventories**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Raw materials	977.29	1,026.20
Raw materials in transit	597.63	470.68
Work-in-progress	135.76	118.72
Finished goods	1,626.53	1,812.73
Stock-in-trade	771.25	-
Stores and packing materials	287.01	188.02
<b>Total</b>	<b>4,395.47</b>	<b>3,616.35</b>

8.1 Refer Note 19.1 for details of assets pledged.

**9 Trade receivables**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
From related parties	29.87	72.90
From others	1,963.47	2,035.51
<b>Total</b>	<b>1,993.34</b>	<b>2,108.41</b>

**10 Cash and cash equivalents**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Balances with Banks	51.00	15.22
Cash on hand	5.63	8.99
<b>Total</b>	<b>56.63</b>	<b>24.21</b>

**11 Bank balances other than above**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Restricted</b>		
Dividend accounts	3.10	4.99
Margin money/deposit	127.02	47.50
<b>Total</b>	<b>130.11</b>	<b>52.49</b>



11.1 If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Edu-

cation and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

11.2 During the year the company has duly transferred the amounts due to be transferred to Investor Education and Protection Fund.

## 12 Current financial assets - Others financial assets

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
<b>Financial assets mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative financial asset - Foreign currency forward contracts	34.34	-
<b>Other advances</b>		
Staff imprest and advances	5.00	4.31
Interest Accrued but not due on deposits	3.89	2.37
<b>Total</b>	<b>43.22</b>	<b>6.68</b>

## 13 Other current assets

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
<b>Advances other than capital advances</b>		
Prepaid expenses	12.83	4.78
Advances to suppliers and others	39.82	33.24
Unamortised expenses	0.27	0.27
<b>Total</b>	<b>52.92</b>	<b>38.30</b>

## 14 Equity share capital

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Authorised:</b>		
1,50,00,000 (2019: 1,50,00,000) equity shares of Rs.10/- each	1,500.00	1,500.00
<b>Issued, subscribed and fully paid-up</b>		
99,93,000 (2019: 99,93,000) fully paid equity shares of Rs.10/- each	999.30	999.30
<b>Total</b>	<b>999.30</b>	<b>999.30</b>

## 14.1 Reconciliation of the number of equity shares

(Rs. In Lacs)

	Number of Shares	Amount
Balance as at April 01, 2018	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2019	99,93,000	999.30
Balance as at April 01, 2019	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2020	99,93,000	999.30

## 14.2 Rights, preferences and restrictions relating to each class of share capital

The company has one class of share referred to as Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is

subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 14.3 Details of shareholders holding more than 5% shares in the company

	Name of the Shareholder		
	Omprakash Gilda	Deepak Maliwal	Rekha Maliwal
No. of Shares as at March 31, 2019	11,05,000	5,89,850	3,58,813
% holding in the class	11.06%	5.90%	3.59%
No. of Shares as at March 31, 2020	11,23,052	6,81,148	5,12,593
% holding in the class	11.24%	6.82%	5.13%



**15 Other equity**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Securities premium	1,769.28	1,769.28
General reserve	345.00	337.00
Retained earnings	2,371.99	2,067.02
Equity instruments through OCI	6.60	9.38
Remeasurements of the defined benefit plan	(6.57)	(0.81)
<b>Total other equity</b>	<b>4,486.30</b>	<b>4,181.86</b>

**16 Non-current financial liabilities - Borrowings**

(Rs. In Lacs)

Unsecured- at amortised cost	As at 31.03.2020	As at 31.03.2019
Loans from related parties (Refer note 39.3)	110.50	110.50
Other loans:		
- Public fixed deposits	84.30	40.90
<b>Total</b>	<b>194.80</b>	<b>151.40</b>

**16.1 Terms of repayment for Unsecured borrowings :**

the date of loan.

ii) Unsecured loans from related parties carry interest @10% p.a. and is repayable after a period of 5 years from

ii) Public deposits included are repayable after 3 years from the date of acceptance & carry interest rate @8-12% p.a.

**17 Non-current provisions**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Employee benefits :		
Gratuity payable	12.30	15.88
<b>Total</b>	<b>12.30</b>	<b>15.88</b>

**18 Deferred tax liabilities (Net)**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Property, plant and equipment	174.28	190.80
Statutory dues allowable on payment basis	(3.52)	(4.74)
Investments at FVTOCI	0.65	0.08
Defined Benefit Plans	(2.21)	(0.31)
Others	8.64	-
<b>Deferred Tax Liability (Net)</b>	<b>177.84</b>	<b>185.83</b>

**18.1 Movement in above mentioned deferred tax assets and liabilities :**

(Rs. In Lacs)

Particulars	Opening Balance as on 01/04/2019	Recognized in Profit or loss	Recognized in OCI	Closing Balance
Property, plant and equipment	190.80	(16.52)	-	174.28
Statutory dues allowable on payment basis	(4.74)	1.22	-	(3.52)
Investments at FVTOCI	0.08	-	0.57	0.65
Defined Benefit Plans	(0.31)	-	(1.90)	(2.21)
Others	-	8.64	-	8.64
<b>Total</b>	<b>185.83</b>	<b>(6.66)</b>	<b>(1.33)</b>	<b>177.84</b>

Particulars	Opening Balance as on 01/04/2018	Recognized in Profit or loss	Recognized in OCI	Closing Balance
Property, plant and equipment	185.91	4.89	-	190.80
Statutory dues allowable on payment basis	(2.97)	(1.77)	-	(4.74)
Investments at FVTOCI	0.18	-	(0.10)	0.08
Defined Benefit Plans	0.22	-	(0.54)	(0.31)
<b>Total</b>	<b>183.35</b>	<b>3.12</b>	<b>(0.64)</b>	<b>185.83</b>

**18.2 Unrecognized deductible temporary differences, unused tax losses and unused tax credits**

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following: (Rs. in Lacs)

	As at March 31, 2020	As at March 31, 2019
Long term capital loss	1,159.89	728.37
<b>Total</b>	<b>1,159.89</b>	<b>728.37</b>

Long-term capital loss of Rs.728.37 lacs and Rs.431.52 Lacs is available for set-off till March 31, 2027 & March 31, 2028 respectively.

**18.3 Income tax credit/(expense) recognized directly in equity**

(Rs. In Lacs)

	As at March 31, 2020	As at March 31, 2019
Tax effect of changes in fair value of equity instruments	(0.57)	0.10
Tax effect on actuarial gains/losses on defined benefit obligations	1.90	0.54
<b>Total</b>	<b>1.33</b>	<b>0.64</b>

**18.4 Reconciliation of tax expense to the accounting profit is as follows:**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Accounting profit before tax	383.16	157.28
Tax expense at statutory tax rate of 25.168% (P.Y. 27.82%)	96.43	43.76
Adjustments:	-	-
Effect of income that is exempt from tax	(0.61)	(1.09)
Effect of expenses that are not deductible in determining taxable profit	2.55	109.07
Tax Effects of amounts which are deductible in calculating taxable income	(25.87)	0.42
Effect of change in tax rate	(3.04)	-
<b>Total</b>	<b>69.46</b>	<b>152.16</b>

**18.5 Current tax liabilities (net)**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Income tax payable	0.09	27.04
<b>Total</b>	<b>0.09</b>	<b>27.04</b>

**19 Current financial liabilities - Borrowings**

(Rs. In Lacs)

(Secured- at amortised cost)	As at 31.03.2020	As at 31.03.2019
Secured- at amortised cost		
Loan repayable on demand from banks	1,517.46	1,575.71
Unsecured- at amortised cost		
Other loans		
- Public fixed deposits	14.40	72.70
<b>Total</b>	<b>1,531.86</b>	<b>1,648.41</b>

**19.1** Working Capital loan from bank is secured by first pari-passu charge by way of hypothecation of the inventories, book debts, bills for collection present and future and second charge on the entire Property, Plant and Equipment of the Company by way of mortgage and hypothecation in respect of those assets which are first charged to

lender. Further, the loan is guaranteed by the personal guarantee of all the directors of the Company except independent directors. The loan carries interest at the rate of 9.60%p.a. (2019:9.60% p.a.)

**19.2** There is no breach of loan agreement.

**20 Other current financial liabilities**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative financial liability - Foreign currency forward contracts	-	11.83
<b>Financial liabilities carried at amortised cost</b>		
Security deposits	48.45	47.45
Unclaimed dividends	3.10	4.99
Expenses	60.95	93.09
<b>Total</b>	<b>112.50</b>	<b>157.35</b>



**21 Other current liabilities**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Advances from customers	1,117.39	1,006.99
Statutory dues	6.68	6.40
<b>Total</b>	<b>1,124.08</b>	<b>1,013.39</b>

**22 Current provisions**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Employee benefits	16.68	3.18
<b>Total</b>	<b>16.68</b>	<b>3.18</b>

**23 Revenue from operations**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Sale of Products</b>		
Finished Goods	4,589.27	7,216.76
Traded Goods	2,710.27	2,598.02
Subsidy on Fertilizers	1,985.71	1,514.73
<b>Total</b>	<b>9,285.25</b>	<b>11,329.50</b>

**Particulars of sale of products**

**23.1 Finished goods**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	4,586.74	7,214.97
Others	2.53	1.79
<b>Total</b>	<b>4,589.27</b>	<b>7,216.76</b>

**23.2 Traded goods**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	283.10	442.69
Seeds & other agri. Commodities	2,427.15	2,133.43
Others	0.02	21.89
<b>Total</b>	<b>2,710.27</b>	<b>2,598.02</b>

**24 Other income**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Interest Income	8.74	15.12
Dividend income	0.09	0.13
Share of profits from partnership firm	-	0.21
Other non-operating income	41.17	12.32
<b>Total</b>	<b>50.00</b>	<b>27.78</b>

**25 Cost of materials consumed**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Raw Material Consumed</b>		
Inventory at the beginning of the year	1,496.88	1,067.79
Add: Purchases	4,419.61	6,953.44
Add/(Less): Transfer from/(to) Stock in Trade	(261.66)	(401.23)
Less: Inventory at the end of the year	1,574.92	1,496.88
<b>Cost of Raw materials consumed</b>	<b>4,079.91</b>	<b>6,123.12</b>
<b>Packing Material Consumed</b>		
Inventory at the beginning of the year	137.75	107.04
Add: Purchases	190.12	327.87
Less: Inventory at the end of the year	144.03	137.75
Cost of Sales	-	14.50
<b>Cost of Packing materials consumed</b>	<b>183.84</b>	<b>282.67</b>
<b>Total</b>	<b>4,263.74</b>	<b>6,405.79</b>

**25.1 Particulars of consumption :****a) Raw material**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	144.03	2,508.98
Rock	2,888.20	2,675.84
Acid	973.74	896.07
Others	73.94	42.24
<b>Total</b>	<b>4,079.91</b>	<b>6,123.12</b>

**b) Packing material**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
HDPE Bags	183.84	282.67
<b>Total</b>	<b>183.84</b>	<b>282.67</b>

**26 Purchases of stock-in-trade**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	967.48	365.42
Seeds	2,479.61	2,106.44
Others	4.89	50.30
<b>Total</b>	<b>3,451.98</b>	<b>2,522.17</b>

**27 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Inventory at the beginning of the year</b>		
Finished Goods	1,812.73	1,455.30
Work-in-progress	118.72	125.01
Stock-in-trade	-	27.97
<b>Less: Inventory at the end of the year</b>		
Finished Goods	1,626.53	1,812.73
Work-in-progress	135.76	118.72
Stock-in-trade	771.25	-
<b>Total</b>	<b>(602.10)</b>	<b>(323.16)</b>

**27.1 Particulars of inventory**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Finished Goods</b>		
Fertilizers	1,626.53	1,803.65
BRP Rock	-	9.08
<b>Work-in-progress</b>		
Fertilizers	135.76	118.72
<b>Stock-in-trade</b>		
Fertilizers	691.14	-
Seeds	80.11	-

**28 Employee Benefits Expense**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Salaries, Wages and Bonus	202.30	212.17
Contribution to Provident Fund	12.98	13.87
Staff Welfare Expenses	3.52	1.28
<b>Total</b>	<b>218.81</b>	<b>227.33</b>

**29 Finance Costs**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Interest Expenses	216.74	245.62
Other Borrowing Costs	20.07	35.83
<b>Total</b>	<b>236.81</b>	<b>281.45</b>

**30 Depreciation and amortization expense**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipment (refer Note 2)	100.29	97.64
Depreciation of investment property (refer Note 3)	**	**
Amortisation of intangible assets (refer Note 4)	0.03	0.12
<b>Total</b>	<b>100.32</b>	<b>97.77</b>

\*\* Less than a lac.

**31 Other expenses**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Stores and spares consumed	187.15	217.50
Power and Fuel	267.55	269.08
Rent	0.48	0.50
Repairs to Buildings	8.06	0.45
Repairs to Machinery	17.22	18.82
Insurance	6.19	4.28
Rates and Taxes	11.33	6.00
Freight and Transportation	584.57	754.75
Miscellaneous expenses	199.98	337.44
<b>Total</b>	<b>1,282.52</b>	<b>1,608.83</b>

**31.1 Particulars of payment to auditors included in miscellaneous expenses**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Audit Fees	2.00	2.00
Certification Fees	0.50	0.50
Company Law Matters	0.75	0.75
Other Matters	0.75	0.75
<b>Total</b>	<b>4.00</b>	<b>4.00</b>

**32 Earnings per share**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
a. Profit after Tax as per the Statement of Profit & Loss attributable to equity shareholders	312.97	5.03
b. Weighted average number of equity shares outstanding	99,93,000	99,93,000
c. Basic & Diluted earnings per share in rupee (Face value Rs.10 per share)	3.13	0.05

**33 Micro, Small and Medium Enterprises :**

There are no dues outstanding to Micro, Small and Medium Enterprises beyond the due date as at the Balance Sheet date. The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

**34. Employee benefits**

As per Ind AS -19 "Employee Benefits", the disclosure of employee benefits are given below:

Defined contribution plan:

(Rs. in Lacs)

Particulars	2019-20	2018-19
Employer's contribution to Provident fund	12.98	13.87
Employer's contribution to employee's state insurance	2.81	3.95




**Defined benefit plan and other long term employee benefits: Gratuity plan**
**Gratuity Plan :**

The company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Rs. In Lacs)**

Particulars	GRATUITY (unfunded)	
	As at March 31,2020	As at March 31,2019
Present Value of Benefit Obligation at the Beginning of the Period	16.08	10.67
Interest Cost	0.67	0.82
Current Service Cost	4.47	3.61
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(14.88)	(0.96)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.29	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	1.30	(0.07)
Actuarial (Gains)/Losses on Obligations - Due to Experience	6.06	2.00
Present Value of Benefit Obligation at the End of the Period	13.99	16.08

**Amount recognised in the balance sheet**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(Present Value of Benefit Obligation at the end of the Period	(13.99)	(16.08)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(13.99)	(16.08)
Net (Liability)/Asset Recognized in the Balance Sheet	(13.99)	(16.08)

**Amount recognised as expense in the profit and loss**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Cost	4.47	3.61
Net Interest Cost	0.67	0.82
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	5.14	4.44

**Amount recognised in the OCI**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial (Gains)/Losses on Obligation For the Period	7.65	1.93
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	7.65	1.93

**Sensitivity analysis**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Projected Benefit Obligation on Current Assumptions	13.99	16.08
Delta Effect of +1% Change in Rate of Discounting	(1.34)	(1.53)
Delta Effect of -1% Change in Rate of Discounting	1.56	1.78
Delta Effect of +1% Change in Rate of Salary Increase	1.42	1.79
Delta Effect of -1% Change in Rate of Salary Increase	(1.24)	(1.56)
Delta Effect of +1% Change in Rate of Employee Turnover	0.08	0.05
Delta Effect of -1% Change in Rate of Employee Turnover	(0.09)	(0.08)



The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

**35 Financial Instruments**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

"The following methods and assumptions were used to

estimate the fair values:"1.Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments."2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts."

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**a. Financial assets**

(Rs. In Lacs)

Particulars	Instruments carried at fair value			Instruments carried at amortized cost		Total carrying Amount (A+B)
	FVTOCI	FVTPL	Total fair value (A)	Carrying amount (B)	Fair value	
<b>As at March 31, 2019</b>						
Cash & Cash Equivalents	-	-	-	24.21	24.21	24.21
Investments:						
Equity Securities and others	13.22	-	13.22	837.85	837.85	851.07
Trade Receivables	-	-	-	2,108.41	2,108.41	2,108.41
Bank Balances other than above	-	-	-	52.49	52.49	52.49
Other Financial Assets	-	-	-	7.22	7.22	7.22
<b>Total</b>	<b>13.22</b>	<b>-</b>	<b>13.22</b>	<b>3,030.19</b>	<b>3,030.19</b>	<b>3,043.41</b>
<b>As at March 31, 2020</b>						
Cash & Cash Equivalents	-	-	-	56.63	56.63	56.63
Investments:						
Equity Securities and others	11.01	-	11.01	830.04	830.04	841.04
Trade Receivables	-	-	-	1,993.34	1,993.34	1,993.34
Bank Balances other than above	-	-	-	130.11	130.11	130.11
Other Financial Assets	-	-	-	43.22	43.22	43.22
<b>Total</b>	<b>11.01</b>	<b>-</b>	<b>11.01</b>	<b>3,053.34</b>	<b>3,053.34</b>	<b>3,064.34</b>

**b. Financial liabilities**

(Rs. In Lacs)

Particulars	Instruments carried at fair value		Instruments carried at amortized cost		Total carrying Amount (A+B)
	FVTPL	Total carrying amount and fair value (A)	Carrying	Fair value amount (B)	
<b>As at March 31, 2019</b>					
Borrowings	-	-	1,799.81	1,799.81	1,799.81
Trade Payables	-	-	858.26	858.26	858.26
Other Financial Liabilities	-	-	157.35	157.35	157.35
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,815.42</b>	<b>2,815.42</b>	<b>2,815.42</b>
<b>As at March 31, 2020</b>					
Borrowings	-	-	1,726.66	1,726.66	1,726.66
Trade Payables	-	-	1,169.97	1,169.97	1,169.97
Other Financial Liabilities	-	-	112.50	112.50	112.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,009.13</b>	<b>3,009.13</b>	<b>3,009.13</b>



### C. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

#### The categories used are as follows :

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets & liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(Rs. In Lacs)

	Level 1	Level 2	Level 3
<b>As at March 31, 2019</b>			
Assets at fair value			
Investments	13.22	-	-
<b>Liabilities at fair value</b>		-	-
<b>As at March 31, 2020</b>			
Assets at fair value			
Investments	11.01	-	-
<b>Liabilities at fair value</b>	-	-	-

There were no significant changes in classification & no significant movements between the fair value hierarchy classifications of financial assets & financial liabilities during the period.

### 36. Capital Management:

The company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the company ensures optimal credit risk profile to maintain/enhance credit rating.

The company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and inter-corporate deposits with financial institutions.

#### The following table summarises the capital of the Company :

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>EQUITY</b>	<b>5,485.60</b>	<b>5,181.16</b>
Short-term borrowings and current portion of long-term debt	1,531.86	1,648.41
Long-term debt	194.80	151.40
Cash and cash equivalents	(56.63)	(24.21)
<b>Net debt</b>	<b>1,670.03</b>	<b>1,775.60</b>
<b>Total capital (equity + net debt)</b>	<b>7,155.63</b>	<b>6,956.76</b>
<b>Net debt to capital ratio</b>	<b>0.23</b>	<b>0.26</b>

### 37 Risk management strategies :

#### Financial risk management :

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below

#### 37.1 Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintaining sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows, undrawn committed credit facilities are expected to be sufficient to meet the liquidity requirements of the Company.

**(i) Financing arrangements**

The Company has access to the following undrawn borrowing facilities as at the end of the reporting period:

(Rs.in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured working capital credit facility from bank	1,682.54	1,624.29

**(ii) The following is the contractual maturities of the financial liabilities:**

(Rs. In Lacs)

	Carrying amount	Total	Payable on demand	Upto 12 months	more than 12 months
<b>As at March 31, 2019</b>					
Non-derivative liabilities					
Borrowings	1,799.81	1,799.81	1,648.41	124.60	26.80
Trade payables	858.26	858.26	-	858.26	-
Other financial liabilities	157.35	157.35	52.44	104.92	-
<b>As at March 31, 2020</b>					
Non-derivative liabilities					
Borrowings	1,726.66	1,726.66	1,531.86	-	194.80
Trade payables	1,169.97	1,169.97	-	1,169.97	-
Other financial liabilities	112.50	112.50	51.55	60.95	-

**37.2 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes investment, deposits, foreign currency receivables and payables. The Company's senior management team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

**(i) Foreign currency risk**

The Company is exposed to foreign exchange risks arising from import of raw material in foreign currency. Foreign exchange risk arises from recognised liabilities, when they are denominated in a currency other than Indian Rupee. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on company's operations. The carrying amounts of the Company's foreign currency denominated monetary liabilities all of which are unhedged at the end of the reporting period are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (Trade payables)		
In foreign currency (USD \$)	-	5.64
In Indian currency (Rs.)	-	366.69

**Foreign Currency Sensitivity**

Rs. in lacs

Particulars	Currency	Change in Rate	Effect on profit before tax
31/03/2019	USD	+10%	(36.67)
	USD	-10%	36.67
31/03/2020	USD	+10%	-
	USD	-10%	-

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's Long term borrowings have fixed rate of interest and carried at amortised costs. Hence, the Company is not subject to the interest rate risk since neither the carrying amount nor the future cash flows will change due to change in the market interest rates. Working capital facility is as per contractual terms, primarily of short term in nature, which does not exposes company to significant interest rate risk.

**37.3 Credit risk**

Credit risk arises when a counterparty defaults on its con-

tractual obligations to pay, resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining collaterals (such as Security Deposit) as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit ratings of its counterparties are continuously monitored based on the counterparty's past performance and business dynamics. Credit exposure is controlled by counterparty limits that are reviewed and approved by the credit risk and monitoring team at regular intervals.



Trade receivables consist of a large number of customers primarily in rural areas. Ongoing credit evaluation is performed on the financial condition and performance of accounts receivable. The average credit period is about 90 days. The Company's trade and other receivables consists of a large number of customers, hence the Company is not exposed to concentration risk. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.1993.34 Lacs.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties for years ended March 2020 and March 2019 because it has evaluated their credit risk as low considering the financial stability of the ultimate parent.

### 38 Contingent liabilities

(Rs. In Lacs)

(to the extent not provided for)	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts in respect of the matters under dispute relating to:		
Custom Duty	18.37	18.37
Central Sales Tax	5.93	-
<b>Total</b>	<b>24.30</b>	<b>18.37</b>

### 39 Related party disclosures

#### 39.1 Names of related parties and nature of related parties relationship where control exists.

##### Subsidiaries & Associates :

- |  |  |
|--|--|
| i) Ghatprabha Fertilizers Private Limited      | iii) Shrinivasa Agro Foods Private Limited |
| ii) Shiva-Parvati Poultry Feed Private Limited |  |

##### Associates:

- i) Shiva Global Biotech

##### Key Management Personnel:

- |                             |   |
|-----------------------------|---|
| i) Omprakash K. Gilda       | iv) Umesh O. Bang - Chief Financial Officer |
| ii) Deepak S. Maliwal       | v) Rashmi G. Agrawal - Company Secretary    |
| iii) Narayanlal P. Kalantri |   |

##### Relatives of Key Management Personnel :

- |                                |                              |
|--------------------------------|------------------------------|
| i) Deepak S. Maliwal HUF       | viii) Preeti M. Kalantri     |
| ii) Rekha D. Maliwal           | ix) Pooja M. Kalantri        |
| iii) Mohit D. Maliwal          | x) Laxminivas N. Kalantri    |
| iv) Samta M. Maliwal           | xi) Vijaya N. Toshniwal      |
| v) Rukmadevi S. Maliwal        | xii) Nandkishor J. Toshniwal |
| vi) Madhusudan P. Kalantri HUF |                              |
| vii) Santoshdevi M. Kalantri   |                              |

##### Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company :

- |                                     |                                       |
|-------------------------------------|---------------------------------------|
| i) Kalantri Engineering Works       | vi) Vijay Fertilizers Agency          |
| ii) Madhu Industries                | vii) Kedar Krishi Seva Kendra         |
| iii) Ravito Engineering Works       | viii) Durgeshwari Seeds & Fertilizers |
| iv) Preeti Enterprises Incorporated | ix) Vaibhavlaxmi Jewellers            |
| v) Sai Trading Company              |                                       |

#### 39.2 Transactions during the year:

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>1 Purchase of Goods</b>		
<b>Subsidiaries</b>		
Ghatprabha Fertilizers Private Limited	3.78	-
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Kalantri Engineering Works	27.35	12.71
Madhu Industries	8.82	41.17
Sai Trading Company	385.09	413.50
Vaibhavlaxmi Jewellers	18.04	24.60
	<b>443.08</b>	<b>491.98</b>



<b>2 Sale of Goods</b>		
<b>Subsidiaries</b>		
Shrinivasa Agro Foods Private Limited	265.60	603.13
Ghatprabha Fertilizers Private Limited	201.30	96.84
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>	-	-
Sai Trading Company	147.07	122.56
Vijay Fertilizers Agency	15.74	32.84
Kedar Krushi Sewa Kendra	5.76	6.46
Durgeshwari Seeds & Fertilizers	2.37	1.72
	<b>637.84</b>	<b>863.55</b>
<b>3 Services Received</b>		
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Ravito Engineering Works	1.22	2.29
Preeti Enterprises Incorporated	3.28	3.96
	<b>4.50</b>	<b>6.25</b>
<b>4 Rent Received</b>		
<b>Subsidiaries/Associate</b>		
Kirtiman Agrogenetics Limited	-	0.60
	-	<b>0.60</b>
<b>5 Interest Paid</b>		
<b>Key Management Personnel</b>		
Deepak S. Maliwal	0.40	0.40
Narayanlal P. Kalantri	1.60	1.60
<b>Relatives of Key Management Personnel</b>		
Deepak S. Maliwal HUF	1.60	1.60
Rukhmadevi S. Maliwal	1.50	1.50
Mohit D. Maliwal	2.05	2.05
Madhusudan P. Kalantri HUF	0.10	0.10
Preeti M. Kalantri	0.64	0.64
Pooja M. Kalantri	0.26	0.27
Rekha D. Maliwal	1.00	1.00
Samta M. Maliwal	1.50	1.50
Santoshidevi M. Kalantri	0.40	0.40
Vijaya N. Toshniwal	1.85	2.03
Nandkishore J. Toshniwal	0.92	1.02
	<b>13.82</b>	<b>14.11</b>
<b>6 Remuneration Paid</b>		
<b>Key Managerial Personnel</b>		
Rashmi G. Agrawal	0.84	0.84
Umesh O. Bang	8.52	8.25
	<b>9.36</b>	<b>9.09</b>
<b>7 Advance Paid</b>		
<b>Associates</b>		
Kirtiman Agrogenetics Limited	-	378.75
	-	<b>378.75</b>
<b>8 Share of Profits</b>		
<b>Associates</b>		
Shiva Global Biotech	-	0.21
	-	<b>0.21</b>

**39.3 Outstanding balances as at the year end:**

(Rs. in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>1 Subsidiaries</b>		
Ghatprabha Fertilizers Private Limited	44.41	66.00
<b>2 Associates</b>		
Kirtiman Agrogenetics Limited	-	378.75
Shiva Global Biotech	-	7.82
<b>3 Key Management Personnel</b>		
Deepak S. Maliwal	(4.00)	(4.00)
Narayanlal P. Kalantri	(16.00)	(16.00)
<b>4 Relatives of Key Management Personnel</b>		
Deepak S. Maliwal HUF	(16.00)	(16.00)
Rukhmadevi S. Maliwal	(15.00)	(15.00)
Mohit D. Maliwal	(20.50)	(20.50)
Madhusudan P. Kalantri HUF	(1.00)	(1.00)
Preeti M. Kalantri	(6.40)	(6.40)
Pooja M. Kalantri	(2.60)	(2.60)
Rekha D. Maliwal	(10.00)	(10.00)
Samta M. Maliwal	(15.00)	(15.00)
Santoshidevi M. Kalantri	(4.00)	(4.00)
Vijaya N. Toshniwal	(16.50)	(16.50)
Nandkishore J. Toshniwal	(8.30)	(8.30)
<b>5 Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	0.94	(3.12)
Vijay Fertilizers Agency	(14.79)	4.73
Kedar Krushi Sewa Kendra	2.03	1.73
Durgeshwari Seeds & Fertilizers	(1.78)	0.44

**Note :**

- No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- Related party relationships have been identified by the management and relied upon by the Auditors
- Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

- Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates & memorandum of understanding signed with the related parties
- Figures in the brackets represents trades payables/ other liabilities.

**40 Segment Information:****40.1 Products and services from which reportable segments derive their revenues:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating

Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. Accordingly, the Company's reportable segments under Ind AS 108 are Fertilizers and Seeds & Other Agricultural products in the domestic market.



The following is an analysis of the Company's revenue and results from operations by reportable segment:

(Rs. In Lacs)

Particulars	March 31, 2020	March 31, 2019
<b>Segment Revenue</b>		
Operating Revenue		
a) Fertilizers	6,858.09	9,196.07
b) Seeds & Others	2,427.15	2,133.43
<b>Total</b>	<b>9,285.25</b>	<b>11,329.50</b>
Less: Inter-segment revenue	-	-
<b>Income from operations</b>	<b>9,285.25</b>	<b>11,329.50</b>
<b>Segment Result</b>		
a) Fertilizers	542.32	763.79
b) Seeds & Others	27.65	26.99
<b>Total</b>	<b>569.97</b>	<b>790.78</b>
<b>Adjusted for:</b>		
a) Finance costs	(236.81)	(281.45)
b) Other income	50.00	27.78
<b>Profit before tax</b>	<b>383.16</b>	<b>537.11</b>

**40.2 Segment assets and liabilities:**

(Rs. In Lacs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Segment assets</b>		
a) Fertilizers	9,718.36	9,241.91
b) Seeds & Others	107.37	-
<b>Total</b>	<b>9,825.73</b>	<b>9,241.91</b>
<b>Segment liabilities</b>		
a) Fertilizers	4,338.74	4,060.74
b) Seeds & Others	1.39	-
<b>Total</b>	<b>4,340.13</b>	<b>4,060.74</b>

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 03, 2020

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



**Consolidated Financial Statements of  
Shiva Global Agro Industries Ltd.  
and its Subsidiaries**



# Independent Auditor's Report

To  
**The Members of  
 SHIVA GLOBAL AGRO INDUSTRIES LIMITED**

Report on the audit of the Consolidated Financial Statements

## Opinion

We have audited the accompanying Consolidated financial statements of Shiva Global Agro Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements".)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit,

their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.No.	Key Audit Matter	Auditor's Response
1	<b>Revenue recognition (as described in note 1.17 of the consolidated financial statements)</b>	
	For the year ended March 31, 2020 the Company has recognized revenue from sale of products of Rs.48,963.36 Lacs. Revenue from sale of products is recognized when the significant risk and rewards of ownership of the goods have been transferred to the customer which generally coincide with the delivery of goods, recovery of consideration is probable, the associated costs and	<b>Our audit procedures included the following :</b> <ul style="list-style-type: none"> <li>•Evaluated the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.</li> <li>•Understood and tested the operating effectiveness of internal controls as established by the management in relation to revenue recognition.</li> <li>•Performed sales transactions testing based on a</li> </ul>



	<p>possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. The Company considers estimated time of delivery of goods and this has an impact on the timing and extent of revenue recognition from sale of products. The varied terms that define when title, risk and rewards are transferred to the customer, as well as the high volume of transactions, give rise to the risk that revenue could be recognized in the incorrect period for sales transactions occurring on and around the year end.</p> <p>Accordingly, due to the significant risk associated with revenue recognition, it has been determined to be a key audit matter in our audit of the Consolidated financial statements.</p>	<p>representative sampling and traced to sales invoices and other related documents to ensure that the related revenues and trade receivables are recorded appropriately taking into consideration the terms and conditions of the agreements with customers, including the shipping terms.</p> <ul style="list-style-type: none"> <li>• Tested sales transactions made near the year end by agreeing a sample of sales transactions occurring around the year end to supporting documentation including customer confirmation of receipt of goods to establish that sales and corresponding trade receivables are properly recorded in the correct period.</li> <li>• Performed monthly analytical review of revenue from sale of goods by streams to identify any unusual trends.</li> <li>• Assessed the relevant disclosures made within the Consolidated financial statements</li> </ul>
<b>2</b>	<b>Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability (as described in note 1.17 of the consolidated financial statements)</b>	
	<p>Subsidy income pertaining to fertilizer business is recognised on the basis of the rates notified from time to time by the Department of Fertilizers, Government of India ('GOI') in accordance with the Nutrient Based Subsidy ('NBS') policy on the quantity of fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy including Direct Benefit Transfer ('DBT') System which was introduced by Government of India.</p> <p>For the year ended March 31, 2020, subsidy income of Rs.1,985.71 Lacs is recognized.</p> <p>Recognition and realisability of subsidy income is dependent on GOI Policy and its various</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the subsidy</li> <li>• Evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifications and policies and collections of subsidy</li> <li>• Read all the notifications issued by Department of Fertilizers applicable for subsidy recognized during the year</li> <li>• Considered the relevant notifications and policies issued by Department of Fertilizers to ascertain the recognition of subsidy, adjustments thereto recognised pursuant to changes in the rates and basis for determination of subsidy.</li> <li>• Tested the ageing analysis and assessed the information used by the management to determine the recoverability of the subsidy by considering collections against historical trends, the level of credit loss charged over time and provisions made.</li> <li>• Correlated the sales quantity considered for subsidy income with the actual sales made by the Company.</li> <li>• Agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers and tested the DBT claims made by the Company.</li> <li>• Enquired from the Management and discussed with the Board of Directors, the appropriateness of the subsidy rates applied to recognise subsidy income.</li> <li>• Assessed the related disclosure in Consolidated financial statements</li> </ul>

#### Other Information

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 Group's ability 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most



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

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit we report, to the extent applicable that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

e. On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Parent and its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of

Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

Place : Nanded  
Date : July 03, 2020

**Aditya G. Falor**  
Proprietor  
Membership Number : 122487  
UDIN: 20122487AAAACM3828



# Annexure to Independent Auditor's Report

## **Annexure A to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Shiva Global Agro Industries Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

#### **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 authorizations of the Management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 to the best of our information and according to the explanations given to us, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

Place: Nanded  
Date: July 03, 2020

**Aditya G. Falor**  
Proprietor  
Membership number: 122487  
UDIN: 20122487AAAACM3828


**SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED**

Consolidated Balance Sheet as at March 31, 2020

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	4,057.93	3,573.58
(b) Capital work-in-progress	3	217.62	50.10
(c) Investment property	4	25.45	25.45
(d) Other intangible assets	5	0.22	-
(e) Intangible assets under development	6	2.00	-
(f) Financial assets			
(i) Investments	7	16.91	28.11
(ii) Other financial assets	8	75.10	71.17
(g) Other non-current assets	9	635.20	859.10
<b>Total non-current assets</b>		<b>5,030.43</b>	<b>4,607.52</b>
<b>Current assets</b>			
(a) Inventories	10	9,832.81	8,485.69
(b) Financial assets			
(i) Trade receivables	11	8,976.63	7,666.53
(ii) Cash and cash equivalents	12	154.98	140.62
(iii) Bank balances other than above	13	177.55	248.56
(iv) Others financial assets	14	55.86	23.49
(c) Current tax assets		13.48	8.53
(d) Other current assets	15	503.55	531.71
<b>Total current assets</b>		<b>19,714.85</b>	<b>17,105.13</b>
<b>Non-current assets held for sale</b>	7	-	<b>269.48</b>
<b>Total - assets</b>		<b>24,745.28</b>	<b>21,982.12</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	999.30	999.30
(b) Other equity	17	7,319.39	6,694.63
<b>Equity attributable to equity holders of the parent</b>		<b>8,318.69</b>	<b>7,693.93</b>
Non controlling interest		3,189.59	2,896.18
<b>Total equity</b>		<b>11,508.28</b>	<b>10,590.11</b>





<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	839.93	861.51
(b) Provisions	19	43.56	37.73
(c) Deferred tax liabilities (Net)	20	409.78	449.28
(d) Other non-current liabilities	21	0.41	2.40
<b>Total non-current liabilities</b>		<b>1,293.68</b>	<b>1,350.92</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	7,816.95	6,216.46
(ii) Trade payables		2,207.67	2,175.87
(iii) Other financial liabilities	23	157.81	212.08
(b) Other current liabilities	24	1,668.96	1,323.10
(c) Provisions	25	90.31	74.56
(d) Current tax liabilities	20.5	1.62	39.03
<b>Total current liabilities</b>		<b>11,943.32</b>	<b>10,041.09</b>
<b>Total equity and liabilities</b>		<b>24,745.28</b>	<b>21,982.12</b>

See accompanying notes forming part of the financial statements.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 03, 2020

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



**SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2020**

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>I. Income :</b>			
Revenue from operations	26	48,963.36	49,961.83
Other income	27	79.00	86.07
<b>Total income</b>		<b>49,042.37</b>	<b>50,047.90</b>
<b>II. Expenses :</b>			
Cost of materials consumed	28	33,684.40	36,001.14
Purchases of stock-in-trade	29	10,622.77	8,137.41
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(850.81)	(170.73)
Employee benefits expense	31	605.59	591.21
Finance costs	32	757.71	816.47
Depreciation and amortization expense	33	243.90	238.08
Other expenses	34	2,808.53	2,966.21
<b>Total expenses</b>		<b>47,872.08</b>	<b>48,579.79</b>
<b>III. Profit before exceptional items and tax</b>		<b>1,170.28</b>	<b>1,468.11</b>
<b>IV. Exceptional items</b>	<b>45</b>	<b>-</b>	<b>(379.83)</b>
<b>V. Profit before tax</b>		<b>1,170.28</b>	<b>1,088.28</b>
<b>VI. Tax expense :</b>			
(1) Current tax		274.09	395.40
(2) Deferred tax		(36.72)	13.83
(3) Tax pertaining to earlier years		0.91	(0.09)
<b>VII. Profit for the year</b>		<b>932.00</b>	<b>679.15</b>
VIII. Other comprehensive income			
[A] (i) Items that will not be reclassified to profit or loss			
Fair valuation of equity instruments through other comprehensive income		(3.39)	(0.68)
Remeasurement of defined benefit plan	37	(13.23)	(1.53)
(ii) Income tax relating to items that will not be reclassified to profit or loss		2.78	0.52
[B] (i) Items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		<b>(13.84)</b>	<b>(1.69)</b>
<b>Total Comprehensive Income for the year</b>		<b>918.16</b>	<b>677.45</b>



<b>Profit attributable to :</b>			
Owners of Shiva Global Agro Industries Ltd.		636.09	376.00
Non-controlling interest		295.91	303.14
<b>Other comprehensive income attributable to :</b>			
Owners of Shiva Global Agro Industries Ltd.		(11.34)	(2.03)
Non-controlling interest		(2.50)	0.33
<b>Total comprehensive income attributable to :</b>			
Owners of Shiva Global Agro Industries Ltd.		624.76	373.98
Non-controlling interest		293.41	303.48
<b>Profit after minority interest</b>		<b>624.76</b>	<b>373.98</b>
<b>IX. Earnings per equity share :</b>	<b>35</b>		
- Basic and Diluted		6.37	3.76

See accompanying notes forming part of the financial statements.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 03, 2020

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



**SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED**  
**Consolidated Cash Flow Statement for the period ended March 31, 2020**

(Rs. in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>1,170.28</b>	<b>1,088.28</b>
<b>Adjustments for :</b>		
Interest paid	757.71	816.47
Depreciation and amortization	243.90	238.08
Exceptional items - Loss on sale of subsidiary company	-	379.83
Remeasurement of defined benefit plans	(13.23)	(1.53)
Loss on sale of property, plant and equipment	8.40	1.77
Amortization of preliminary expenses	0.27	2.15
Interest received	(21.40)	(40.41)
Dividend income	(0.09)	(0.13)
Share of profits from partnership firm	-	(0.21)
Gain on sale of investments	-	(0.87)
Other non-operating income	(57.52)	(44.45)
<b>Operating profit before working capital changes</b>	<b>2,088.33</b>	<b>2,438.98</b>
Changes in working capital:		
Trade and other receivables	(1,171.33)	(628.11)
Inventories	(1,347.12)	2,949.67
Trade payables and other liabilities	344.52	(676.68)
<b>Cash generated from operations</b>	<b>(85.59)</b>	<b>4,083.86</b>
Direct taxes paid	(317.36)	(398.88)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(402.95)</b>	<b>3,684.97</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(916.97)	(296.88)
Interest received	21.40	40.41
Dividend received	0.09	0.13
Profit on sale of mutual funds	-	0.87
Investment in fixed deposit	147.74	(161.30)
Share of profits from partnership firm	-	0.21
Other non-operating income	57.52	44.45
Sale of property, plant and equipment	10.59	3.90
Sale of investment in subsidiary	269.48	375.00
Adjustment on account of consolidation	-	(479.02)
Investment realised	7.82	34.77
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(402.35)</b>	<b>(437.45)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of short-term borrowings	1,658.79	(2,384.53)
Repayment of long-term borrowings	(1.04)	(10.79)
Repayment of unsecured loans	(78.49)	(57.21)
Interest paid	(757.71)	(816.47)
Dividend paid including tax thereon	(1.89)	(71.97)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>819.67</b>	<b>(3,340.98)</b>



<b>D Net Increase in cash and cash equivalents</b>	<b>14.36</b>	<b>(93.46)</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>140.62</b>	<b>234.08</b>
<b>F Cash and cash equivalents at the end of the year</b>	<b>154.98</b>	<b>140.62</b>

**Note :**

Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

\_\_\_\_\_  
**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 3, 2020

For and on behalf of the Board of Directors

\_\_\_\_\_  
**Omprakash K. Gilda**  
Managing Director

\_\_\_\_\_  
**Deepak S. Maliwal**  
Director

\_\_\_\_\_  
**Umesh O. Bang**  
Chief Financial Officer

\_\_\_\_\_  
**Rashmi G. Agrawal**  
Company Secretary

**SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED****Consolidated Statement of Changes in Equity for the year ended March 31, 2020****a. Equity share capital**

(Rs. In Lacs)

	Number of Shares	Amount
<b>Balance as at April 01, 2018</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2018-19	-	-
<b>Balance as at March 31, 2019</b>	<b>99,93,000</b>	<b>999.30</b>
<b>Balance as at April 01, 2019</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2019-20	-	-
<b>Balance as at March 31, 2020</b>	<b>99,93,000</b>	<b>999.30</b>

**b. Other equity**

(Rs. In Lacs)

Particulars	Reserves & surplus					Items of other comprehensive income		Total
	Capital reserves	Special capital incentive	Securities premium	General reserve	Retained earnings	Equity instruments through OCI	Remeasurements of the defined benefit plan	
<b>Balance as on April 01, 2018</b>	<b>432.30</b>	<b>3.52</b>	<b>1,885.50</b>	<b>412.09</b>	<b>3,719.31</b>	<b>16.15</b>	<b>2.61</b>	<b>6,471.47</b>
Profit for the period	-	-	-	-	376.00	-	-	376.00
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(2.16)	(1.29)	(3.45)
<b>Total comprehensive income for the year</b>	<b>432.30</b>	<b>3.52</b>	<b>1,885.50</b>	<b>412.09</b>	<b>4,095.31</b>	<b>13.99</b>	<b>1.31</b>	<b>6,844.02</b>
Dividend on equity shares*	-	-	-	-	(72.28)	-	-	(72.28)
Transfer to general reserve	-	-	-	11.73	(11.73)	-	-	-
Adjustment on account of consolidation	11.05	(3.52)	-	(12.67)	(68.82)	-	(0.69)	(74.65)
Items that reclassified from OCI to retained earnings	-	-	-	-	2.04	(4.50)	-	(2.46)
<b>Balance as on March 31, 2019</b>	<b>443.35</b>	<b>-</b>	<b>1,885.50</b>	<b>411.15</b>	<b>3,944.52</b>	<b>9.48</b>	<b>0.62</b>	<b>6,694.63</b>
<b>Balance as on April 01, 2019</b>	<b>443.35</b>	<b>-</b>	<b>1,885.50</b>	<b>411.15</b>	<b>3,944.52</b>	<b>9.48</b>	<b>0.62</b>	<b>6,694.63</b>
Profit for the period	-	-	-	-	636.09	-	-	636.09
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(2.16)	(1.29)	(3.45)
<b>Total comprehensive income for the year</b>	<b>443.35</b>	<b>-</b>	<b>1,885.50</b>	<b>411.15</b>	<b>4,580.62</b>	<b>7.32</b>	<b>(0.67)</b>	<b>7,327.27</b>
Dividend on equity shares	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	11.73	(11.73)	-	-	-
Items that reclassified form OCI to retained earnings	-	-	-	-	2.04	-	-	2.04
<b>Balance as on March 31, 2020</b>	<b>443.35</b>	<b>-</b>	<b>1,885.50</b>	<b>422.88</b>	<b>4,570.93</b>	<b>7.32</b>	<b>(0.67)</b>	<b>7,329.31</b>

\*In September 2018, a dividend of Rs.0.60 per share amounting total dividend of Rs.72.28 Lakhs including dividend distribution tax of Rs.12.32 Lakhs was paid to holders of fully paid equity shares.

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
Place : Nanded  
Dated : July 03, 2020

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### COMPANY INFORMATION

Shiva Global Agro Industries Limited, having corporate office in Nanded, Maharashtra, India, incorporated under provisions of The Companies Act, 2013. The company is a public limited company and listed on the Bombay Stock Exchange Limited. The company is engaged in manufacturing and trading of fertilizers.

These are Company's consolidated financial statements. The financial statements for the year ended March 31, 2020 were authorized and approved for issue by the Board of Directors on July 03, 2020.

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable.

#### 1.2 BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:

The consolidated financial statements include accounts of Shiva Global Agro Industries Limited ("the Company") and its subsidiaries Ghatprabha Fertilizers Private Limited, Shiva-Parvati Poultry Feed Private Limited and Shrinivasa Agro Foods Private Limited; all together referred to as 'the Group'.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, a number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair value categorized into different levels in a fair value hierarchy based on the inputs used in the valuation

techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Based on the nature of activities of the Group and the average time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### 1.3 BASIS OF CONSOLIDATION

The Group consolidates entities which it owns or controls. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-Group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of



the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate.

#### 1.4 NON CURRENT ASSETS HELD FOR SALE:

Assets held for sale are measured at the lower of the carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes the use of management estimates and assumptions. The fair value of the asset held for sale has been estimated using valuation techniques (mainly income and market approach), which includes unobservable inputs.

#### 1.5 FUNCTIONAL AND PRESENTATION CURRENCY:

The financial statements have been prepared and presented using Indian Rupees (Rs.) which is company's functional and presentation currency.

#### 1.6 USE OF ESTIMATES:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent liabilities at that date of the financial statements and the reported amounts of revenues and expenses during the year.

Application of accounting policies that require complex and subjective judgements and the use of assumptions in these financial statements are disclosed below:

1. Recognition of revenue
2. Recognition of Deferred tax liability
3. Measurement of defined benefit obligation: key actuarial assumptions.
4. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
5. Estimation of useful life of property, plant and equipments and intangible assets
6. Estimation of current tax expenses and payable.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods and, if material, their effects are disclosed in the notes to financial statements.

#### 1.7 PROPERTY, PLANT & EQUIPMENT AND DEPRECIATION:

##### i) Recognition & Measurement:

Property, Plant & Equipment are stated at original cost net of tax/ duty credits availed, if any, less accumulated depreciation and impairment losses, if any. Cost comprises of the acquisition price/construction cost, including any non-refundable taxes or levies, cost of borrowings till the date of capitalization in the case of assets involving material investment and substantial lead time and any directly

attributable expenditure incurred in bringing the asset to its working condition for the intended use by management. Further any trade discounts and rebates are deducted. Property, plant and equipment not ready for intended use as on the date of balance sheet are disclosed as "Capital work-in-progress" at cost less impairment losses, if any.

##### ii) Subsequent recognition:

Subsequent expenditure related to an item of property, plant and equipment is added to its carrying amount only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance & such costs of the item can be measured reliably.

##### iii) Depreciation:

Property, plant & equipment, other than Land, are depreciated on a pro-rata basis on the Straight-Line method as per the estimated useful life specified in Schedule II of the Companies Act, 2013 effective from April 01, 2014.

##### iv) Derecognition:

An item of property, plant and equipment is derecognized either when they have been disposed of or when no future economic benefit is expected to arise from the continued use of the asset. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

#### 1.8 INVESTMENT PROPERTIES

##### i) Recognition:

Property that is held for long-term rental yields or for capital appreciation, or both and that is not occupied by the Company is classified as Investment Property. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use by management. Any trade discount, rebate are deducted in arriving at the purchase price. All repairs and maintenance costs are recognized in statement of Profit and Loss Account as incurred.

##### ii) Subsequent Recognition :

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

##### iii) Depreciation :

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per the estimated useful lives, prescribed in schedule II to the Companies Act, 2013, effective from April 01, 2014.

##### iv) De-recognition :

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

#### 1.9 INTANGIBLE ASSETS:

##### i) Recognition & Measurement:

Intangible Assets are stated at acquisition cost and other costs incurred, which is attributable to preparing the asset





for its intended use, less accumulated amortization and impairment losses, if any.

**ii) Subsequent recognition:**

Expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the entity and such costs can be measured reliably. All other expenditure shall be recognized in profit or loss as incurred.

**iii) Amortization:**

Intangible Assets are amortized on the basis of Straight-Line method. Specified software purchased is amortized over their estimated useful lives.

**iv) Derecognition:**

An intangible asset is derecognized either when they have been disposed of or when no future economic benefit is expected to arise from the continued use of the asset. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the year of de-recognition.

**1.10 IMPAIRMENT:**

The carrying amount of Property, plant & equipment, Investment properties and Intangible assets are reviewed at each balance sheet date to assess impairment if any, based on internal/external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired.

**1.11 LEASES**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit & loss on a straight-line basis over the lease term.

**1.12 FINANCIAL INSTRUMENTS:**

**i) Recognition & Initial Measurement:**

a. Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instruments.

b. The company measures a financial asset or financial liability at its fair value plus or minus, in case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**ii) Financial assets – Classification:**

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;

2. Fair value through other comprehensive income (FVOCI) - debt instrument;

3. Fair value through other comprehensive income (FVOCI) - equity instrument;

4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and for sale; and

2. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognizing them as measured at amortized cost or at FVOCI.

**iii) Financial assets - Subsequent measurement**

**1) Financial assets at amortized cost:**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Any gain or loss on derecognition is recognized in profit or loss.

**2) Financial assets measured at FVTOCI-Debt investments :**

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign gains and losses and impairment are recognized in profit or loss. Other net gains or losses are recognized in OCI.

On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

**3) Financial assets measured at FVTOCI- Equity investments:**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of cost



the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to profit or loss.

The company has elected to recognize changes in the fair value of certain equity securities in OCI. These changes are accumulated within FVOCI equity investment reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

#### 4) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

#### 5) Financial Assets – Impairment :

The Company assesses on a forward looking basis "expected credit loss" (ECL) associated with its assets carried at amortized cost and FVOCI debt instruments. The company recognizes loss allowance for expected credit losses on financial assets.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

#### 6) Financial assets - Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transaction whereby it transfers asset recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### 7) Financial liabilities - Classification

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

#### 8) Financial liabilities - Subsequent measurement

Financial liabilities measured at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.

#### 9) Financial liabilities - Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognized at fair value. Any gain or loss on derecognition in these cases, shall be recognized in profit or loss.

#### 10) Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### 1.13 INVENTORIES:

Inventories are valued at the lower of Cost and Net Realisable Value. The Cost is determined as follows:

a) Raw materials and Store and Spares: cost includes cost of purchase including non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in first out (FIFO) method.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average method.

c) Traded goods: cost includes cost of purchase including non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in first out (FIFO) method.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion & the estimated costs necessary to make the sale

#### 1.14 CASH & CASH EQUIVALENTS :

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

#### 1.15 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS :

i) Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When a provision is expected to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

ii) If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

iii) Contingent liabilities disclosed for

a. A possible obligation that arises from the past events



and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

iv) Contingent assets are neither recognized nor disclosed in the financial statements.

#### **1.16 EMPLOYEES BENEFITS:**

##### **i) Short-term Employee Benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

##### **ii) Post Employment Benefits:**

###### **1. Defined Contribution Plan:**

Company's contributions paid/ payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

###### **2. Defined Benefit plan:**

Company's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method (PUCM) as at the reporting date.

All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

#### **1.17 REVENUE RECOGNITION:**

a) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts. Revenue is recognized on the basis of dispatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue is also recognized on sale of goods in case where the delivery is kept pending at the instance of the customer, as the performance obligation has been satisfied and control are transferred and customer takes title and accepts billing as per usual payment terms.

b) The Company recognizes subsidy income as per Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilizers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy.

c) Income from services rendered is recognized based

on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services.

#### **1.18 OTHER INCOME :**

i) Dividend income from investments is recognized when right to receive is established.

ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and transactional interest rate applicable.

iii) Rental income from investment properties and subletting of properties is recognized on a time proportion basis over the term of the relevant leases.

#### **1.19 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.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

#### **1.20 FOREIGN CURRENCY TRANSACTIONS:**

##### **i) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions.

##### **ii) Subsequent Recognition**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction.

Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the statement of profit and loss

#### **1.21 EXCEPTIONAL ITEM:**

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional item'.

#### **1.22 INCOME TAX:**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to other comprehensive income.

##### **i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws)



enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

## ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognized in respect of carried forward losses and tax credits. Deferred tax also not recognized for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

## 1.23 EARNINGS PER SHARE:

Basic earnings per shares has been calculated by dividing profit for the year attributable to equity shares holders by the weighted average number of equity shares outstanding during the financial year. The Company has not issued any potential equity shares and accordingly, the basic earnings per share and diluted earnings per shares are the same.



(Rs. In Lacs)

## 2. Property, plant and equipment

Particulars	Gross Block (At Deemed Cost)				Depreciation			Net Block	
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Aidus tment	As on 31/03/2020	As on 31/03/2019
<b>Leased Assets</b>									
Land	14.08	-	-	14.08	-	-	-	14.08	14.08
Buildings	11.46	-	-	11.46	0.40	0.39	-	10.66	11.06
<b>Owned assets</b>									
Land	104.93	250.85	-	355.78	-	-	-	355.78	104.93
Buildings	1,646.78	209.40	19.17	1,837.01	213.44	72.65	8.79	1,559.70	1,433.34
Godown	48.48	-	-	48.48	1.56	-	-	46.92	46.92
Plant and equipments	1,954.13	227.80	4.48	2,177.45	291.74	109.71	-	1,776.00	1,662.39
Electrical installation	163.52	17.42	-	180.94	67.22	20.00	-	93.73	96.31
Lab equipments	7.23	6.90	-	14.13	3.94	1.42	-	8.77	3.29
Furniture and fixtures	18.15	1.05	-	19.20	12.98	2.27	-	3.95	5.17
Vehicles	259.77	31.01	17.86	272.92	83.10	33.39	13.74	170.16	176.67
Office equipments	21.62	1.65	-	23.26	13.77	2.96	-	6.53	7.85
Computer	4.95	1.13	-	6.08	4.71	0.57	-	0.80	0.24
Fire fighting equipment	12.17	-	-	12.17	0.83	0.50	-	10.84	11.34
<b>Total</b>	<b>4,267.27</b>	<b>747.21</b>	<b>41.52</b>	<b>4,972.96</b>	<b>693.68</b>	<b>243.87</b>	<b>22.52</b>	<b>4,057.93</b>	<b>3,573.58</b>



(Rs. In Lacs)

2. Property, plant and equipment

Particulars	Gross Block (At Deemed Cost)					Depreciation			Net Block	
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Aidus tment	As on 31/03/2019	As on 31/03/2018	
<b>Leased Assets</b>										
Land	14.08	-	-	14.08	-	-	-	-	14.08	
Buildings	0.21	11.25	-	11.46	0.01	0.39	-	0.40	0.20	
<b>Owned assets</b>										
Land	155.37	-	50.44	104.93	-	-	-	-	155.37	
Buildings	1,913.39	66.96	333.57	1,646.78	161.46	72.07	20.09	213.44	1,751.92	
Godown	48.48	-	-	48.48	1.56	-	-	1.56	46.92	
Plant and equipments	1,977.94	71.87	95.68	1,954.13	195.17	105.40	8.83	291.74	1,782.77	
Electrical installation	161.93	3.47	1.87	163.52	50.93	17.44	1.15	67.22	111.00	
Lab equipments	12.37	-	5.14	7.23	5.61	1.31	2.98	3.94	6.77	
Furniture and fixtures	50.44	-	32.30	18.15	26.33	3.04	16.39	12.98	24.11	
Vehicles	200.64	86.55	27.41	259.77	60.58	32.31	9.79	83.10	140.06	
Office equipments	22.28	0.80	1.46	21.62	10.07	4.27	0.57	13.77	12.21	
Computer	6.06	-	1.11	4.95	4.16	0.90	0.36	4.71	1.90	
Poly house	5.28	-	5.28	-	1.91	-	1.91	-	3.38	
Fire fighting equipment	6.29	5.88	-	12.17	0.41	0.42	-	0.83	5.88	
<b>Total</b>	<b>4,574.75</b>	<b>246.77</b>	<b>554.26</b>	<b>4,267.27</b>	<b>518.20</b>	<b>237.55</b>	<b>62.06</b>	<b>693.68</b>	<b>4,056.55</b>	

2.1 Refer Note 22.1 for details of assets pledged.

\*\* Less than a Lac.



(Rs. In Lacs)

## 3. Capital work-in-progress

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu s tment	As on 31/03/2020	As on 31/03/2019
Capital Work-in-Progress	50.10	217.62	50.10	217.62	-	-	-	217.62	50.10
<b>Total</b>	<b>50.10</b>	<b>217.62</b>	<b>50.10</b>	<b>217.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217.62</b>	<b>50.10</b>

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu s tment	As on 31/03/2019	As on 31/03/2018
Capital Work-in-Progress	4.23	50.10	4.23	50.10	-	-	-	50.10	4.23
<b>Total</b>	<b>4.23</b>	<b>50.10</b>	<b>4.23</b>	<b>50.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.10</b>	<b>4.23</b>

(Rs. In Lacs)

## 4. Investment Property

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu s tment	As on 31/03/2020	As on 31/03/2019
Leased Assets Leasehold Buildings	0.10	-	-	0.10	0.01	**	-	0.10	0.10
Owned Assets Land	25.35	-	-	25.35	-	-	-	25.35	25.35
<b>Total Investment Property</b>	<b>25.46</b>	<b>-</b>	<b>-</b>	<b>25.46</b>	<b>0.01</b>	<b>**</b>	<b>-</b>	<b>25.45</b>	<b>25.45</b>

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu s tment	As on 31/03/2019	As on 31/03/2018
Leased Assets Leasehold Buildings	0.10	-	-	0.10	**	**	-	0.10	0.10
Owned Assets Land	25.35	-	-	25.35	-	-	-	25.35	25.35
<b>Total Investment Property</b>	<b>25.46</b>	<b>-</b>	<b>-</b>	<b>25.46</b>	<b>**</b>	<b>**</b>	<b>-</b>	<b>25.45</b>	<b>25.45</b>

4.1 The Company's investment properties consist of commercial properties located at Nanded and Agricultural land located at Ubbarwadi Taluka Dist. Belgaon, Karnataka. The management has determined that the investment properties consist of two classes of assets - land and building.

\*\*Less than a Lac.



(Rs. in Lacs)

<b>4.2 Information regarding income and expenditure of Investment Property</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Rental income derived from investment properties	0.60	0.60
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.15	0.15
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation & indirect expenses	0.45	0.45
Less: Depreciation	**	**
Profit arising from investment properties	0.45	0.45

**4.3** Company undertakes expenditure towards maintenance for upkeep of its properties which also covers the portion relating to Investment Property. The same being not material no separate disclosure of contracts entered into for maintenance of investment property is given.

**4.4** As at March 31, 2020, the fair values of the properties is Rs.216.6 Lacs (P.Y. Rs.216.6 Lacs). These valuations

are based on government stamp duty valuations and has been worked out by the management based on the information and a study of the micro market in discussions with industry experts, local brokers and regional developers.

**4.5** Refer note 22.1 for details of assets pledged.

\*\* Less than a Lac.

**4.6 Fair value disclosures for investment properties is detailed below:**

(Rs. in Lacs)

<b>Reconciliation of Fair value</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>Land</b>		
Opening balance	111.21	111.21
Fair value	111.21	111.21
Fair value difference	-	-
Closing balance	111.21	111.21
<b>Leasehold building</b>		
Opening balance	105.39	105.39
Fair value	105.39	105.39
Fair Value difference	-	-
Closing balance	105.39	105.39
<b>Total</b>		
<b>Opening balance</b>	<b>216.60</b>	<b>216.60</b>
<b>Fair value</b>	<b>216.60</b>	<b>216.60</b>
<b>Fair value difference</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>	<b>216.60</b>	<b>216.60</b>





## 5. Other intangible assets

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block		
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu tment	As on 31/03/2020	As on 31/03/2019	As on 31/03/2020	As on 31/03/2019
<b>Owned assets</b>											
Computer software	3.03	0.25	-	3.28	3.03	0.03	-	3.06	-	0.22	-
<b>Total</b>	<b>3.03</b>	<b>0.25</b>	<b>-</b>	<b>3.28</b>	<b>3.03</b>	<b>0.03</b>	<b>-</b>	<b>3.06</b>	<b>-</b>	<b>0.22</b>	<b>-</b>

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block		
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu tment	As on 31/03/2019	As on 31/03/2018	As on 31/03/2019	As on 31/03/2018
<b>Owned Assets</b>											
Computer Software	3.65	-	0.62	3.03	2.99	0.53	0.49	3.03	-	-	0.65
Other Intangible assets	212.78	-	212.78	-	57.83	-	57.83	-	-	-	154.95
<b>Total</b>	<b>216.42</b>	<b>-</b>	<b>213.39</b>	<b>3.03</b>	<b>60.82</b>	<b>0.53</b>	<b>58.32</b>	<b>3.03</b>	<b>-</b>	<b>-</b>	<b>155.60</b>

## 6. Other intangible assets under development

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block		
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	As on 01/04/2019	For the Year	Ajdu tment	As on 31/03/2020	As on 31/03/2019	As on 31/03/2020	As on 31/03/2019
Product development expenses	-	2.00	-	2.00	-	-	-	-	-	2.00	-
<b>Total</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.00</b>	<b>-</b>

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block		
	As on 01/04/2018	Additions	Deletions	As on 31/03/2019	As on 01/04/2018	For the Year	Ajdu tment	As on 31/03/2019	As on 31/03/2018	As on 31/03/2019	As on 31/03/2018
Product development expenses	526.68	-	526.68	-	-	-	-	-	-	-	526.68
<b>Total</b>	<b>526.68</b>	<b>-</b>	<b>526.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>526.68</b>



## 7 Non-Current Financial Assets - Investments

(Rs. In Lacs)

	As at March 31, 2020	As at March 31, 2019
<b>Quoted equity instruments</b>		
<b>Investments in fully paid quoted equity instruments at FVTOCI</b>		
<b>Gujarat State Fertilizers &amp; Chemicals Limited.</b> 49 (2019:49) Equity shares of Rs.2 each	0.18	0.52
<b>Zuari Global Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.03	0.11
<b>Zuari Agro Chemicals Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.06	0.19
<b>Rashtriya Chemicals &amp; Fertilizers Limited.</b> 100 (2019:100) Equity shares of Rs.10 each	0.03	0.06
<b>Coromandel International Limited.</b> 1500 (2019:1500) Equity shares of Rs.2 each	8.16	7.49
<b>Nagarjuna Fertilizers &amp; Chemicals Ltd.</b> 550 (2019:550) Equity shares of Rs.1 each	0.02	0.04
<b>Nagarjuna Oil Refinery Limited.</b> 500 (2019:500) Equity shares of Rs.1 each	-	-
<b>Union Bank Of India</b> 2321 (2019:2321) Equity shares of Rs.10 each	1.07	3.57
<b>Deepak Fertilisers &amp; Petrochemicals Corporation Limited.</b> 50 (2019:50) Equity shares of Rs.10 each	0.04	0.07
<b>Monsanto India Limited.</b> 20 (2019:20) Equity shares of Rs.10 each	-	0.52
<b>Bayer CropScience Limited.</b> 13 (2019:Nil) Equity shares of Rs.10 each	0.45	-
<b>Kaveri Seed Company Limited.</b> 250 (2019:250) Equity shares of Rs.10 each	0.85	1.15
<b>Investment in Mutual Funds</b>		
<b>Union KBC Capital Protection Oriented Fund</b> 50000 (2019:50000) units of Rs.10 each	5.17	5.40
<b>Investments in partnership firms at cost</b>		
<b>Shiva Global Biotech</b>	-	7.82
<b>Investment in Government Securities at amortised cost</b>		
<b>National Savings Certificate</b>	0.33	0.33
<b>Total</b>	<b>16.91</b>	<b>28.11</b>
<b>Non-current assets held for sale</b>		
<b>Equity shares of associate companies</b>		
Kirtiman Agrogenetics Limited. Nil (2019:3,59,300) Equity Shares of Rs.100 each (India)	-	269.48
<b>Aggregate amount of quoted investments and market value thereof</b>	<b>16.59</b>	<b>19.97</b>
<b>Aggregate amount of unquoted investments</b>	<b>0.33</b>	<b>8.14</b>



## 7.1 Details of Investments in Partnership Firms

### Investment in M/s Shiva Global Biotech

(Rs. In Lacs)

Names of the partners	Share of Profits (%)	
	March 31, 2020	March 31, 2019
1. Shiva Global Agro Industries Limited	55.00%	55.00%
2. Mrs. Rajshree Sharma	22.00%	22.00%
3. Mr. Sanjay Laddha	23.00%	23.00%
<b>Total Capital of the Firm</b>	-	<b>11.55</b>

## 8 Non-current financial assets - Other financial assets

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
Interest accrued but not due on deposits	5.23	3.36
Non-current bank balances		
Long-term deposits with banks having maturity period more than 12 months		
- In fixed deposit accounts	69.87	67.81
<b>Total</b>	<b>75.10</b>	<b>71.17</b>

## 9 Other non-current assets

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
Capital advances*	10.64	400.03
Deposits	135.57	122.23
Other advances		
Other statutory receivable	416.22	250.13
Others	72.77	86.71
<b>Total</b>	<b>635.20</b>	<b>859.10</b>

\*Capital advance includes Rs.375 Lacs as on March 31, 2019 is in respect of advance given to associate company towards purchase of Land and Building.

## 10 Inventories

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Raw materials	4,103.85	3,834.07
Raw materials in transit	597.63	470.68
Work-in-progress	135.76	118.72
Finished goods	3,226.16	3,375.15
Stock-in-trade	1,272.75	290.00
Stores and packing materials	496.66	397.07
<b>Total</b>	<b>9,832.81</b>	<b>8,485.69</b>

10.1 Refer Note 22.1 for details of assets pledged.

## 11 Trade receivables

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Unsecured, considered good</b>		
From related parties	159.56	9.89
From others	8,055.55	7,656.64
<b>Credit impaired</b>	801.60	-
	<b>9,016.71</b>	<b>7,666.53</b>
Less: Allowance for doubtful debts	(40.08)	-
<b>Total</b>	<b>8,976.63</b>	<b>7,666.53</b>

**12 Cash and cash equivalents**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Balances with banks	115.56	119.04
Cash on hand	39.43	21.59
<b>Total</b>	<b>154.98</b>	<b>140.62</b>

**13 Bank balances other than above**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Earmarked balances (Unpaid dividend accounts)	3.10	4.99
Deposit accounts	3.81	153.61
Margin money/deposits	170.64	89.96
<b>Total</b>	<b>177.55</b>	<b>248.56</b>

**13.1** If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

**13.2** During the year the company has duly transferred the amounts due to be transferred to Investor Education and Protection Fund.

**14 Other current financial assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
<b>Financial assets mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative financial asset	34.34	-
<b>Other advances</b>		
Staff imprest and advances	12.99	5.16
Interest accrued but not due on deposits	7.31	6.73
Others	1.22	11.60
	-	-
<b>Total</b>	<b>55.86</b>	<b>23.49</b>

**15 Other current assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2020	As at 31.03.2019
Advances other than capital advances		
Prepaid Expenses	21.33	9.42
Advances to suppliers and others	444.04	474.24
Other statutory receivables	14.04	24.04
Others	1.27	1.16
Gold	22.86	22.86
<b>Total</b>	<b>503.55</b>	<b>531.71</b>

**16 Equity share capital**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Authorised:</b>		
1,50,00,000 (2019: 1,50,00,000) equity shares of Rs.10/- each	1,500.00	1,500.00
<b>Issued, subscribed and fully paid-up</b>		
99,93,000 (2019: 99,93,000) fully paid equity shares of Rs.10/- each	999.30	999.30
<b>Total</b>	<b>999.30</b>	<b>999.30</b>

**16.1 Reconciliation of the number of equity shares**

(Rs. In Lacs)

	Number of Shares	Amount
Balance as at April 01, 2018	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2019	99,93,000	999.30
Balance as at April 01, 2019	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2020	99,93,000	999.30

**16.2 Rights, preferences and restrictions relating to each class of share capital**

The company has one class of share referred to as Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is

subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**16.3 Details of shareholders holding more than 5% shares in the company**

	Name of the Shareholder		
	Omprakash Gilda	Deepak Maliwal	Rekha Maliwal
No. of Shares as at March 31, 2019	11,05,000	5,89,850	3,58,813
% holding in the class	11.06%	5.90%	3.59%
No. of Shares as at March 31, 2020	11,23,052	6,81,148	5,12,593
% holding in the class	11.24%	6.82%	5.13%

**17 Other equity**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Capital reserves	443.35	443.35
Securities premium	1,885.50	1,885.50
General reserve	429.88	411.15
Retained earnings	4,561.89	3,944.52
Equity instruments through OCI	6.10	9.48
Remeasurements of the defined benefit plan	(7.33)	0.62
<b>Total other equity</b>	<b>7,319.39</b>	<b>6,694.63</b>

**18 Non-current financial liabilities - Borrowings**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Secured</b>		
Term loan from banks	4.00	5.39
<b>Unsecured</b>		
Loans and advances from related parties	383.69	394.27
Loans and advances from directors	20.85	223.47
Loans and advances from others	431.39	238.39
<b>Total</b>	<b>839.93</b>	<b>861.51</b>

**18.1 Nature of security and terms of repayment for secured borrowings:**

Nature of security	Terms of repayment
<b>As at March 31, 2020</b>	
Term loan of Rs.5.79 Lacs from Syndicate Bank is Secured by first charge on respective vehicle against which the loan is obtained	Repayable in 59 equal monthly installments from February 2019 and ending on December 2023 along with interest at the rate of 9.50% per annum.
<b>As at March 31, 2019</b>	
Term loan of Rs.6.83 Lacs from Syndicate Bank is secured by first charge on respective vehicle against which the loan is obtained	Repayable in 59 equal monthly installments from February 2019 and ending on December 2023 along with interest at the rate of 9.50% per annum.



**18.2 Terms of repayment for unsecured borrowings :**

- i) Unsecured loans carry interest rate of 10-12% per annum & are repayable after a period of 4-5 years from the date of loan and the parties have a right to renew the agreement.
- ii) Public deposits included are repayable after 3 years from the date of acceptance and carry interest rate @9-12% p.a.

(iii) Loans and Advances from related party and director carry interest rate @ 10-12% p.a is repayable after a period of 5 years from the date of loan.

(iv) Inter-Corporate Loans carry interest rate @ 12% p.a is repayable after a period of 5 years from the date of loan.

**19 Non-current provisions**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Employee benefits - Gratuity payable	43.56	37.73
<b>Total</b>	<b>43.56</b>	<b>37.73</b>

**20 Deferred tax liabilities (Net)**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Property, plant and equipment	424.29	460.53
Statutory dues allowable on payment basis	(11.02)	(11.98)
Investments at FVTOCI	0.65	0.08
Defined benefit plans	(2.70)	0.64
Derivative financial instrument	8.64	-
Provision for doubtful debts	(10.09)	-
<b>Total</b>	<b>409.78</b>	<b>449.28</b>

**20.1 Movement in above mentioned deferred tax assets and liabilities:**

(Rs. In Lacs)

Particulars	Opening Balance as on 01/04/2019	Recognized in Profit or loss	Recognized in Equity	Recognized in OCI	Adjustment on Consolidation	Closing Balance
Property, plant and equipment	460.53	(36.24)	-	-	-	424.29
Statutory dues allowable on payment basis	(11.98)	0.97	-	-	-	(11.02)
Investments at FVTOCI	0.08	-	-	0.57	-	0.65
Defined Benefit Plans	0.64	-	-	(3.35)	-	(2.70)
Provision for doubtful debts	-	(10.09)	-	-	-	(10.09)
Others	-	8.64	-	-	-	8.64
<b>Total</b>	<b>449.28</b>	<b>(36.72)</b>	<b>-</b>	<b>(2.78)</b>	<b>-</b>	<b>409.78</b>

Particulars	Opening Balance as on 01/04/2018	Recognized in Profit or loss	Recognized in Equity	Recognized in OCI	Adjustment on Consolidation	Closing Balance
Property, plant and equipment	481.46	22.84	-	-	(43.77)	460.53
Statutory dues allowable on payment basis	(5.43)	(9.01)	-	-	2.47	(11.98)
Investments at FVTOCI	1.24	-	(1.05)	(0.10)	-	0.08
Defined Benefit Plans	1.44	-	-	(0.42)	(0.38)	0.64
Carry forward of unabsorbed depreciation	(9.21)	-	-	-	9.21	-
RDD	(3.55)	-	-	-	3.55	-
<b>Total</b>	<b>465.93</b>	<b>13.83</b>	<b>(1.05)</b>	<b>(0.52)</b>	<b>(28.91)</b>	<b>449.28</b>

**20.2 Unrecognized deductible temporary differences, unused tax losses and unused tax credits**

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(Rs. In Lacs)

	As at March 31, 2020	As at March 31, 2019
Long term capital loss	1,159.89	728.37
<b>Total</b>	<b>1,159.89</b>	<b>728.37</b>

Long-term capital loss of Rs.728.37 lacs & Rs.431.52 Lacs is available for set-off till March 31, 2027 & March 31, 2028 respectively.

**20.3 Income tax credit/(expense) recognized directly in equity**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Tax effect of changes in Fair value of equity instruments	(0.57)	1.16
Tax effect on actuarial gains/losses on defined benefit obligations	3.35	0.42
<b>Total</b>	<b>2.78</b>	<b>1.57</b>

**20.4 Reconciliation of tax expense to the accounting profit is as follows:**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Accounting profit before tax	1,170.28	1,088.28
Tax expense at statutory tax rate of 26.62% (P.Y. 34.47%)	294.54	289.73
Adjustments:		
Effect of income that is exempt from tax	(0.61)	(1.29)
Effect of expenses that are not deductible in determining taxable profit	6.47	121.92
Tax Effects of amounts which are deductible in calculating taxable income	(52.06)	(0.38)
Effect of change in tax rate	(10.96)	0.33
Others	-	(1.09)
<b>Total</b>	<b>237.37</b>	<b>409.23</b>

**20.5 Current tax liabilities (net)**

(Rs. In Lacs)

	As at March 31, 2020	As at March 31, 2019
Income tax payable	1.62	39.03
<b>Total</b>	<b>1.62</b>	<b>39.03</b>

**21 Other Non - current Liabilities**

(Rs. In Lacs)

	As at March 31, 2020	As at March 31, 2019
Advances from customers	0.41	2.40
<b>Total</b>	<b>0.41</b>	<b>2.40</b>

**22 Current financial liabilities - Borrowings**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Secured</b>		
Working capital loans repayable on demand		
- Rupee loan from banks	7,802.55	6,143.76
<b>Unsecured</b>		
Other loans and advances - Public Fixed Deposits	14.40	72.70
<b>Total</b>	<b>7,816.95</b>	<b>6,216.46</b>

**22.1** Working capital loan from bank is secured by first charge on inventories, book debts, bills for collection and second charge on entire fixed assets of the Company. Further, the loan has been guaranteed by the personal guarantee of all the directors of the Company. The Loan is re-

payable on demand and carries interest @ 9.50% p.a. to 10.60% p.a.

**22.2** Loans and Advances from related party and director carry interest rate @ 12% p.a.

**23 Other current financial liabilities**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
<b>Financial liabilities mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative financial liability	-	11.83
<b>Financial liabilities carried at amortised cost</b>		
Security deposits - Interest free	90.93	88.13
Advances from staff	1.03	12.60
Current maturities of long term debt	1.79	1.44
Interest accrued and due on borrowings	-	-
Unclaimed dividends	3.10	4.99
Other payables	60.95	93.09
<b>Total</b>	<b>157.81</b>	<b>212.08</b>

**24 Other current liabilities**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Advances from customers	1,641.39	1,257.84
Statutory dues	27.57	65.26
<b>Total</b>	<b>1,668.96</b>	<b>1,323.10</b>

**25 Provisions**

(Rs. In Lacs)

	As at 31.03.2020	As at 31.03.2019
Employee benefits	45.83	12.63
Expenses	44.48	61.93
<b>Total</b>	<b>90.31</b>	<b>74.56</b>

**26 Revenue from operations**

(Rs. In Lacs)

Sale of Products	March 31, 2020	March 31, 2019
Finished goods	36,950.86	40,016.26
Traded goods	9,985.31	7,780.61
Subsidy on fertilizers	1,985.71	2,135.92
<b>Other operating revenue</b>		
Scrap sales	41.48	29.03
<b>Total</b>	<b>48,963.36</b>	<b>49,961.83</b>

**Particulars of sale of products****26.1 Finished goods**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	7,746.79	9,474.52
Crude oil	9,385.30	9,329.40
Poultry feed	19,321.27	20,769.03
Soil conditioner	497.50	443.31
<b>Total</b>	<b>36,950.86</b>	<b>40,016.26</b>

**26.2 Traded goods**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	1,436.65	1,141.49
Seeds	2,161.56	1,530.30
Crude oil	3,264.41	2,450.18
Poultry feed	2,437.66	1,903.73
Others	685.04	754.91
<b>Total</b>	<b>9,985.31</b>	<b>7,780.61</b>

**27 Other income**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Interest income	21.40	40.41
Dividend income	0.09	0.13
Share of profits from partnership firm	-	0.21
Net gain on sale of investment	-	0.87
Other non-operating income	57.52	44.45
<b>Total</b>	<b>79.00</b>	<b>86.07</b>



**28 Cost of materials consumed**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Raw Material Consumed</b>		
Opening Inventory	4,304.75	6,259.87
Add: Purchases	33,936.97	34,297.76
Add: Transfer from traded goods/stock in trade	(261.66)	(401.23)
Less: Adjustment on account of consolidation	-	(376.64)
Less: Inventory at the end of the year	4,701.48	4,304.75
<b>Cost of Raw materials consumed</b>	<b>33,278.58</b>	<b>35,475.01</b>
<b>Packing Material Consumed</b>		
Opening Inventory	237.15	371.88
Add: Purchases	400.70	574.42
Less: Adjustment on account of consolidation	-	(168.52)
Less: Inventory at the end of the year	232.03	237.15
Less: Cost of sale	-	14.50
<b>Cost of Packing materials consumed</b>	<b>405.82</b>	<b>526.13</b>
<b>Total</b>	<b>33,684.74</b>	<b>36,001.14</b>

**28.1 Particulars of consumption :****a) Raw material**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	2,967.30	4,843.12
Rock	2,888.20	2,675.84
Acid	1,017.98	896.07
Seeds	26,117.18	26,937.12
Raw mix	73.07	68.44
Agro waste	39.98	12.18
Others	174.86	42.24
<b>Total</b>	<b>33,278.58</b>	<b>35,475.01</b>

**b) Packing material**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
HDPE bags	341.23	394.03
Bardana	64.59	132.10
<b>Total</b>	<b>405.82</b>	<b>526.13</b>

**29 Purchases of stock-in-trade**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Fertilizers	1,891.74	1,061.12
Poultry feed	2,313.34	1,809.75
Crude oil	3,103.43	139.83
Seeds	2,479.61	2,106.44
Others	834.65	3,020.27
<b>Total</b>	<b>10,622.77</b>	<b>8,137.41</b>

**30 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Inventory at the beginning of the year</b>		
Finished goods	3,345.81	4,033.46
Work-in-progress	118.72	125.01
Stock-in-trade	319.34	473.33
Less: Adjustment on account of consolidation	-	(1,018.66)
<b>Less: Inventory at the end of the year</b>		
Finished goods	3,226.16	3,345.81
Work-in-progress	135.76	118.72
Stock-in-trade	1,272.75	319.34
<b>Total</b>	<b>(850.81)</b>	<b>(170.73)</b>



**30.1 Particulars of inventory**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
<b>Finished goods</b>		
Fertilizers	2,054.66	2,141.18
Poultry feed	307.87	400.66
Crude oil	828.07	788.90
Others	35.55	15.08
<b>Work-in-progress</b>		
Fertilizers	135.76	118.72
<b>Stock-in-trade</b>		
Fertilizers	691.14	29.34
Seeds	80.11	-
Others	501.50	290.00

**31 Employee Benefits Expense**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Salaries, wages and bonus	558.50	550.56
Contribution to provident & other fund	32.60	29.76
Staff welfare expenses	14.49	10.89
<b>Total</b>	<b>605.59</b>	<b>591.21</b>

**32 Finance Costs**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Interest expenses	693.05	745.01
Other borrowing costs	64.65	71.46
<b>Total</b>	<b>757.71</b>	<b>816.47</b>

**33 Depreciation and amortization expense**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipment (refer Note 2)	243.87	237.55
Depreciation of investment property (refer Note 4)	**	**
Amortisation of intangible assets (refer Note 5)	0.03	0.53
<b>Total</b>	<b>243.90</b>	<b>238.08</b>

**34 Other expenses**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Stores and spares consumed	334.21	343.43
Power and fuel	915.02	820.33
Rent	8.75	22.01
Repairs to buildings	14.94	13.81
Repairs to machinery	65.66	31.82
Insurance	15.24	12.62
Rates and taxes	27.89	16.35
Impairment allowance for doubtful trade receivables	40.08	-
Freight and transportation	799.57	944.74
Miscellaneous expenses	587.16	761.10
<b>Total</b>	<b>2,808.53</b>	<b>2,966.21</b>

**34.1 Details of payment to auditors included in miscellaneous expenses:**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
Audit fees	5.90	5.90
Certification fees	1.75	1.75
Company law matters	1.90	1.90
Other matters	0.75	0.75
<b>Total</b>	<b>10.30</b>	<b>10.30</b>

**35 Earnings per share**

(Rs. In Lacs)

	March 31, 2020	March 31, 2019
a. Profit after tax as per the statement of profit & loss attributable to equity shareholders	636.09	376.00
b. Weighted average number of equity shares outstanding	99,93,000	99,93,000
c. Basic & diluted earnings per share in rupee (Face value Rs.10 per share)	6.37	3.76

**36 Micro, small and medium enterprises :**

There are no dues outstanding to Micro, Small and Medium Enterprises beyond the due date as at the Balance Sheet date. The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

**37 Employee benefits:**

As per Ind AS -19 "Employee Benefits", the disclosure of employee benefits are given below:

**Defined contribution plan:**

(Rs. in Lacs)

Particulars	2019-20	2018-19
Employer's contribution to provident fund	24.75	24.75
Employer's contribution to employee's state insurance	5.44	7.31

**Defined benefit plan and other long term employee benefits :****Gratuity Plan :**

The company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Rs. In Lacs)**

Particulars	GRATUITY (unfunded)	
	As at March 31,2020	As at March 31,2019
Present value of benefit obligation at the beginning of the period	38.75	28.73
Interest cost	2.44	2.24
Current service cost	8.37	7.21
Past service cost	-	-
Liability transferred in/ acquisitions	-	-
(Liability transferred out/ divestments)	-	-
(Gains)/ losses on curtailment	-	-
(Liabilities extinguished on settlement)	-	-
(Benefit paid directly by the employer)	(14.88)	(0.96)
(Benefit paid from the fund)	-	-
The effect of changes in foreign exchange rates	-	-
"Actuarial (gains)/losses on obligations - "due to change in demographic assumptions"	1.16	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	4.85	0.11
Actuarial (gains)/losses on obligations - due to experience	7.22	1.42
Present value of benefit obligation at the end of the period	47.91	38.75

**Amount recognised in the balance sheet**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(Present value of benefit obligation at the end of the period	(47.91)	(38.75)
Fair value of plan assets at the end of the period	-	-
Funded status (surplus/ (deficit))	(47.91)	(38.75)
Net (liability)/asset recognized in the balance sheet	(95.81)	(77.50)

**Amount recognised as expense in the profit and loss**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current service cost	8.37	7.21
Net interest cost	2.44	2.24
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	10.81	9.45

**Amount recognised in the OCI**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial (gains)/losses on obligation for the period	13.23	1.53
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
Net (income)/expense for the period recognized in OCI	13.23	1.53

**Sensitivity analysis**

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Projected benefit obligation on current assumptions	47.91	38.75
Delta effect of +1% change in rate of discounting	(4.94)	(4.17)
Delta effect of -1% change in rate of discounting	5.87	4.98
Delta effect of +1% change in rate of salary increase	4.52	4.46
Delta effect of -1% change in rate of salary increase	(3.91)	(4.16)
Delta effect of +1% change in rate of employee turnover	0.74	0.49
Delta effect of -1% change in rate of employee turnover	(0.84)	(0.62)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

**38. Financial instruments :**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

"The following methods and assumptions were used to estimate the fair values:"1.Fair value of cash and short-term deposits, trade and other short term receivables, trade

payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments."2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts."

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



## a. Financial assets

(Rs. In Lacs)

Particulars	Instruments carried at fair value			Instruments carried at amortized cost		Total carrying Amount (A+B)
	FVTOCI	FVTPL	Total fair value (A)	Carrying amount (B)	Fair value	
<b>As at March 31, 2019</b>						
Cash & Cash Equivalents	-	-	-	140.62	140.62	140.62
Investments:						
Equity Securities and others	19.97	-	19.97	8.14	8.14	28.11
Trade Receivables	-	-	-	7,666.53	7,666.53	7,666.53
Bank Balances other than above	-	-	-	248.56	248.56	248.56
Other Financial Assets	-	-	-	94.66	94.66	94.66
<b>Total</b>	<b>19.97</b>	<b>-</b>	<b>19.97</b>	<b>8,158.52</b>	<b>8,158.52</b>	<b>8,178.49</b>
<b>As at March 31, 2020</b>						
Cash & Cash Equivalents	-	-	-	154.98	154.98	154.98
Investments:						
Equity Securities and others	16.59	-	16.59	0.33	0.33	16.91
Trade Receivables	-	-	-	8,976.63	8,976.63	8,976.63
Bank Balances other than above	-	-	-	177.55	177.55	177.55
Other Financial Assets	-	-	-	130.95	130.95	130.95
<b>Total</b>	<b>16.59</b>	<b>-</b>	<b>16.59</b>	<b>9,440.44</b>	<b>9,440.44</b>	<b>9,457.02</b>

## b. Financial liabilities

(Rs. In Lacs)

Particulars	Instruments carried at fair value		Instruments carried at amortized cost		Total carrying Amount (A+B)
	FVTPL	Total carrying amount and fair value (A)	Carrying	Fair value amount (B)	
<b>As at March 31, 2019</b>					
Borrowings	-	-	7,077.98	7,077.98	7,077.98
Trade Payables	-	-	2,175.87	2,175.87	2,175.87
Other Financial Liabilities	-	-	212.08	212.08	212.08
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,465.92</b>	<b>9,465.92</b>	<b>9,465.92</b>
<b>As at March 31, 2020</b>					
Borrowings	-	-	8,656.88	8,656.88	8,656.88
Trade Payables	-	-	2,207.67	2,207.67	2,207.67
Other Financial Liabilities	-	-	157.81	157.81	157.81
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,022.36</b>	<b>11,022.36</b>	<b>11,022.36</b>

## C. Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

## The categories used are as follows :

- Level 1 : quoted prices for identical instruments
- Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3 : inputs which are not based on observable market data.

For assets & liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

(Rs. In Lacs)

	Level 1	Level 2	Level 3
<b>As at March 31, 2019</b>			
Assets at fair value			
Investments	19.97	-	-
<b>Liabilities at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2020</b>			
Assets at fair value			
Investments	16.59	-	-
<b>Liabilities at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>



There were no significant changes in classification & no significant movements between the fair value hierarchy classifications of financial assets & financial liabilities during the period.

**39. Capital Management:**

The company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the company ensures optimal credit risk profile to maintain/enhance credit rating.

The company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and inter-corporate deposits with financial institutions.

The following table summarises the capital of the Company :

(Rs. In Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>EQUITY</b>	<b>8,318.69</b>	<b>7,693.93</b>
Short-term borrowings and current portion of long-term debt	7,818.74	6,217.90
Long-term debt	839.93	861.51
Cash and cash equivalents	(154.98)	(140.62)
<b>Net debt</b>	<b>8,503.69</b>	<b>6,938.79</b>
Total capital (equity + net debt)	16,822.38	14,632.72
Net debt to capital ratio	0.51	0.47

**40. Risk management strategies :**

**Financial risk management :**

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below

**40.1 Liquidity risk**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintain sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows, undrawn committed credit facilities are expected to be sufficient to meet the liquidity requirements of the Company.

**(i) Financing arrangements**

The Company has access to the following undrawn borrowing facilities as at the end of the reporting period:

(Rs.in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured working capital credit facility from Bank	3,683.05	5,283.54

**(ii) The following is the contractual maturities of the financial liabilities:**

(Rs. In Lacs)

	Carrying amount	Total	Payable on demand	Upto 12 months	more than 12 months
<b>As at March 31, 2019</b>					
<b>Non-derivative liabilities</b>					
Borrowings	7,077.98	7,077.98	6,216.46	124.60	736.91
Trade payables	2,175.87	2,175.87	-	2,175.87	-
Other financial liabilities	212.08	212.08	107.16	104.92	-
<b>As at March 31, 2020</b>					
<b>Non-derivative liabilities</b>					
Borrowings	8,656.88	8,656.88	7,816.95	-	839.93
Trade payables	2,207.67	2,207.67	-	2,207.67	-
Other financial liabilities	157.81	157.81	95.06	62.75	-



#### 40.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes investment, deposits, foreign currency receivables and payables. The Company's senior management team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

#### (i) Foreign currency risk

The Company is exposed to foreign exchange risks arising from import of raw material in foreign currency. Foreign exchange risk arises from recognised liabilities, when they are denominated in a currency other than Indian Rupee. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on company's operations. The carrying amounts of the Company's foreign currency denominated monetary liabilities all of which are unhedged at the end of the reporting period are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Liabilities (Trade payables) In foreign currency (USD \$)	-	5.64
In Indian currency (Rs.)	-	366.69

#### Foreign Currency Sensitivity

Rs. in lacs

Particulars	Currency	Change in Rate	Effect on profit before tax
31/03/2019	USD	+10%	(36.67)
	USD	-10%	36.67
31/03/2020	USD	+10%	-
	USD	-10%	-

#### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's Long term borrowings have fixed rate of interest & carried at amortised costs. Hence, the Company is not subject to the interest rate risk since neither the carrying amount nor the future cash flows will change due to change in the market interest rates.

Working capital facility is as per contractual terms, primarily of short term in nature, which does not exposes company to significant interest rate risk.

#### 40.3 Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining collaterals (such as Security Deposit) as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit ratings of its counterparties

are continuously monitored based on the counterparty's past performance and business dynamics. Credit exposure is controlled by counterparty limits that are reviewed and approved by the credit risk and monitoring team at regular intervals.

Trade receivables consist of a large number of customers primarily in rural areas. Ongoing credit evaluation is performed on the financial condition and performance of accounts receivable. The average credit period is about 90 days. The Company's trade and other receivables consists of a large number of customers, hence the Company is not exposed to concentration risk. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs. 8976.63 Lacs.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties for years ended March 2020 and March 2019 because it has evaluated their credit risk as low considering the financial stability of the ultimate parent.

#### 41 Contingent liabilities

(Rs. In Lacs)

(to the extent not provided for)	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts in respect of matters under dispute relating to:		
Custom duty	18.37	18.37
Sales tax	15.78	9.85
Income tax	-	9.42
<b>Total</b>	<b>34.15</b>	<b>37.64</b>



**42 Related party disclosures**

**42.1 Names of related parties and nature of related parties relationship where control exists.**

**Subsidiaries & Associates :**

- 1 Shiva Global Biotech

**Key Management Personnel**

- |                          |                           |
|--------------------------|---------------------------|
| 1 Omprakash K. Gilda     | 6 Sujeet S. Medewar       |
| 2 Deepak S. Maliwal      | 7 Dnyaneshwar B. Mamde    |
| 3 Narayanlal P. Kalantri | 8 Shashikant R. Puramwar  |
| 4 Madhusudan P. Kalantri | 9 Rashmi G. Agrawal       |
| 5 Shriram U. Medewar     | 10 Umesh O. Bang          |
|                          | 11 Ashokkumar S. Bhardwaj |

**Relatives of Key Management Personnel**

- |                              |                               |
|------------------------------|-------------------------------|
| 1 Deepak S. Maliwal HUF      | 18 Vijaya S. Medewar          |
| 2 Madhusudan P. Kalantri HUF | 19 Shriram U. Medewar HUF     |
| 3 Laxminivas N. Kalantri     | 20 Udhavrao M. Medewar HUF    |
| 4 Mohit D. Maliwal           | 21 Rajkumar M. Kalantri       |
| 5 Rekha D. Maliwal           | 22 Ravikumar N. Kalantri      |
| 6 Shyamsunder S. Maliwal     | 23 Ravikumar N. Kalantri HUF  |
| 7 Shyamsunder S. Maliwal HUF | 24 Sarojdevi N. Kalantri      |
| 8 Rukhmadevi S. Maliwal      | 25 Santoshdevi M. Kalantri    |
| 9 Mangaladevi S. Maliwal     | 26 Pooja M. Kalantri          |
| 10 Mohit D. Maliwal HUF      | 27 Preeti M. Kalantri         |
| 11 Samta M. Maliwal          | 28 Narayanlal P. Kalantri HUF |
| 12 Nandkishor J. Toshniwal   | 29 Madhukar M. Mamde HUF      |
| 13 Vijaya N. Toshniwal       | 30 Kashibai Mamde             |
| 14 Sunil S. Medewar          | 31 Manikrao Y. Mamde HUF      |
| 15 Sushil S. Medewar         | 32 Manikrao Y. Mamde          |
| 16 Mayuri S. Medewar         | 33 Shivkumar M. Mamde HUF     |
| 17 Rupali S. Medewar         | 34 Balkrishan Y. Mamde        |

**Enterprises owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company:**

- |   |  |
|---|--|
| 1 Active Vinimay Private Limited          | 12 Ravito Engineering Works              |
| 2 Durgeshwari Seeds & Fertilizers         | 13 Sai Trading Company                   |
| 3 Kailash Fertilizers                     | 14 Shrinivasa Agencies                   |
| 4 Kalantri Engineering Works              | 15 Shrinivasa Cold Storage & Warehousing |
| 5 Kedar Krishi Seva Kendra                | 16 Venkateshwara Canvassing              |
| 6 Madhu Industries                        | 17 Shrikrishna Canvassing                |
| 7 Mamde Krushi Seva Kendra                | 18 Ajay Agencies                         |
| 8 Narmadasagar Agri Seeds Private Limited | 19 Vijay Fertilizers Agency              |
| 9 Nature Organics                         | 20 Suraj Agro Industries                 |
| 10 Parsewar Seeds & Fertilizers           | 21 Vaibhavlaxmi Jewellers                |
| 11 Preeti Enterprises Incorporated        | 22 Universal Automotive Service          |

**42.2 Transactions during the year ended March 31, 2020 with Related Parties:**

(Rs. In Lacs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
1 Purchase of Goods		
<b>Key Management Personnel</b>		
Sujeet S. Medewar	3.21	3.09
<b>Relatives of Key Management Personnel</b>		
Mohit D. Maliwal	10.24	-
Mohit D. Maliwal HUF	-	19.61
Samta M. Maliwal	-	19.40
Rukhmadevi S. Maliwal	-	19.61
Sunil S. Medewar	1.12	2.94
Sushil S. Medewar	1.12	5.04
Sadanand U. Medewar	4.14	-
Shriram Medewar HUF	3.42	-
Sujeet S. Medewar HUF	3.41	-





Sunil Shriram Medewar (HUF)	3.42	-
Sushil Shriram Medewar (HUF)	3.40	-
Rupali S. Medewar	-	4.40
Vijaya S. Medewar	-	5.04
Shriram U. Medewar HUF	-	9.24
Deepak S. Maliwal HUF	-	19.60
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>	-	-
Kalantri Engineering Works	40.85	13.39
Madhu Industries	8.83	43.27
Sai Trading Company	385.09	413.50
Vaibhavlaxmi Jewellers	18.04	24.60
Narmada Sagar Agri Seeds Private Limited	-	737.06
Nature Organic	40.63	47.27
Suraj Agro Industries	-	50.39
Ajay Agencies	2.20	-
	<b>529.11</b>	<b>1,437.45</b>
<b>2 Sale of Goods</b>		
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	147.07	124.38
Vijay Fertilizers Agency	15.74	32.84
Kedar Krushi Sewa Kendra	5.76	6.46
Durgeshwari Seeds & Fertilizers	2.37	1.72
Nature Organic	68.88	30.52
Mamde Krishi Seva Kendra	-	4.34
Narmada Sagar Agri Seeds Private Limited	-	602.19
Suraj Agro Industries	-	1.85
	<b>239.82</b>	<b>804.30</b>
<b>3 Services Received</b>		
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Madhu Industries	0.10	-
Ravito Engineering Works	1.22	2.29
Preeti Enterprises Incorporated	3.54	4.00
Kalantri Engineering Works	-	0.08
Universal Automotive Service	0.52	-
Shrinivasa Cold Storage and Warehousing	-	1.57
Venkateshwara Canvassing	-	1.16
Shrikrishna Canvassing	-	1.21
	<b>5.37</b>	<b>10.31</b>
<b>4 Loan Repaid</b>		
<b>Key Managerial Personnel</b>		
Omprakash K. Gilda	7.08	5.60
Madhusudhan P. Kalantri	2.09	4.01
Relatives of Key Management Personnel		
Preeti M. Kalantri	1.83	3.51
Narayanlal P. Kalantri HUF	7.08	7.85
Madhusudan P. Kalantri HUF	6.09	5.95
Ravikumar N. Kalantri HUF	1.43	2.74
Sarojdevi N. Kalantri	2.31	4.43
Pooja M. Kalantri	1.22	2.34
Rajkumar M. Kalantri	0.29	0.55
Ravikumar N. Kalantri	0.76	1.45
Madhukar M. Mamde HUF	0.09	0.10
Kashibai Mamde	0.14	0.15
Manikrao Y. Mamde HUF	0.09	0.10
Manikrao Y. Mamde	0.08	0.08
Shivkumar M. Mamde HUF	0.07	0.07
Balkrishna Y. Mamde	0.15	0.16
	<b>30.80</b>	<b>39.09</b>
<b>5 Interest Paid</b>		
<b>Key Management Personnel</b>		
Omprakash K. Gilda	6.00	7.20
Deepak S. Maliwal	0.40	0.40



	Narayanlal P. Kalantri	1.60	1.60
	Madhusudhan P. Kalantri	2.09	2.13
	Relatives of Key Management Personnel		
	Deepak S. Maliwal HUF	1.60	1.60
	Rukhmadevi S. Maliwal	1.50	1.50
	Mohit D. Maliwal	2.05	2.05
	Rekha D. Maliwal	1.00	1.00
	Samta M. Maliwal	1.50	1.50
	Santoshdevi M. Kalantri	0.40	0.40
	Preeti M. Kalantri	2.47	2.51
	Narayanlal P. Kalantri HUF	4.08	4.17
	Madhusudan P. Kalantri HUF	3.19	3.26
	Ravikumar N. Kalantri HUF	1.43	1.45
	Sarojdevi N. Kalantri	2.31	2.36
	Pooja M. Kalantri	1.48	1.51
	Vijaya N. Toshniwal	1.85	2.03
	Nandkishore J. Toshniwal	0.92	1.02
	Rajkumar M. Kalantri	0.29	0.29
	Ravikumar N. Kalantri	0.76	0.77
	Madhukar M. Mamde HUF	0.89	0.96
	Kashibai Mamde	1.39	1.50
	Manikrao Y. Mamde HUF	0.89	0.96
	Manikrao Y. Mamde	0.78	0.84
	Shivkumar M. Mamde HUF	0.66	0.72
	Balkrishan Y. Mamde	1.51	1.64
		<b>43.04</b>	<b>45.38</b>
<b>6</b>	<b>Remuneration Paid</b>		
	<b>Key Managerial Personnel</b>		
	Omprakash K. Gilda	7.65	7.20
	Sujeet S. Medewar	22.95	21.60
	Dnyaneshwar B. Mamde	3.00	3.00
	Rashmi G. Agrawal	1.20	1.20
	Umesh O. Bang	8.52	8.25
	Ashokkumar S. Bhardwaj	-	8.31
	Relatives of Key Management Personnel		
	Mohit D. Maliwal	7.65	7.20
	Laxminivas N. Kalantri	7.65	7.20
	Rupali S. Medewar	4.41	3.60
		63.03	67.55
<b>7</b>	<b>Share of Profits</b>		
	Associates	-	-
	Shiva Global Biotech	-	0.21
		-	0.21

**42.3 Outstanding balance with Related Parties as on March 31, 2020**

(Rs. in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>1 Associates</b>		
Shiva Global Biotech	-	7.82
<b>2 Key Management Personnel</b>		
Omprakash K. Gilda	(61.11)	(62.15)
Deepak S. Maliwal	(4.00)	(4.00)
Narayanlal P. Kalantri	(16.00)	(16.00)
Madhusudhan P. Kalantri	(20.85)	(20.85)
Sujeet S. Medewar	(1.48)	(1.37)
Ashokkumar S. Bhardwaj	-	0.26
<b>3 Relatives of Key Management Personnel</b>		
Deepak S. Maliwal HUF	(16.00)	(16.00)
Rukhmadevi S. Maliwal	(15.00)	(15.00)
Mohit D. Maliwal	(21.10)	(21.05)
Rekha D. Maliwal	(10.00)	(10.00)
Samta M. Maliwal	(15.00)	(15.00)
Santoshdevi M. Kalantri	(4.00)	(4.00)



Preeti M. Kalantri	(24.69)	(24.69)
Narayanlal P. Kalantri HUF	(37.84)	(40.84)
Madhusudan P. Kalantri HUF	(28.96)	(31.96)
Ravikumar N. Kalantri HUF	(14.24)	(14.24)
Sarojdevi N. Kalantri	(23.06)	(23.06)
Pooja M. Kalantri	(14.80)	(14.80)
Rajkumar M. Kalantri	(2.85)	(2.85)
Ravikumar N. Kalantri	(7.54)	(7.54)
Vijaya N. Toshniwal	(16.50)	(16.50)
Nandkishore J. Toshniwal	(8.30)	(8.30)
Madhukar M. Mamde HUF	(9.66)	(8.86)
Kashibai Mamde	(15.10)	(13.85)
Manikrao Y. Mamde HUF	(9.66)	(8.86)
Manikrao Y. Mamde	(8.45)	(7.76)
Shivkumar M. Mamde HUF	(7.25)	(6.65)
Balkrishna Y. Mamde	(16.51)	(15.14)
Laxminivas N. Kalantri	(0.60)	(0.55)
Rupali S. Medewar	(0.38)	(0.30)
<b>4 Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	0.94	(3.12)
Vijay Fertilizers Agency	(14.79)	3.16
Kedar Krushi Sewa Kendra	2.03	1.73
Durgeshwari Seeds & Fertilizers	(1.78)	0.44
Nature Organics Karnataka	34.22	0.66
Kailash Fertilizers	2.33	2.33
Universal Automotive Service	-	-
Mamde Krishi Seva Kendra	-	3.60
Narmada Sagar Agri Seeds Private Limited	-	(175.96)
Venkateshwara Canvassing	-	(1.15)
Shrikrishna Canvassing	-	(1.10)
	-	-

**Note :**

- No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year.
- Related party relationships have been identified by the management and relied upon by the Auditors.
- Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

**43 Segment Information:****43.1 Products and services from which reportable segments derive their revenues:**

The Company operates in the business segments of

- Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties.

- Figures in the brackets represents trades payables/other liabilities.

Fertilizers, Seeds and Solvent in the domestic market.

The following is an analysis of the Company's revenue and results from operations by reportable segment:



The following is an analysis of the Company's revenue and results from operations by reportable segment:

(Rs. In Lacs)

Particulars	31/03/2020	31/03/2019
<b>Segment revenue</b>		
Operating revenue		
a) Fertilizers	11,875.34	13,934.58
b) Solvent	35,236.85	35,196.92
c) Seeds	2,427.15	1,530.30
<b>Total</b>	<b>49,539.34</b>	<b>50,661.80</b>
Less: Inter-segment revenue	575.98	699.97
<b>Income from operations</b>	<b>48,963.36</b>	<b>49,961.83</b>
<b>Segment result</b>		
a) Fertilizers	816.68	1,106.95
b) Solvent	1,004.65	1,064.57
c) Seeds	27.65	26.99
<b>Total</b>	<b>1,848.98</b>	<b>2,198.51</b>
<b>Adjusted for:</b>		
a) Finance costs	(757.71)	(816.47)
b) Other income	79.00	86.07
c) Exceptional item	-	(379.83)
<b>Profit before tax</b>	<b>1,170.28</b>	<b>1,088.28</b>

#### 43.2 Segment assets and liabilities:

(Rs. In Lacs)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Segment assets</b>		
a) Fertilizers	13,629.12	12,134.67
b) Solvent	11,008.80	9,847.59
c) Seeds	107.36	-
<b>Total</b>	<b>24,745.28</b>	<b>21,982.26</b>
<b>Segment liabilities</b>		
a) Fertilizers	7,482.54	6,256.10
b) Solvent	5,753.07	5,136.05
c) Seeds	1.39	-
<b>Total</b>	<b>13,237.00</b>	<b>11,392.15</b>

#### 44 The subsidiary companies considered in the consolidated financial statements are:

Sr. No	Name of the subsidiaries	Country of Incorporation	Proportion of ownership interest		Accounting year ending on
			31.03.2020	31.03.2019	
1	Ghatprabha Fertilizers Private Limited	India	61.53%	61.53%	31.03.2020
2	Shiva-Parvati Poultry Feed Private Limited	India	51.00%	51.00%	31.03.2020
3	Shrinivasa Agro Foods Private Limited	India	51.00%	51.00%	31.03.2020

As per our report of even date  
For **Aditya Falor & Associates**  
Chartered Accountants  
Firm Registration No.: 127273W

**Aditya G. Falor**  
Proprietor  
Membership No. 122487

Place: Nanded  
Date: July 03, 2020

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



## SHIVA GLOBAL AGRO INDUSTRIES LIMITED

**Regd. Office:** 'Shri Hanuman Nagar', Osmannagar Road, Village Dhakni, Taluka Loha, District Nanded (Maharashtra).

**Admn. Office:** "Shiva House", Near State Bank of India, New Mondha, Nanded District Nanded. (Maharashtra)

**Ph :** (02462) 284036, 284039 **Fax :** 284729

● **E-mail:** [admin@shivaagro.org](mailto:admin@shivaagro.org) ● **Website:** [www.shivaagro.org](http://www.shivaagro.org) **CIN:** L24120MH1993PLC070334

<b>ATTENDANCE SLIP</b>	
<b>28<sup>TH</sup> ANNUAL GENERAL MEETING ON WEDNESDAY, SEPTEMBER 30, 2020</b>	
Registered Folio/DP ID & Client ID	
No. of Shares	
Name and Address of the Shareholder(s)	
Joint Holder(s)	

I/we hereby record my/our presence at the 28th Annual General Meeting of the Company held at 'Shri Hanuman Nagar', Osmannagar Road, Village Dhakni, Taluka Loha, District Nanded, on Wednesday, September 30, 2020 at 1.00 p.m.

If Shareholder(s), Please sign here	If Proxy, please mention name and sign here	
	Name of Proxy	Signature

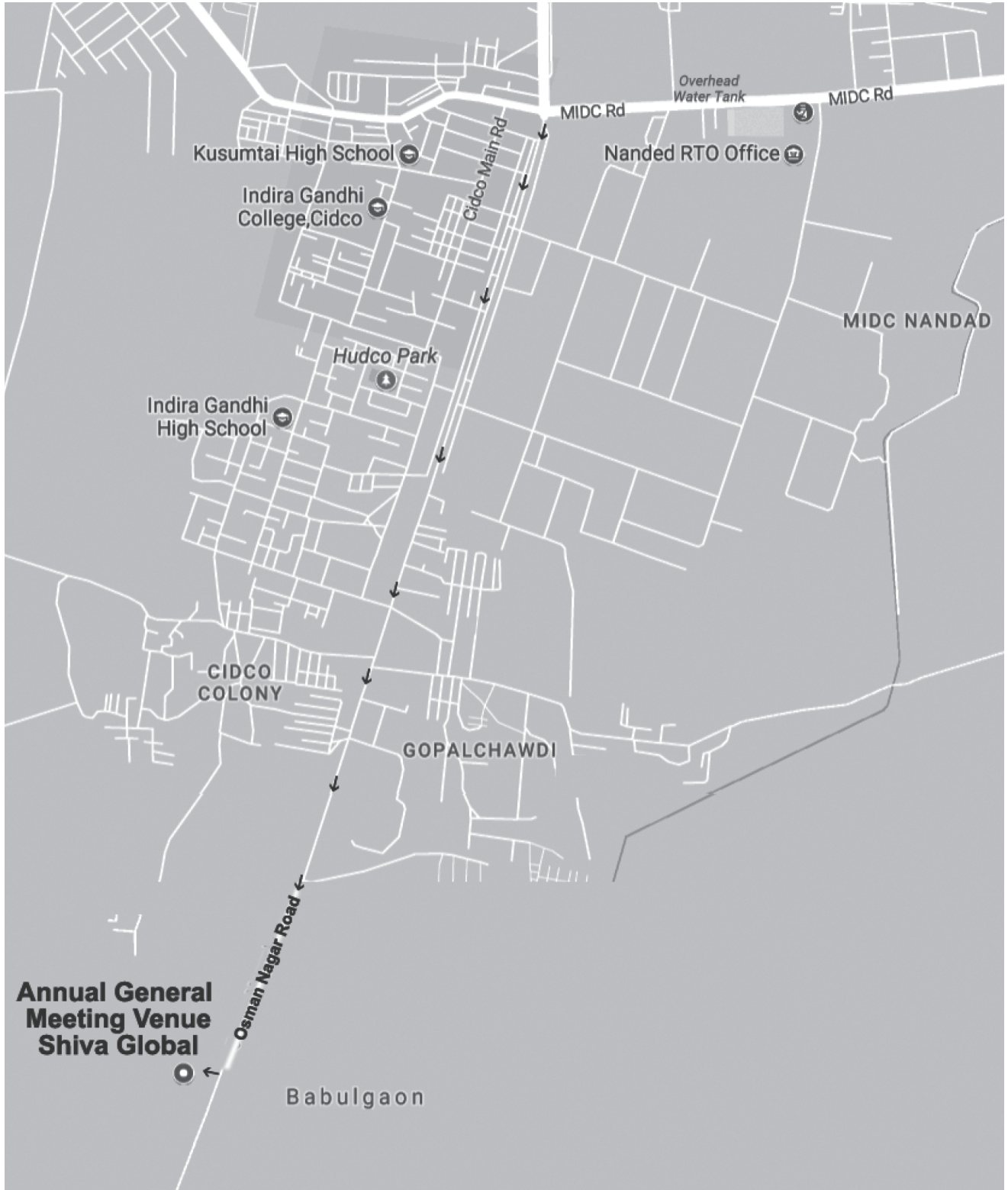
Note: Please sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

<b>ELECTRONIC VOTING PARTICULARS</b>		
Electronic Voting Sequence Number (EVSN)	User ID	*Default PAN
		USE YOUR PAN

\*Only Members who have not updated their PAN with the Company/Depository Participant shall use default PAN in the PAN field.

Note: Please read the instructions for e-voting given below along with the notice of the 28th Annual General Meeting. The voting period starts from Sunday, September 27, 2020 at 9.00 a.m.(IST) and ends on Tuesday, September 29, 2020 at 5.00 p.m.(IST). The voting module shall be disabled by CDSL for voting thereafter.

## Route map to the Venue of the AGM



# Annual Report 2019 - 20



Registered Office :

## **Shiva Global Agro Industries Ltd.**

Shri Hanuman Nagar, Osman Nagar Road,  
Village Dhakni, Nanded - 431 708 (Maharashtra)  
Ph : +91 02462 226955 Fax : +91 02462 284729  
E - mail : [admin@shivaagro.org](mailto:admin@shivaagro.org)  
Website : [www.shivaagro.org](http://www.shivaagro.org)