

Annual Report  
2020-21



**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

Aarthy Consultants Pvt. Ltd.  
1-2-285, Domalguda,  
Hyderabad 500 029, Telangana



## NOTICE OF THE 29TH ANNUAL GENERAL MEETING OF THE COMPANY

### To the Members of the Shiva Global Agro Industries Limited

Notice is hereby given that the 29th Annual General Meeting (AGM) of the Members of Shiva Global Agro Industries Limited will be held on Wednesday, September 29, 2021 at 1.00 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following business:

#### ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, the Report of the Auditors' thereon and the Report of the Board of Directors, and in this regard to consider and, if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, the Report of the Auditors' thereon and the Report of the Board of Directors placed before the 29th Annual General Meeting be and are hereby received and adopted."

- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, the Report of the Auditors' thereon and in this regard to consider and, if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Report of the Auditors' thereon placed before the 29th Annual General Meeting be and are hereby received and adopted."

- To declare a final dividend for the financial year ended March 31, 2021, and in this regard to consider and, if deemed fit, to pass, the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** a final dividend of Rs.0.50 per share (5% on Face Value of Rs.10 each) be declared for the financial year ended March 31, 2021 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of

Members as on September 20, 2021 in case the shares are held in physical form & to the beneficial holders of the dematerialized shares as on September 20, 2021 as per the details provided by National Securities Depository Limited & Central Depository Services (India) Limited in case the shares are held in electronic form.

- To appoint a Director in place of Mr. Narayanlal Pannalal Kalantri [Director Identification Number (DIN): 00486333], 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** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force), Mr. Narayanlal Pannalal Kalantri (DIN: 00486333), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

- To appoint Statutory Auditors to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting and also fix their remuneration, and in this regard, 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 of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Falor Jhavar Khatod & Co (Firm Regn. No.(F.R.N.)104223W) as the Statutory Auditors of the Company in place of retiring auditors M/s Aditya Falor & Associates, Chartered Accountants, to hold office from the conclusion of the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting on a remuneration of ₹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 are hereby authorised to pay such



increased audit fee as they may deem fit.”

#### SPECIAL BUSINESS

6. To appoint Mr.Rajesh Agrawal - (DIN: 01131940) as a Director and as an Independent Director of the Company and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr.Rajesh Agrawal (holding DIN 01131940), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 14 August, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Mr.Rajesh Agrawal, who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 14 August, 2021 to 13 August, 2026, be and is hereby approved.”

7. To appoint Mr.Prakash Nihalani - (DIN: 09265833) as a Director and as an Independent Director of the Company and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr.Prakash Nihalani (holding DIN 09265833), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 14 August, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (“Act”)& in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Mr.Prakash Nihalani, who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 14 August, 2021 to 13 August, 2026, be and is hereby approved.”

8. To ratify the remuneration of the Cost Auditors for the financial year 2021-22 and in this regard to consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, 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, 2022, 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 & is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors or Key Managerial Personnel of the Company be and they are hereby severally authorised 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 Limited

Place : Nanded  
Date : August 14, 2021

**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 :

1. In view of the outbreak of COVID-19 pandemic and the consequent restrictions and requirements like social distancing, and pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 02/2021 issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”). Hence, in compliance with the Circulars, the 29th AGM of the Company is being held through VC/OAVM, hereinafter called as electronic Annual General Meeting (“e-AGM”). The deemed venue for this e-AGM shall be the registered office of the Company. The detailed procedure for participating in the meeting through



VC/OAVM is given below and will also be available at the Company's website [www.shivaagro.org](http://www.shivaagro.org).

2. In compliance with the aforesaid Circulars, this e-AGM Notice along with the Annual Report for the financial year 2020-21 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company / Depositories. The AGM notice and Annual Report of the Company are also made available on the Company's website at [www.shivaagro.org](http://www.shivaagro.org) and on the website of the Stock Exchange where the shares of the Company have been listed viz., BSE Limited - [www.bseindia.com](http://www.bseindia.com). The Company has published a Notice by way of advertisement in the newspapers viz., Shramik Ekjoot on September 07, 2021, giving the required details of 29th AGM and Final Dividend related information.
3. Since the AGM is being conducted through VC/OAVM, the physical presence of members is not required and members can attend the meeting through login credentials provided to them to connect to AGM. As this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this e-AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Corporate Members entitled to appoint authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the e-AGM, pursuant to Section 113 of the Companies Act, 2013 ("the Act").
5. The Notice of e-AGM and Annual Report are being sent in electronic mode to members whose email address is registered with the Company or the Depository Participant(s). Members holding shares in physical /demat form who have not registered their email address with the Company can get the same registered with the Company.
6. An Explanatory Statement under Section 102(1) of the Act in respect of special business to be transacted at the AGM, is annexed hereto. The Board considered and concluded that special businesses under item nos. 6 to 8 are considered critical and unavoidable, and hence need to be transacted at this AGM.
7. As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), the relevant details of Directors seeking appointment or re-appointment at this e-AGM are provided in the Report on Corporate Governance forming part of the Annual Report.
8. **Book Closure :** The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 21, 2021 to Wednesday, September 29, 2021 (both days inclusive).
9. Unclaimed/Unpaid Dividend: Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 and Section 124 of the Act, the amount of dividend/dividend declared/paid up to the financial year 2012-13, 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, 2021 is available on the website of the Company at [http://shivaagro.org/ud/unclaimed\\_dividend30092020.pdf](http://shivaagro.org/ud/unclaimed_dividend30092020.pdf) and Ministry of Corporate Affairs at <http://www.iepf.gov.in>. Members are requested to contact Aarthi Consultants Pvt. Ltd., 1-2-285, Domalguda, Hyderabad -500 029, Telangana, the Registrar and Share Transfer Agents of the Company, to claim the unclaimed /unpaid dividends.
10. **Compulsory transfer of Equity Shares to IEPF Account:** 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. The Members / claimants whose shares, have been transferred to IEPF, may claim the shares by making an application to IEPF Authority in webform IEPF 5 (available on <http://www.iepf.gov.in/>). The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.
11. **Dividend :** The dividend, as recommended by the Board of Directors of the Company, if approved at the e-AGM, will be paid within 30 days from the declaration of dividend at the e-AGM, as provided in the Act, to those Members whose names stand registered on the Company's Register of Members:
  - i. as Beneficial Owners as at the end of business hours on Sunday, September 19, 2021 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
  - ii. as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before Sunday, September 19, 2021.
12. **Tax Deducted at Source (TDS) on Dividend :**
  - i) Members may note that in terms of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Aarthi Consultants Pvt. Ltd (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
  - ii) To avail the benefit of non-deduction of tax at source, a Resident individual shareholder who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, by sending scanned copies of duly filled form along with PAN on [admin@shivaagro.org](mailto:admin@shivaagro.org) on or before September 09,



2021. Shareholders are requested to note that in case their PAN is not registered, or his/her PAN is not linked with Aadhaar number within the due date notified by Central Government, the tax will be deducted at a higher rate of 20%.

iii) Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits by sending scanned copies of documents/ forms along with PAN on admin@shivaagro.org on or before September 09, 2021.

iv) Dividend, if any, declared will be paid subject to deduction of income-tax at source (TDS) at applicable rates. In respect of resident individuals, if the dividend payment is in excess of `5,000 (collectively for all folios with the same PAN number) the TDS will be at the rate of 10%. For all other categories of shareholders, please refer to the TDS rates provided in the Income Tax Act/Rules. Wherever, TDS is made, TDS Certificates will be sent to the concerned shareholders through email or post, as the case may be.

v) Shareholders who have not filed returns with Income Tax Authority for the financial years 2018-19 and 2019-20 before the due date and aggregate of TDS is `50,000 or more in each of these two years, the TDS will be at the rate of 20% for dividend paid on or after July 1, 2021.

vi) The documents submitted in this regard, are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961.

13. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agent, Aarthi Consultants Pvt. Ltd., cannot act on any request received directly from the Members holding shares in electronic form for any change of Bank particulars or Bank mandates. Members holding shares in electronic form are, therefore, advised to intimate immediately any change in their address or Bank mandates to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or Bank mandates immediately to the Company / Aarthi Consultants Pvt. Ltd.
14. Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) they should submit their NECS / ECS details to Aarthi Consultants Pvt. Ltd. The requisite NECS/ECS application form can be obtained from Aarthi Consultants Pvt. Ltd. Alternatively, Members may provide details of their bank account quoting their folio numbers, to Aarthi Consultants Pvt. Ltd. to enable them to print such details on the dividend warrants.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share

certificates to Aarthi Consultants Pvt. Ltd., for consolidation into a single folio.

16. **Submission of PAN:** SEBI has mandated 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 / Aarthi Consultants Pvt. Ltd.
17. **Share Transfer permitted only in Demat:** As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice.
18. **Nomination:** As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
19. **Statutory Registers:** 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.
20. **CDSL e-Voting System – Fore-Voting and Joining Virtual meetings:**
  - i) 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 through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
  - ii) 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.

iii) 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.

iv) 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.

v) 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.

vi) 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).

vii) 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.

viii) In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the

General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER :**

- (i) The voting period begins on Sunday, September 26, 2021 at 9 a.m. IST and ends on Tuesday, September 28, 2021 at 5 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 Monday, September 20, 2021 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) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest at <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login in the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> the system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID & Forget Password option available at above mentioned website.

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

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

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than

individual holding in Demat form.





- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
<b>PAN</b>	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>Dividend Bank Details</b> <b>OR Date of Birth (DOB)</b>	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. <ul style="list-style-type: none"> <li>• 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.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
  - (vii) 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.
  - (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - (x) 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.
  - (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xii) 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.
  - (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xv) 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.
  - (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
    - 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.
- INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for e-voting.
  2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
  3. Shareholders who have voted through Remote e-



Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 at least seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at admin@shivaagro.org. 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 admin@shivaagro.org. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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.
10. 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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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 update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cDSLindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting

by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cDSLindia.com or call on 022-23058542/43.

**Other Information**

- i. The voting rights of shareholders shall be in proportion to their shareholding of the paid-up equity share capital of the Company as on the cut-off date i.e., Monday, September 20, 2021.
- ii. The Board of Directors has appointed Mr. Mohan Lakhotiya (Membership No. 147779), Practicing Chartered Accountant, as the Scrutiniser to scrutinize the e-Voting process in a fair and transparent manner.
- iii. 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 forty eight hours from the conclusion of the meeting, make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
- iv. 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).
- v. Immediately after declaration of results, the same shall be placed along with the Scrutiniser's Report on the Company's website www.shivaagro.org and communicated to stock exchange viz., BSE Limited, where the shares of the Company are listed for placing the same in their website.
- vi. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

**Item No. 5**

**Appointment of M/s. Falor Jhavar Khatod & Co. (Reg. No. FRN 104223W) as the Statutory Auditors of the Company :**

M/s. Aditya Falor & Associates, Chartered Accountants, have been the statutory auditors of the company since 2016-17. The existing term of M/s. Aditya Falor & Associates as Statutory Auditor will expire at the conclusion of the ensuing Annual General Meeting of the Company and they are not eligible for re-appointment in terms of provisions of Section 139(2) of the Act read with the Rules made thereunder.

Accordingly, in terms of the provisions of Section 139 of the Act, the Company is required to appoint new statutory auditors. Based on the recommendation of the Audit Committee, the Board of Directors have recommended the appointment of M/s. Falor Jhavar Khatod & Co. (Reg. No. FRN 104223W) as the Statutory Auditors of the Company to hold office from the conclusion of this 29th Annual General Meeting until



the conclusion of the 34th Annual General Meeting of the shareholders of the Company at a remuneration of ` 4,00,000 for the FY 2021-22, subject to the approval by the shareholders pursuant to applicable There is no material change in the fee payable to new auditors.

M/s. Falor Jhavar Khatod & Co., is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 1986. It has its registered office At Sanman Tower, Vazirabad, Nanded and has 2 branch offices in India. M/s. Falor Jhavar Khatod & Co. have furnished their consent to act as Statutory Auditors in terms of Section 139 of the Act and have also provided a certificate to the effect that their appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act. Further, as required under Regulation 33 of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board recommends their appointment and accordingly, the approval of the Members is being sought by means of an Ordinary Resolution. Further, Aditya Falor & Associates, who hold office as Statutory Auditors of the Company till the conclusion of this AGM would be conducting the limited review on the financial results of the Company for Q1 of the financial year 2021-22.

#### **Memorandum of Interest**

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

#### **Item No. 6 & 7.**

Mr. Rajesh Agrawal & Mr. Prakash Nahalani, were appointed as an Additional Directors of the Company by the Board of Directors on 14 August, 2021, pursuant to the Section 161 of the Act based on the recommendation of the Nomination and Remuneration Committee. The Board has also appointed them as Independent Directors, with effect from the respective date of their appointment, in terms of Section 149 read with Schedule IV of the Act. In terms of Section 161 of the Act, these two Director holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provisions of Section 160 of the Act, from members proposing the candidature of Mr. Rajesh Agrawal and Mr. Prakash Nahalani for the office of Director and Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The Company has received following documents from the above said directors:

- (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014;
- (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Act; and
- (iii) a declaration to the effect that they meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board of Directors, Mr. Rajesh Agrawal & Mr. Prakash Nahalani, Independent Directors proposed to be appointed, 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. They do not hold any share in the Company in their individual capacity or on a beneficial basis for any other person.

A copy of the draft letter of appointment of these Directors as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day up to the date of the AGM.

The resolution seeks the approval of the shareholders for the appointment of:

- a) Mr. Rajesh Agrawal as Director and as an Independent Director of the Company for a period of 5 consecutive years with effect from 14 August, 2021 to 13 August, 2026, not liable to retire by rotation.
- b) Mr. Prakash Nahalani as a Director and as an Independent Director of the Company for a period of 5 consecutive years with effect from 14 August, 2021 to 13 August, 2026, not liable to retire by rotation.

The Board considers that in view of their rich experience, their association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Rajesh Agrawal and Mr. Prakash Nahalani as Directors/ Independent Directors.

A brief resume, as required pursuant to the Regulation 36 (3) of the Listing Regulations and Secretarial Standards-2, is set out in the "Report on Corporate Governance".

#### **The Board commends the Ordinary Resolution set out at Item No. 6 & 7 for approval by shareholders.**

#### **Memorandum of Interest**

Mr. Rajesh Agrawal, and Mr. Prakash Nahalani, and their relatives are interested in the Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution, financially or otherwise.

Mr. Rajesh Agrawal, and Mr. Prakash Nahalani are not related to any of the Directors or Key Managerial Personnel of the Company.

#### **Item No. 8.**

#### **Ratification of remuneration to Cost Auditors:**

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, 2022, in their meeting held on June 30, 2021. 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 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. 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 29th 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, 2022.

**Memorandum of Interest**

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. 8 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:

Name of the Director	Mr. Narayanlal Kalantri	Mr. Rajesh Agrawal	Mr.Prakash Nihalani
DIN	0486333	01131940	09265833
Date of Birth	August 01,1945	February 01, 1966	April 01, 1962
Qualifications	B.E. (Mechanical Enigneer)	MBBS, DMRD DMRE, DNB (Doctor)	M.Com, M.B.A & Ph.D (Professor)
Date of Appointment	September 25, 1993	August 14, 2021	August 14, 2021
Expertise	44 years of Business Experience	25 years of Medicine and Consultancy Experience	More than 10 years of experience in field of Sales Marketing & Management
Chairman/ Member of the committees of Board of the Company	Yes	N.A.	N.A.
Chairman/ Member of the committees of Board of the other Company	Nil	Nil	Nil
Shareholding	358813 Shares	Nil	Nil
<b>Brief Profile :</b>			
<b>Mr. Narayanlal Kalantri</b>	<p><b>Mr. Kalantri</b> has been Director of the Company since September 25, 1993. He is a qualified Mechanical engineer and currently dominates the company as technical director. At Shiva, he is responsible for enhancing the company's manufacturing capabilities and ensuring smooth functioning of manufacturing processes. He has vast experience of almost more than 4 decades in the agro product &amp; fertilizer industry.</p> <p>Considering his rich experience, expertise &amp; immense contribution in the growth of the Company, he has been re-appointed as director of the Company, liable to retire by rotation.</p>		
<b>Mr. Rajesh Agrawal</b>	<p><b>Dr. Rajesh K Agrawal</b>, is a Practicing Consultant, Radiologist &amp; Sonologist at Lifeline Diagnostic Centre located at Doctor's Lane in Nanded &amp; at Yashraj Diagnostic Centre at Yashosai Hospital in Kautha, Nanded. He has rich experience of more than 25 years in the field of Medicine &amp; consultancy. More than two decades of practice in the field of Medicine and Consultancy has equipped him with the better understanding of Management Principles. He has exceptional command over organization of Human Resource. His understanding of Management Principles and Human Resources has proved as an edge over rivals in the industry.</p> <p>He is also fond of Literature and Philosophy. Apart from this, he has been pro-active on social and economic front of the society and public at large. He has dedicatedly worked on the upliftment of the economically weaker and backward section of the society.</p>		
<b>Mr. Prakash Nihalani</b>	<p><b>Dr.Prakash Nihalani</b> is Professor at IIMS, Nanded having teaching experience of more than 11 years. He is academic counselor of MBA &amp; M.com Programs of I.G.N.O.U, New Delhi from March 2016. He has also served as contributory lecturer for MBA, M.Com, &amp; DBM. He is recognized Faculty of MBA of YCMOU, Nashik and adjunct faculty at S.G.G.S.I.E. &amp; T., Nanded.</p> <p>His area of specialization includes Marketing Management and Managerial Economics. He has also been Sales Manager for 8 years, which equipped him with practical background and ground reality in the field of Marketing.</p> <p>He has also authored many books and publications and also conducted many Seminars, Workshops and Conferences at National and International level.</p>		

**Notes :** Directorships in unlisted entities and membership in governing councils, chambers and other bodies are not included. There is no inter-se relationship amongst the Directors and Key Managerial Personnel.

The details of the number of Board and Committee meetings attended during the year are given in the Corporate Governance Report.

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

Place : Nanded  
Dated : August 14, 2021

**Omprakash Gilda**  
Managing Director



# BOARD'S REPORT

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

Your Board of Directors have pleasure in presenting the

29th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2021.

## SUMMARY OF THE FINANCIAL RESULTS OF THE COMPANY

(Rs. in Lacs)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
<b>Income</b>				
<b>From Operations</b>	<b>57,266.28</b>	<b>48,963.36</b>	<b>17,513.84</b>	<b>9,285.25</b>
Other	82.27	79.00	25.12	50.00
<b>Total</b>	<b>57,348.56</b>	<b>49,042.37</b>	<b>17,538.97</b>	<b>9,335.24</b>
<b>Profit</b>				
<b>Profit Before Interest, Depreciation and Taxation</b>	2,306.70	2,171.89	778.74	720.29
Less: Interest	527.84	757.71	148.00	236.81
Depreciation	252.05	243.90	102.05	100.32
<b>Profit Before Tax</b>	<b>1,526.81</b>	<b>1,170.28</b>	<b>528.69</b>	<b>383.16</b>
Less: Provision for Tax (Including Deferred Tax and MAT Credit Entitlement)	372.85	238.28	125.55	70.18
<b>Profit After Tax</b>	<b>1,153.97</b>	<b>932.00</b>	<b>403.14</b>	<b>312.97</b>

### REVIEW OF OPERATIONS

#### Standalone Numbers :

Your Company's Revenue from Operations for the year was Rs.17513.84 Lacs as against Rs.9285.25 Lacs in last year. The profit before Interest, Depreciation and Tax grew to Rs.778.74 from Rs.720.29 Lacs in the previous financial year. The profit before tax for the year also grew to Rs.528.69 Lacs as compared to Rs.383.16 Lacs in the previous financial year.

Profit after tax stood at Rs.403.14 Lacs as against Rs.312.97 Lacs in previous financial year. The EPS of your company for the financial year ended March 31, 2021 was Rs.4.03 per share as compared to Rs.3.13 per share in previous year.

#### Consolidated Numbers:

The company's consolidated revenue from Operations surged to Rs.57266.28 Lacs from Rs. 48963.36 Lacs in previous financial year and Net Profit Before Tax was Rs.1526.81 Lacs for the year under review as against the previous year's consolidated Net Profit Before Tax of Rs.1170.28. The Profit after Tax grew to Rs.1153.97 Lacs as against Rs.932.00 Lacs in Previous year.

### BUSINESS ENVIRONMENT:

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. The businesses and business models have transformed to create a new work order. The global economy was severely impacted by the COVID 19 pandemic as it experienced one of the most unfathomable health emergencies in modern history. While the impact of the pandemic varied across the regions, it had a disproportionate effect on the vulnerable sections. After a massive contraction in the first half of the year, the global economy began reviving in the later part of 2020. As the countries continue to fight through the pandemic, there are visible green shoots of recovery.

India has also shown remarkable resilience in its fight against the virus, led by its frontline COVID 19 warriors and is emerging as the vaccination capital of the world. Given the vulnerabilities of a weak health system, India undertook lockdown during the initial phase of COVID19 spread. This enabled the flattening of the pandemic curve and provided the necessary time to ramp up the health and testing infrastructure. Over the last 12 months, India has been able to reverse the economic slowdown – from reporting a 23.9%



contraction in GDP in Q1 to a 0.8% growth in Q3. The recovery is seen across all key economic indicators including GST collection, fuel demand, Manufacturing PMI and others. Though the path of recovery has been challenging with the emergence of the 2nd wave, the ramped-up public health measures and policy interventions lend support towards achieving stability in the coming months.

Despite the Covid 19 induced uncertainties impacting the major operations, the Agriculture Sector emerged as a bright spot and is expected to register a 3.4% GVA growth in FY 2020-21. This reflects the indomitable grit and resilience of the Indian farmers ensuring food security for the nation under challenging circumstances. India is expected to produce record food grain (303 million tons) and horticulture (327 million tons) output along with improvement in cereal exports. The Governments at the Centre and State were supportive in enabling continuance of operations and providing cash injection in rural India. Reforms like the advancement of PM Kisan disbursement, direct money transfer, increased MGNREGA days, increase in agri credit schemes, higher procurement under MSP for both Kharif and Rabi season were implemented. The Agri Marketing reforms announced during the year are currently under discussion with the stakeholders and the Government expects an amicable resolution before its implementation.

The Government's efforts were well supported by favourable environmental conditions experienced during the year. Above normal rainfall and good soil moisture conditions resulted in higher crop acreage in Kharif and Rabi seasons. The Government continued its support through Direct Cash Transfer schemes to the farmers. Further, the infrastructure investment made over the last few years through the Kaleswaram and Pattiseema projects has resulted in assured irrigation & increased cropping intensity in the catchment areas.

On the subsidy front, the Government provided an additional allocation of `65,000 crores for the year, which has improved the working capital position of the industry through a significant reduction in the amount of subsidy outstanding.

With the higher water levels in the reservoirs and the prediction of a normal southwest monsoon by the Indian Meteorological Department, Indian agriculture is expected to witness a good Kharif season during the coming year.

#### **Fertilizer Sector**

Fertiliser business recorded its highest ever sales volume driven by favourable agro-climatic conditions during the year. Covid-19 protocols such as social distancing, sanitising and usage of masks etc., were implemented at the Plants and field to ensure the safety of employees and enable continuity of operations. Business focused on strengthening quality systems, implementing automation and digitalization projects, optimising the production, smart buying of key raw materials and customer centricity through brand building activities with increased thrust on Digital Marketing. Business implemented critical and safety related infrastructure projects, and consciously deferred other capital expenditure projects considering the uncertainties due to COVID 19.

#### **UPDATE ON COVID-19:**

The physical and emotional well-being of employees continues to be a top priority for the Company, with several initiatives taken to support employees and their families during the pandemic. The Company has extended counselling and self-help services providing mental & emotional support to employees. The Company has reimagined employee

engagement by embracing virtual technologies. Initiatives were taken to reduce stress and the feeling of isolation, hosted inspirational leaders, mental health experts and finance experts to boost the morale of employees.

Your Company continually assessed and took proactive measures to counter the COVID-19 pandemic and engaged closely with its employees, partners, customers and society to promote safe operations. It worked with the Government and local regulatory bodies and supported them through various initiatives in combating the virus. Agriculture inputs have been designated as essential products and services which helped the Company to operate throughout the year and serve the farmer community to ensure maximum benefit of a good season.

Your Company has implemented COVID-19 safety protocols across its operations to help protect and support its employees, customers and suppliers. It has created Standard Operating Procedures to be followed across its operations including Manufacturing, Supply chain, Marketing and others. The Company successfully transitioned to operate from a virtual environment, enabling "work from home" for its employees. The crisis management team and leadership continue to monitor the COVID-19 situation and adjust plans accordingly.

#### **FINANCE**

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back up lines of credit. Working capital of the Company improved through the year and Net Cash from operations for the year stood at Rs.251.75 Lacs.

Your Company has deployed the surplus funds purposefully resulting in reduction in finance cost from Rs.236.81 Lacs in F.Y. 2019-20 to Rs. 148.00 Lacs in F.Y. 2020-21. Your company has been credit rated by Brickwork Rating India Pvt. Ltd. The Company's has long-term credit rating at 'BWR BBB-/Stable Assigned' and short term debt rating at 'BWR A3 Assigned'. This reflects a high degree of safety regarding timely servicing of financial obligations and also a vote of confidence reposed in your Company's financials. There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

#### **DIVIDEND**

Your Directors are pleased to recommend a Dividend of `Rs.0.5 per equity share of 10 each' (5% on Face value of Rs.10). The total outgo for the year would be `49.965 Lacs, including tax deducted at source (TDS). The Company has adopted Dividend Distribution Policy in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Dividend Distribution Policy is available on the website of the Company at <https://www.shivaagro.org>

#### **CONSOLIDATED FINANCIAL RESULTS:**

The consolidated financial statements prepared in accordance with the provisions of the Act and the relevant accounting standards forms part of this Annual Report. As required under the provisions of the Companies Act, 2013 (the Act), a statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures are enclosed as Annexure A to this Report.

The financial statements of the subsidiary companies will be made available to the members of the Company on



request and will also be kept for inspection at the Registered Office of the Company.

**SUBSIDIARIES/JOINT VENTURE/ASSOCIATE COMPANY:**

Details of the performance of the subsidiaries of the Company are given below :

**a. Shiva-Parvati Poultry Feed Private Limited:** The Company (a 51% subsidiary) achieved a total turnover of Rs.11366.74 Lacs & earned Rs.44.22 Lacs of Profits After Tax.

**b. Ghatprabha Fertilizers Private Limited :** The Company (a 61.53% subsidiary) achieved a total turnover of Rs.5939.14 Lacs and earned Rs.72.54 Lacs of Profits After Tax.

**c. Shrinivasa Agro Foods Private Limited :** The Company (a 51.01% subsidiary) achieved a total turnover of Rs.24284.50 Lacs and earned Rs.634.07 Lacs of Profits After Tax.

During the year Company has no Joint Venture/s or any Associate Company.

**RISK MANAGEMENT POLICY :**

The Company has formulated a Risk Management Policy, under which various risks associated with the business operations are identified and risk mitigation plans have been put in place, details of which are set out in the Management Discussion and Analysis Report. The Company has in place a Risk Management framework to identify, evaluate business risks and challenges across the Company both at corporate level as also separately for each business division.

**ADEQUACY OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS:**

The Company, during the year has reviewed its Internal Financial Control systems and has continually contributed to establishment of more robust and effective internal financial control framework, prescribed under the ambit of Section 134(5) of the Act. The preparation and presentation of the financial statements is pursuant to the control criteria defined considering the essential components of Internal Control - as stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

The control criteria ensures the orderly and efficient conduct of the Company's business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for 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 on a regular basis. It 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 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 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.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls system that is operating effectively as at 31st March 2021.

There were no instances of fraud which necessitates reporting of material misstatement to the Company's operations.

There has been no communication from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

**RELATED PARTY TRANSACTIONS**

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interests of the Company at large.

All related party transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered into by the Company are reviewed by independent chartered accountants to confirm that they were in the ordinary course of business and at arm's length basis. Related party transactions entered during the financial year under review are disclosed in Notes to the financial statements of the Company for the financial year ended March 31, 2021. The Policy on Related Party Transaction is available on the Company's website at <https://www.shivaagro.org>

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.

**STATUTORY AUDITORS**

M/s Aditya Falor & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of five years from the conclusion of the Annual General Meeting held on September 29, 2016. The existing term of M/s Aditya Falor & Associates as statutory auditors will expire at the conclusion of the ensuing Annual General Meeting of the Company and they are not eligible for re-appointment in terms of provisions of Section 139(2) of the Companies Act, 2013 (Act).

Accordingly, in terms of the provisions of Section 139 of the Companies Act, 2013, the Company is required to appoint new statutory auditors. Based on the recommendation of the Audit Committee, the Board of Directors have recommended the appointment of M/s. Falor Jhavar Khatod & Co (Firm Regn. No.(F.R.N.)104223W) as the Statutory Auditors of the Company to hold office from the conclusion of this 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting of the shareholders of the Company at a remuneration of ₹4,00,000 (Rupees Five Lacs Only) for the financial year 2021-22, subject to the approval by the shareholders pursuant to applicable laws. A resolution seeking approval of the shareholders for the appointment of Statutory Auditors is included in the Notice convening the ensuing Annual General Meeting.

M/s. Falor Jhavar Khatod & Co., have confirmed their





eligibility under Section 141 of the Act and the Rules framed thereunder for their appointment as Statutory Auditors. Further, as required under Regulation 33 of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Report given by Aditya Falor & Associates on the financial statements of the Company for the year ended March 31, 2021 forms 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 had not reported any matter under Section 143(12) of the Act. Therefore no disclosure is required in terms of Section 134(3)(ca) of the Act. As required under Regulation 33 of the Listing Regulations, Aditya Falor & Associates have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board of Directors take the opportunity to place on record its sincere appreciation for the contribution and services rendered by M/s Aditya Falor & Associates and its Audit staff during their tenure as the Statutory Auditors of the Company.

#### **COST AUDITORS**

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Company is required to maintain cost accounting records in respect of its certain products and accordingly such accounts and records are made and maintained in the prescribed manner. Further, the cost accounting records maintained by the Company are required to be audited.

For the financial year 2020-21, Mr. Jayant B. Galande was appointed as Cost Auditors. On the recommendation of the Audit Committee, the Board has re-appointed Mr. Jayant B. Galande, Cost Accountants as the Cost Auditors for auditing the cost records of the Company for the financial year 2021-22.

The Act mandates that the remuneration payable to the Cost Auditor is ratified by the shareholders.

Accordingly, a resolution seeking the shareholders' ratification of the remuneration payable to the Cost Auditors for the FY 2021-22 is included in the Notice convening the 29th Annual General Meeting.

During the year, the Company filed the Cost Audit Report for the financial year 2019-20 with the Ministry of Corporate Affairs within the prescribed time limit.

#### **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, Practising Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2020-21. 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.

In terms of Regulation 24A of the Listing Regulations, Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report given by a company secretary in practice, in such form as specified, with the annual

report of the listed entity. Hence, the secretarial Audit report of all the material subsidiaries are enclosed as Annexure C and forms part of this report. The Secretarial Audit Reports of the unlisted material subsidiaries 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.5.70 Lacs during the year under review and total Rs.76.50 Lacs were outstanding as on March 31, 2021. 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**

Your Company is managed and controlled by a Board comprising an optimum blend of Directors. As on March 31, 2021, the Board of Directors comprised of Eight (08) Directors consisting of a Managing Director, Non-executive Directors, out of which three (3) Directors are Independent Directors, including one Woman Director.

The composition of the Board is in conformity with Regulation 17 of Listing Regulations and the relevant provisions of the Act. The Directors possess requisite qualifications and experience in general corporate management, strategy, finance, engineering, information technology and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

In accordance with the Section 152 of the Companies Act 2013, Mr. Narayanlal Pannalal Kalantri retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Divkar Shetty and Mr. Santosh Malpani, who were appointed as Independent Directors by the shareholders at the Annual General Meeting held on September 29, 2016 for a period of Five years, have expressed their desire not to seek re-appointment.

Mr. Rajesh Agrawal was appointed as an Additional Director of the Company with effect from August 14, 2021, for a period of five years, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

Mr. Prakash Nihalani was appointed as an Additional Director of the Company with effect from August 14, 2021, for a period of five years, subject to approval of shareholders



at the ensuing Annual General Meeting of the Company.

The Company has received notice from a member under Section 160 of the Act proposing the nomination of Mr. Rajesh Agrawal and Mr. Prakash Nihalani as Directors of the Company at the ensuing Annual General Meeting. The proposal for the appointment as Directors is included in the Notice convening the 29th Annual General Meeting for consideration and approval by the shareholders.

Declarations from all Independent Directors have been received confirming that they meet the criteria of independence as prescribed under Section 149(6) read with Schedule IV to the Act as well as Listing Regulations and the same were taken on record by the Board.

Consequent to the changes in the Board composition, the Committees of Board were also reviewed and re-constituted, the details of which are in the Corporate Governance section of the Report.

### 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 performance evaluation of the Board, its Committees and individual Directors was conducted by the Board Nomination and Remuneration Committee (BNRC) and the Board. This was based on questionnaire responses and feedback with each Director. Based on the questionnaire, the performance of every Director was evaluated by the BNRC and presentation was made to the Board and an action plan was drawn accordingly.

Some of the key criteria for performance evaluation, as laid down by the BNRC were as follows:

a) Performance evaluation of directors:

Contribution at Board/Committee meetings & Guidance/support to Management outside Board/Committee Meetings.

b) Performance evaluation of Board and Committees:

Board structure and composition, Degree of fulfillment of key responsibilities, Establishment and delineation of responsibilities to Committees, Effectiveness of Board Processes, Information and Functioning, Board Culture and Dynamics, Quality of relationship between the Board and Management, Efficacy of communication with External Stakeholders and Committees – strengths and areas of improvement.

### NUMBER OF BOARD MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors. During the year 2020-21, Five Board Meetings were held, the details of which are given in the Report on Corporate Governance.

### AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee and its role is included in the Corporate Governance Report, which is a part of this Annual Report. During the year, 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

As required pursuant to the provisions of Section 134(3)(c) and 134(5) of the Act, the Directors' Responsibility Statement is enclosed as Annexure D to this Report and forms part of the Report.

### 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.

### EMPLOYEES:

#### a) Remuneration Policy:

On the recommendation of the Nomination and Remuneration Committee, the Board has, 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 Corporate Governance Report. The Remuneration Policy is available on the Company's website at <https://http://www.shivaagro.org/>

#### b) Policy on prevention, prohibition and redressal of Sexual Harassment at workplace:

The Company has in place Prevention of Sexual Harassment Policy (POSH) in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. 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 financial year 2020-21, no incidents of sexual harassment was reported.

#### c) Disclosure of Remuneration:

The disclosure with respect to remuneration as required under Section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure E to this report.

#### d) Particulars of Employees:

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a Annexure E forming part of this report.



## ANNUAL RETURN

In accordance with Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021, is available on the website of the Company viz. [www.shivaagro.org](http://www.shivaagro.org).

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower mechanism wherein the employees can approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Insider Trading Code. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of the Code or an event an employee becomes aware of that could affect the business or reputation of the Company.

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 compliance with legal provisions in conduct of the business operations of the Company. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith. The Vigil Mechanism is also placed on the website of the Company at <https://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

Particulars	2020-21	2019-20
Foreign Exchange Earnings/Loss	7.15	(63.79)
Foreign Exchange Outgo	2561.05	1311.48

## 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 the highest standards of Corporate Governance. As stipulated under the Listing Regulations, the Report on Corporate Governance is appended as Annexure F to this Report. The requisite certificate from the Auditor confirming compliance with the conditions of Corporate Governance by the Company is also 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

(Accounts) Rules, 2014, are detailed below:

## A) CONSERVATION OF ENERGY :

Various Energy conservation steps taken by the Company, as detailed below, have yielded considerable energy savings during the year 2020-21.

- 1) Small Group Activity teams have been re-constituted to constantly look at the energy conservation, other improvement schemes which have resulted in considerable energy savings.
- 2) Installed modern energy efficient LED lighting systems.
- 3) Phase-wise replacing old motors with energy efficient motors.
- 4) Measures for Reduction in power consumption undertaken with installation of new energy efficient motors and gear box.
- 5) Power factor improvement.
- 6) Phase-wise replacement of old existing lighting with LED lights

## B) TECHNOLOGY ABSORPTION:

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

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

subsidiary, in line with the requirements of the Listing Regulations. The Policy on Material Subsidiary is available on the website of the Company i.e. on [www.shivaagro.org](http://www.shivaagro.org).

## 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: August 14, 2021

**Omprakash Gilda**  
Managing Director

**ANNEXURES TO BOARD'S REPORT**

## 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	1,391.83	1,729.33	2,836.27
Total Assets	4,025.51	4,400.18	4,403.79
Total Liabilities	2,355.35	2,220.85	644.42
Details of Investments			
Investments in Equity Shares	-	0.48	42.25
Turnover	5,939.14	11,366.74	24,284.50
Profit/(Loss) Before Taxation	96.57	59.01	842.55
Provision for Taxation	24.03	14.78	208.48
Profit After Taxation	72.54	44.23	634.07
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.
3. There are no joint ventures/ associates during the year.

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Deepak S. Maliwal**  
Director

Place: Nanded  
Date: August 14, 2021

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary



**ANNEXURE – B**  
**SECRETARIAL AUDIT REPORT OF SHIVA GLOBAL AGRO INDUSTRIES LIMITED**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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, 2021 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, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) 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 & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018; (not applicable during the period under review);

- d) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Employee Stock Option Scheme, 2007 approved under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ((not applicable during the period under review);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; (not applicable during the period 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable during the period under review) ; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the period under review);
- vi) The Management has identified and confirmed the following laws as being specifically applicable to 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 / regulations of the following:

- i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii) The Uniform Listing Agreement entered into with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.



During the period under review and as per the explanations & 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 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 is given to all directors before the schedule of 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

During the year under review, directors have participated in the committees/board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

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. Further, in the minutes of the General Meeting,

the Members who voted against the resolution(s) have been recorded.

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 as per the information and explanation provided by the Management, the Company has three Material Unlisted Subsidiaries Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

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: June 30, 2021

Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN: A047152C000559213

**Note :** This report is to be read with our letter of even date which is annexed as ANNEXURE-B (i) and forms an integral part of this report.

**ANNEXURE - B (i)**

To

**The Members,**

**SHIVA GLOBAL AGRO INDUSTRIES LIMITED**

CIN: L24120MH1993PLC070334

'Shri Hanuman Nagar', Osmannagar Road, Village Dhakni,  
Taluka Loha, District-Nanded, Maharashtra.

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

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

For **PHK & Associates**  
Company Secretaries

**Pawan Kasat**

Proprietor

Membership No. ACS 47152

Certificate of Practice No.17249

UDIN: A047152C000559213

Place: Nanded

Date: June 30, 2021



**ANNEXURE – C**  
**SECRETARIAL AUDIT REPORT OF MATERIAL SUBSIDIARIES**

**Annexure C (i)**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To

**The Members**

**Ghatprabha Fertilizers Private Limited**

'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ghatprabha Fertilizers Private Limited (CIN: U24129MH2005PTC156501)** (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, 2021 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, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment.
- v. During the period under audit, provisions of the following acts, rules and regulations were not applicable to the Company:

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

- a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 relating to the Companies Act, 2013 and dealing with clients;

- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;\*\*

- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

- i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

- vi. The Company has not entered into any listing agreements with the stock exchanges.

- vii. The Management has identified and confirmed the following laws as being specifically applicable to the Company:

- Fertiliser (Control) Order, 1985;
- The Hazardous Wastes (Management and Handling) Rules, 1989
- The Insecticide Act, 1968 & Insecticides Rules, 1971;
- 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.

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 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 is given to all directors before the schedule of 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

During the year under review, directors have participated in the committees/board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

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. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been

recorded.

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 as per the information and explanation provided by the Management, the Company itself being Material Subsidiary of Shiva Global Agro Industries Limited, does not have any further Material Unlisted Subsidiary(ies) incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

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: June 30, 2021

Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN:A047152C000557211

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE to C (i) and forms an integral part of this report.



**ANNEXURE to C (i)**

To  
**The Members,**  
**GHATPRABHA FERTILIZERS PRIVATE LIMITED**  
CIN: U24129MH2005PTC156501  
'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

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

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

For **PHK & Associates**  
Company Secretaries

Place: Nanded  
Date: June 30, 2021

**Pawan Kasat**  
Proprietor  
Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN:A047152C000557211

**Annexure C (ii)**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To

**The Members****SHIVA-PARVATI POULTRY FEED PRIVATE LIMITED**

'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shiva-Parvati Poultry Feed Private Limited (CIN: U01222MH2004PTC145045)** (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, 2021 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, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment.
- v) During the period under audit, provisions of the following acts, rules and regulations were not applicable to the Company:

The following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992:-

- a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 relating to the Companies Act, 2013 and dealing with clients;

- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; \*\*
- e. The Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- h. The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;&
- i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

vi) The Company has not entered into any listing agreements with the stock exchanges.

vii) The Management has identified and confirmed the following laws as being specifically applicable to the Company:

- The Hazardous Wastes (Management and Handling) Rules, 1989
- 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.

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 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 is given to all directors before the schedule of 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

During the year under review, directors have participated in the committees/board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

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. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been recorded.

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 as per the information and explanation provided by the Management, the Company itself being Material Subsidiary of Shiva Global Agro Industries Limited, does not have any further Material Unlisted Subsidiary(ies) incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

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

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**Pawan Kasat**  
Proprietor

Place: Nanded  
Date: June 30, 2021

Membership No. ACS 47152  
Certificate of Practice No. 17249  
UDIN: A047152C000557266

**Note:** This report is to be read with our letter of even date which is annexed as ANNEXURE to C (ii) and forms an integral part of this report.

**ANNEXURE to C (ii)**

To  
**The Members,**  
**SHIVA-PARVATI POULTRY FEED PRIVATE LIMITED**  
U01222MH2004PTC145045  
'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

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

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

For **PHK & Associates**  
Company Secretaries

Place: Nanded  
Date: June 30, 2021

\_\_\_\_\_  
**Pawan Kasat**  
Proprietor  
Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN: A047152C000557266

**Annexure C (iii)**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To

**The Members****SHRINIVASA AGRO FOODS PRIVATE LIMITED**

'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shrinivasa Agro Foods Private Limited (CIN: U99999MH2005PTC157949)** (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, 2021 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, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment.
- v) During the period under audit, provisions of the following acts, rules and regulations were not applicable to the Company:

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

- a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer

Agents) Regulations, 1993 relating to the Companies Act, 2013 and dealing with clients;

- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; \*\*
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

- vi) The Company has not entered into any listing agreements with the stock exchanges.
- vii) The Management has identified and confirmed the following laws as being specifically applicable to the Company:

- The Hazardous Wastes (Management and Handling) Rules, 1989
- 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.

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 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 is given to all directors before the schedule of 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. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 & Secretarial Standards on Board Meetings are complied with.

During the year under review, directors have participated in the committees/board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

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. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been recorded.

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 as per the information and explanation provided by the Management, the Company itself being Material Subsidiary of Shiva Global Agro Industries Limited, does not have any further Material Unlisted Subsidiary(ies) incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

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: June 30, 2021

Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN: A047152C000557277

**Note :** This report is to be read with our letter of even date which is annexed as ANNEXURE to C (iii) and forms an integral part of this report.



**ANNEXURE to C (iii)**

To  
**The Members,**  
**SHRINIVASA AGRO FOODS PRIVATE LIMITED**  
U99999MH2005PTC157949  
'Shiva House', Near SBI Bank,  
New Mondha, Nanded.  
Maharashtra-431602

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

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

For **PHK & Associates**  
Company Secretaries

Place: Nanded  
Date: June 30, 2021

**Pawan Kasat**  
Proprietor  
Membership No. ACS 47152  
Certificate of Practice No.17249  
UDIN: A047152C000557277





## ANNEXURE - D

# 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;

- 1) That in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed and there have been no material departures therefrom;
- 2) That the accounting policies mentioned in Note 1 of the Notes to the Standalone 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, 2021 and of the profits of the Company for the year ended on that date;
- 3) 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;
- 4) That the annual financial statements have been prepared on a going concern basis;
- 5) 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; and
- 6) That proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

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

Place: Nanded  
Dated: August 14, 2021

**Omprakash Gilda**  
Managing Director

**ANNEXURE - E**

**A.The details of remuneration during the year 2020-21 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	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	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	5.80%
10	Mrs. Rashmi G. Agrawal	Company Secretary	Nil

**iii. Percentage increase or decrease in the median remuneration of employees in the financial year 2020-21 : 4.94%**

**iv. Number of permanent employees on the rolls of the company as on March 31, 2021 – 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 has not paid any managerial remuneration during the year 2020-21

**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 2020-21 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 duly amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows:**

<b>Sr. No.</b>	<b>Name of the employee</b>	<b>Designation</b>	<b>Remuneration Received Rs. In Lacs.</b>
1	Umesh Omprakash Bang	Chief Financial Officer	8.76
2	Udaiban Singh Pratap Singh	Factory Manager	8.02
3	Dinkar Rajaram Mahajan	Personnel Manager	7.27
4	Ajay Rakesh Sharma	Marketing Manager	6.92
5	Vijay Vithalrao Rakhewar	Accounts Executive	4.81
6	Nirajkumar Gopikishan Pandit	Accounts Executive	4.70
7	Govind Santoshrao Deore	Area Manager (Aurangabad)	4.36
8	Gopikishan Devkaran Sharma	Area Manager (Nanded)	4.35
9	Gorakshnath Raghunath Ghadge	Area Manager (Latur)	3.87
10	Vinodkumarsingh Prabhunarayan Dubhari	Factory Supervisor	3.86

For and on behalf of the Board of Directors

Place : Nanded  
Dated : August 14, 2021

**Omprakash K. Gilda**  
Managing Director



# REPORT ON CORPORATE GOVERNANCE

## ANNEXURE F

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and 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 Limited ("the Company"), a constituent of the Shiva Group, is committed to the highest standards of corporate governance in all its activities and processes.

Shiva looks at corporate governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the Group practices are continuously benchmarked in terms of the best business practices.

The entire process begins with the functioning of the Board of Directors ('Board'), with leading professionals and experts serving as Independent Directors and represented in various Board Committees. Systematic attempt is made to eliminate informational asymmetry between Executive and Non-Executive Directors. Shiva's commitment to ethical and lawful business conduct is a fundamental value shared by the Board of Directors, the senior management and all other employees of the Company.

Key elements of corporate governance are transparency,

internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product & service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/mechanisms to serve this purpose.

### 1. BOARD OF DIRECTORS

As on March 31, 2021, the Board of Directors comprised of eight Directors, of which the Managing Director is Non-Executive Director. The remaining directors comprise of Non-Executive Directors in which there are three Independent Directors. One Independent Director is a Woman Director.

The Independent Directors have been issued formal letter of appointment, and the terms and conditions of their appointment have also been disclosed on the website of the Company. The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149 of the Companies Act, 2013 read with the Rules made thereunder.

The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. All material information is circulated to the Directors, including the information that is required to be made available to the Directors under Part A of Schedule II of the Listing Regulations.

### Boards' Composition & other Details:

#### 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, 2021.

Sr. No.	Name of the Director(s)	Category of Directorship	No. of other Directorship in Public Limited Companies*	No. of other Committee Memberships**	
				Chairmanship	Membership
1	Mr. Omprakash K. Gilda	Non Executive Non Independent Director	1	Nil	1
2	Mr. Arunkumar R. Toshniwal	Non Executive Non Independent Director	1	1	Nil
3	Mr. Deepak S. Maliwal	Non Executive Non Independent Director	1	Nil	1
4	Mr. Narayanlal P. Kalantri	Non Executive Non Independent Director	1	Nil	Nil
5	Mr. Vijayprakash O. Agrawal	Non Executive Non Independent Director	1	Nil	Nil
6	Dr. Santosh H. Malpani	Non Executive Independent Director	1	Nil	1
7	Mr. Divakar N. Shetty	Non Executive Independent Director	1	1	Nil
8	Mrs. Sandhya S. Maheshwari	Non Executive Independent Director	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 2020-2021, Five Meetings of the Board of Directors were held. The dates on which the meetings were held as follows:

Sr.No.	Date of Board Meeting	Board Strength	No. of Directors present
1	Jun29, 20	8	8
2	Jul 03, 20	8	8
3	Aug 14, 20	8	8
4	Nov 06, 20	8	8
5	Feb06, 21	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	5	Yes
Mr. Arunkumar R. Toshniwal	5	Yes
Mr. Deepak S. Maliwal	5	Yes
Mr. Narayanlal P. Kalantri	5	Yes
Mr. Vijayprakash O. Agrawal	5	Yes
Dr. Santosh H. Malpani	5	Yes
Mr. Divakar N. Shetty	5	Yes
Mrs. Sandhya S. Maheshwari	5	Yes

**d. Separate Meeting of Independent Directors:**

A meeting of the Independent Directors was held on February 06, 2021 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.

**e. Board Familiarisation:**

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).

**f. 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 the Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee. 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 judgments safeguarding the interest of the Company and other stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. During such evaluation, the Director whose performance was evaluated was not present at the meeting. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The Company has received the requisite declarations from

its Independent Directors confirming that they meet the criteria of independence prescribed both under the Companies Act, 2013 and the Listing Regulations. The Board at its meeting held on June 30, 2021 has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the Management.

**2. AUDIT COMMITTEE :**

Brief description of Terms of Reference

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

- ❖ Overseeing the financial reporting process and disclosure of financial information;
- ❖ Recommending the appointment / re-appointment of statutory auditors and fixation of audit fee;
- ❖ Review of financial statements before submission to the Board;
- ❖ Review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, related party transactions, scrutiny of intercorporate loans & investments;
- ❖ Approval and review of related party transactions;
- ❖ Valuation of assets/undertakings of the Company and appointment of registered valuers;
- ❖ Reviewing the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, etc. and
- ❖ Reviewing the financial statements of unlisted subsidiary companies & in particular, the investments made by them.

**Composition, Meetings and Attendance**

The Audit Committee as at the end of the year March 31, 2021 consisted of 3 (three) directors of which 2 (two) are Independent Directors. During the year, the Committee had (Four) meetings: on July 03, 2020; August 14, 2020; November 06, 2020; & February 06, 2021. Details of attendance of the Members at such meetings are given as follows:



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

The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer, along with the Statutory Auditors are invitees to the Audit Committee Meetings. Cost Auditors are invited to the meeting as and when required.

The Chairman of the Audit Committee, Mr. Divakar N. Shetty, was present at the Annual General Meeting of the Company held on September 30, 2020.

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.
- ✓ Reviewed with the Management, and the Statutory Auditors, adequacy of internal control system.
- ✓ Recommended appointment & fees of Auditor's and discussed with the Management & the Statutory Auditors the scope and program of internal Audit.
- ✓ Discussed with the Management, Auditors finding in the audit report.
- ✓ Deliberated on the applicability, compliance and impact of various Accounting Standards and 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 2020-2021 have been accepted by the Board of Directors.

### 3. NOMINATION AND REMUNERATION COMMITTEE :

#### Brief description of Terms of Reference

The terms of reference of the Nomination & Remuneration

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

### 4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

#### Brief description of Terms of Reference

The terms of reference of this Committee, inter alia, include:

- ❖ Formulation of investor servicing policies;
- ❖ Review and redressal of investor complaints;
- ❖ Approval/overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of new / duplicate certificates, demat/remat requests, administering the unclaimed shares suspense account;
- ❖ Allotment of shares on exercise of Options by

Committee, inter alia, include:

- ❖ To formulate the criteria for appointment of Directors/ Senior Management including determining qualifications, positive attributes and independence of Directors;
- ❖ Recommend to the Board the appointment of Directors, recommend re-election of Directors retiring by rotation;
- ❖ Recommend the remuneration including pension rights and periodic increments of the Managing/ Whole-time Director(s) and determine the annual incentive of the Managing/Whole-time Director(s);
- ❖ Recommend the commission payable annually to each of the Non-Whole-time Directors to the Board within the limits fixed by shareholders;
- ❖ Formulate, implement, administer and superintend the Employee Stock Option Plan/Scheme(s) of the Company;
- ❖ Devise policy on Board diversity;
- ❖ Formulate criteria for evaluation of Independent Directors/Board;
- ❖ Evaluation of the Directors' performance; and
- ❖ Recommend the Remuneration policy to the Board and ensuring Board ; and
- ❖ Recommend to the Board, all remuneration in whatever form, payable to the Senior Management etc.

#### Composition, Attendance and Meetings

During the year Nomination & Remuneration Committee had four meetings. The committee consist of 3 (three) directors of which 2 (two) are Independent Directors.

Meetings were held on July 03, 2020; August 14, 2020; November 06, 2020; & February 06, 2021. Details of the composition of the Nomination & Remuneration Committee and attendance of Members during the year are as follows:

employees under the Employees Stock Option Scheme/ Plan; and

- ❖ Performing other functions as delegated to it by the Board from time to time.

#### Composition, Attendance & Meetings

During the year the Committee had 4 (four) Meetings. Meetings were held on July 03, 2020; August 14, 2020; November 06, 2020; & February 06, 2021. Details of the composition of the Stakeholders Relationship Committee and attendance of Members in the meeting during the year are as follows



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

- o Name, designation and 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

- o 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.
- o 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. REMUNERATION TO DIRECTORS :

During the year there are no remuneration paid to the Directors except sitting fees paid to independent Directors.

#### 6. SHAREHOLDINGS :

The details of Shareholdings of the Non-Executive Directors in the Company as at March 31, 2021 are as follows :

Name & Category of Directorship	No. of Shares held
<b>Non-Executive Directors :</b>	
Mr. Omprakash K Gilda.	1143052
Mr. Deepak S. Maliwal	697748
Mr. Narayanlal P. Kalantri	358813
Mr. Arunkumar R. Toshniwal	206125
Mr. Vijayprakash O. Agrawal	52575
<b>Non-Executive Independent Directors :</b>	
Dr. Santosh H. Malpani	Nil
Mr. Divakar N. Shetty	Nil
Mrs. Sandhya S. Maheshwari	Nil

#### 7. SUBSIDIARY COMPANIES:

All subsidiaries of the Company are managed by their respective Board of Directors in the best interest of those companies and their shareholders. The Minutes of Board Meetings of the subsidiary companies and details of significant transactions & arrangements entered into by them are placed before the Board of Directors of the Company. The annual financial statements of the subsidiary companies are reviewed

by the Audit Committee of the Company. Performance review reports of wholly owned subsidiaries are also placed before the Board of Directors of the Company on a Quarterly basis.

Your Company's Policy for determination of a material subsidiary, as adopted by your Board, in conformity with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, can be accessed on your Company's website at <https://www.shivaagro.org>

#### 5. GENERAL BODY MEETINGS:

##### Location and time, where last three AGMs held :

Particulars	FY 2017-18	FY 2018-19	FY 2019-20
<b>Day</b>	Saturday	Saturday	Wednesday
<b>Date</b>	September 29, 2018	September 28, 2019	September 30, 2020
<b>Time</b>	1:00 p.m.	1:00 p.m.	1:00 p.m.
<b>Venue</b>	Shri Hanuman Nagar, Osman Nagar Road, Village - Dhakni, Nanded - 431708, Maharashtra.		Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
<b>Whether any special resolutions passed in the previous 3 AGM's</b>	No	Yes	Yes

**Postal Ballot :** At the ensuing Annual General Meeting, there is no item on the Agenda that requires approval through Postal Ballot.

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

- ❖ **AGM held on September 29, 2018**  
No Special Resolutions were passed during the Annual General Meeting.
- ❖ **AGM held on September 28, 2019**  
Reappointment Mrs. Sandhya Satish Maheshwari, as an independent director of the Company to hold office for a period of 5 (five) years.
- ❖ **AGM held on September 30, 2020**  
Continuation of directorship of Mr. Divakar Nagappa Shetty, Director in terms of Regulation 17(1A) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

**9. DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT:**

As per the provisions of Section 152 of the Companies Act, 2013 Mr. Narayanlal Pannalal Kalantri Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Rajesh Agrawal & Mr. Prakash Nahalani, were appointed as an Additional Directors of the Company by the Board of Directors on 14 August, 2021, pursuant to the Section 161 of the Act based on the recommendation of the Nomination and Remuneration Committee. The Board has also appointed them as Independent Directors, with effect from the respective date of their appointment, in terms of Section 149 read with Schedule IV of the Act. In terms of Section 161 of the Act, these two Director holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received notice in writing under the provisions of Section 160 of the Act, from members proposing the candidature of Mr. Rajesh Agrawal and Mr. Prakash Nahalani for the office of Directors & Independent Directors, to be appointed as such under the provisions of Section 149 of the Act.

**Brief resume and profile of the directors seeking appointment / re-appointment along with the additional information required as per Regulation 36(3) of the Listing Regulations is given below:****Mr. Narayanlal Pannalal Kalantri**

Mr. Narayanlal Pannalal Kalantri, aged 76 years, 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. Mr. Kalantri is a qualified Mechanical 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. His rich experience, expertise and immense contribution has proved boon in the growth of the Company.

**Mr. Rajesh Agrawal**

Dr. Rajesh K Agrawal, is a Practicing Consultant, Radiologist & Sonologist at Lifeline Diagnostic Centre located at Doctor's Lane in Nanded and at Yashraj Diagnostic Centre at Yashosai Hospital in Kautha, Nanded. He has rich experience of more than 25 years in the field of Medicine and consultancy.

More than two decades of practice in the field of Medicine and Consultancy has equipped him with the better understanding of Management Principles. He has exceptional command over organization of Human Resource. His understanding of Management Principles and Human Resources has proved as an edge over rivals in the industry.

He is also fond of Literature and Philosophy. Apart from this, he has been pro-active on social and economic front of the society and public at large. He has dedicatedly worked on the upliftment of the economically weaker & backward section of the society.

**Mr. Prakash Nihalani**

Dr. Prakash Nihalani is Professor at I.I.M.S, Nanded having teaching experience of more than 11 years. He is academic counselor of MBA & M.com Programs of I.G.N.O.U, New Delhi from March 2016. He has also served as contributory lecturer for MBA, M.Com, & DBM. He is recognized Faculty of MBA of Y.C.M.O.U., Nashik and adjunct faculty at S.G.G.S.I.E. & T., Nanded. He has served as deputy director at Indira Institute on Management Sciences, Nanded form 2008 to 2011.

His area of specialization includes Marketing Management and Managerial Economics. He has also been Sales Manager for 8 years, which equipped him with practical background and ground reality in the field of Marketing.

He has also authored many books and publications and also conducted many Seminars, Workshops and Conferences at National and International level.

**10. DISCLOSURES:**❖ **CEO and CFO Certification**

The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of the SEBI LODR pertaining to CEO/ CFO certification for the financial year ended 31st March 2021, which is annexed hereto.

❖ **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. 38 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 and the mitigation process being taken up. The Management along with the Board guidance monitor the Risk management and Risk mitigation process.

A detailed note on the risk identification and mitigation is included in Management Discussion and Analysis annexed to the Directors Report.

#### ❖ **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 2020-21, BSE has fined Rs.44840/- for late-compliance with the provisions of Regulation 34 i.e. for delay in furnishing Annual Report to Stock Exchange.

#### ❖ **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 2020-21, 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 to Corporate Governance Report.
- Total fees amounting to Rs.10.90 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

#### 11. MEANS OF COMMUNICATION:

Half Yearly / Quarterly Results are 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).



**12. GENERAL SHAREHOLDER INFORMATION :**

1.	Day, Date, Time and Venue of Annual General Meeting:	Wednesday, September 29, 2021 at 01:00 P.M. Pursuant to the Circular No. 20/2020 dt. May 05, 2020 and Circular No. 02/2021 dt. January 3, 2021 of Ministry of Corporate Affairs, the AGM will be convened through Video Conferencing (VC).
2.	Financial Year/Calendar	o Financial Year – April to March o First Quarter Results – within 45 days of the end of the quarter. o Half-yearly Results – within 45 days of the end of the quarter. o Third Quarter Results – within 45 days of the end of the quarter. o Results for the year ending March 31, 2022 – within 60 days of the end of the quarter.
3.	Date of Book Closure	Tuesday, September 21, 2021 to Wednesday, September 29, 2021 (both days inclusive)
4.	Dividend	Dividend of Rs.0.50 per share (5% on Face Value of Rs.10 each) for the financial year 2020-21, subject to approval by share holders at AGM
5.	Listing of Shares	<b>Bombay Stock Exchange Limited (BSE Ltd.)</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 (Listing fees for the financial year 2021-22 have been paid)
6.	Registrar & Share Transfer Agent (RTA) & Address for investor’s correspondence	Aarathi Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad - 500 029, Telangana.
7.	Phone, Fax, E-mail of RTA	Phone : (040) 2763 8111, 2763 4445 Fax : (040) 2763 2184 E-mail : info@aarthiconsultants.com
8.	Stock Code Scrip ID	530433 “SHIVAAGRO”
9.	Demat ISIN in NSDL and CDSL	INE960E01019
10.	Share Transfer System	All the transfers received are processed and approved by the Stakeholder Relationship Committee at its meetings or by circular resolutions.
11.	Credit Rating obtained by the Company during the financial year 2020-21	‘BWR BBB-/Stable Assigned’ and short term debt rating at ‘BWR A3 Assigned’ by Brickwork Rating India Pvt. Ltd.
12.	Dematerialisation of shares and Liquidity	97.76% of the shareholding has been dematerialized as on March 31, 2021.
13.	Outstanding GDR/ADR/ Warrants/Convertible instruments, Conversion Date & 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.
14.	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.
15.	Registered Office	‘Shri Hanuman Nagar’, Osmannagar Road, Village Dhakni, Taluka Loha, District Nanded - 431 602, Maharashtra.
16.	Administrative Office	“Shiva House”, Near State Bank of India, New Mondha, Nanded District Nanded – 431 602. Maharashtra.
17.	Phone, Fax, E-mail	Phone: (02462) 284036, 284039 Fax: (02462) 284729 E-mail: admin@shivaagro.org Website: www.shivaagro.org
18.	Plant Locations	1. ‘Shri Hanuman Nagar’, Osmannagar Road, Village Dhakni, Taluka Loha, District Nanded - 431 602, Maharashtra. 2. B-17/2 MIDC, Nanded, Dist. Nanded - 431 602, Maharashtra.

**19. Market Price Data: High, Low during each month in last Financial year/ Performance in comparison to BSE Sensex:**

Month	Share price		BSE Sensex	
	High	Low	High	Low
April	19.00	11.01	33,887.25	27,500.79
May	16.95	14.65	32,845.48	29,968.45
June	30.70	15.15	35,706.55	32,348.10
July	33.00	23.40	38,617.03	34,927.20
August	48.45	27.55	40,010.17	36,911.23
September	45.00	34.40	39,359.51	36,495.98
October	54.45	39.50	41,048.05	38,410.20
November	44.25	36.00	44,825.37	39,334.92
December	47.00	33.80	47,896.97	44,118.10
January	43.90	34.25	50,184.01	46,160.46
February	39.80	30.15	52,516.76	46,433.65
March	36.95	27.05	51,821.84	48,236.35

**20. Distribution of Shareholding and Share holding pattern as on March 31, 2021****a) Distribution of Shareholding :**

Distribution of Shares (slabwise)	No. of shareholders	Percentage to total no. of shareholders	No. of shareholders	Percentage to total share capital
Upto 5000	2938	75.01	510265	5.11
5001 - 10000	460	11.74	373839	3.74
10001 - 20000	231	5.90	349280	3.50
20001 - 30000	91	2.32	233437	2.34
30001 - 40000	33	0.84	120266	1.20
40001 - 50000	23	0.59	108820	1.09
50001 - 100000	57	1.46	427857	4.28
100001 & above	84	2.14	7869236	78.75
<b>Total</b>	<b>3917</b>	<b>100.00</b>	<b>9993000</b>	<b>100</b>

**B. Share holding pattern as on March 31, 2021:**

Sr.No.	Particulars	No. of shares	% of shareholding
a.	Promoters & Promoter Group	5835652	58.40%
b.	Central/State Government	2000	0.02%
c.	Private Corporate Bodies	59914	0.60%
d.	Indian Public	3891738	38.94%
e.	NRI's/OCB's	66023	0.66%
f.	Clearing Members	12940	0.13%
g.	IEPF	124733	1.25%
	<b>Total</b>	<b>9993000</b>	<b>100.00%</b>

For and on behalf of the Board of Directors

Date: August 14, 2021.  
Place: Nanded

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**Omprakash K. Gilda**  
Managing Director



**ANNEXURES TO CORPORATE GOVERNANCE REPORT:  
CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION  
AS PER REGULATION 17 (8) OF THE SEBI LODR**

**The Board of Directors,  
Shiva Global Agro Industries Limited  
Nanded**

**CERTIFICATION TO THE BOARD PURSUANT TO REGULATION 17 (8) OF SEBI LODR**

We, Omprakash Gilda, Managing Director and Umesh Bang, Chief Financial Officer, hereby certify that in respect of the Financial Year ended on March 31, 2021:

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

Nanded  
August 14, 2021

**Omprakash Gilda**  
Managing Director

**Umesh Bang**  
Chief Financial Officer

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**DECLARATION BY THE CEO UNDER REGULATION 17 (5)  
OF THE SEBI LODR REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with Regulation 17 (5) of the SEBI LODR, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2021. The Code of Conduct has also been posted on the website of the Company.

For **Shiva Global Agro Industries Limited**

Date: August 14, 2021  
Place: Nanded.

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**Omprakash K. Gilda**  
Managing Director

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### 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 issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 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 and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and 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 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such other 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

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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: A047152C000788299

Place: Nanded

Date: August 14, 2021

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

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

1. We, **M/s. Aditya Falor & Associates** (Regn. No.127273W), Chartered Accountants, the Statutory Auditors 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, 2021, 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 (the Listing Regulations).

**Managements' Responsibility**

2. 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**

3. 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.
4. 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.
5. 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.
6. 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**

7. 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, 2021.
8. 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: August 14, 2021

**CA Aditya G. Falor**  
Partner  
Membership No. 122487  
UDIN:21122487AAAAHJ1209



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Omprakash Gilda**

Chairman,  
Managing Director  
DIN: 01655503

**Mr. Deepak Maliwal**

Non-Executive Director  
DIN: 00452540

**Mr. Narayanlal Kalantri**

Non-Executive Director  
DIN:00486333

**Mr. Arun Toshniwal**

Non-Executive Director  
DIN: 01689971

**Mr. Vijay Agrawal**

Non-Executive Director  
DIN: 00101836

**Dr. Santosh Malpani**

Non-Executive - Independent Director  
DIN: 00547824

**Mr. Divakar Shetty**

Non-Executive - Independent Director  
DIN: 01822463

**Mrs. Sandhya Maheshwari**

Non-Executive - Independent Director  
DIN: 06956895

### COMPANY SECRETARY

Mrs. Rashmi Agrawal  
Compliance Office &  
Company Secretary  
Membership no. 32071

### STATUTORY AUDITORS

M/s Aditya Falor & Associates  
Chartered Accountants  
Firm Reg. no. 127273W

### COST AUDITORS

Mr. Jayant B. Galande  
Cost Accountant  
Membership no. 5255

### REGISTRAR & SHARE TRANSFER AGENTS (RTA)

M/s Aarthi Consultants  
Private Limited.  
1-2-285, Domalguda,  
Hyderabad 500 029,  
Telangana

### BANKERS

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

### REGISTERED ADDRESS OF THE COMPANY

Shri Hanuman Nagar,  
Osman Nagar Road,  
Village - Dhakni,  
Nanded- 431708, Maharashtra.  
CIN No. L24120MH1993PLC070334

Tel: +91 2462 284036/39  
Fax: +91 2462 284729

E-mail Id:  
admin@shivaagro.org

Website: <https://www.shivaagro.org>

# MANAGEMENT DISCUSSION ANALYSIS

## **ECONOMIC OVERVIEW** **Global Economy**

The financial year 2020-21 was the most challenging year for the corporate world in living memory. The year has been a black swan event, exemplified by unprecedented disruption in health, trade and economy as humanity encountered one of the most lethal pandemic episodes. The global response was characterized by instant lockdowns, closure of public transport and international borders, followed by the ramp-up of healthcare infrastructure, scientific collaborations for vaccine development, and most importantly, an urgent and adequate policy intervention towards social relief and economic support. Thankfully, timely and comprehensive local (governments, regulators and people) response to this ubiquitously global challenge coupled with the ingenuity of the scientists and the medical fraternity succeeded in reining in the challenge.

Few other significant developments of 2020, apart from COVID-19, included heightened geopolitical/ economic uncertainty in the Asia Pacific, Brexit (the UK exiting the EU), Middle East peace initiatives (Israel and few Arab nations), devastating bushfire of Australia & change of regime in the US.

The depressed economic conditions and deterioration of business and consumer sentiment prompted a series of interventions by governments across the world. Central banks across countries responded synchronously, effecting sharp cuts in policy interest rates, boosting liquidity and undertaking large asset purchase programmes to help stimulate economic activity and alleviate tight financial conditions. Major economies across the world announced stimulus packages in the range of 10% to 45% of their respective GDPs. However, repeated waves of virus outbreak impeded the recovery momentum necessitating the re-imposition of mobility restrictions and containment measures which stalled the normalisation process and slowed down the pace of economic recovery.

Unprecedented health challenges and economic disruption led to the global economic slowdown. Barring a few exceptions, the entire world slipped into a sudden economic contraction. After a massive contraction in the first half of the year, the global economy began reviving in the later part of 2020. The commodity prices of energy and metals have shown a trend reversal and the IMF's price index moved by 29% in the 2nd half of 2020, reflecting a broadbased revival in the global economy.

IMF's World Economic Outlook of April 2021 estimates the world output to have de grown by a negative (-) 3.3% in 2020. Advanced economies (AEs) and Emerging markets and developing economies (EMDEs) witnessed output contractions by a negative (-) 4.7% and (-) 2.2% respectively. The success in rolling out vaccines has helped positive sentiments resurface at the start of 2021. On the back of steady gains made during the second half and partly on account of a contracted base, IMF predicts a sharp recovery for 2021, followed by a growth moderation in the subsequent year. 2021 growth rate forecast for the world, AEs and EDMES are (+) 6%, (+) 5.1%, and (+) 6.7% respectively. The average growth rate for three years (2020 through 2022) would still be lower than the pre-pandemic level (2019). Moreover, the efficacy of inoculation and other pandemic control measures alongside sustained economic and policy support holds the key to sustained recovery. Strong multilateral cooperation and financial support to accelerate vaccine manufacturing and distribution would help strengthen the global economic outlook. However, some nations are witnessing a resurgence of the second wave of the Pandemic resulting in disruptions and can impact the speed of economic recovery.

## **Indian Economy**

The Government of India responded swiftly by announcing a lockdown towards the end of March, 2020 to contain the spread of the virus, protect lives and gear up the healthcare infrastructure in the interim. The second largest emerging economy and also the second-most populous Country of the world opted to prioritize the lives of its 1.3+ billion citizens over economic gains. The approach helped contain the first wave and also ramp up healthcare infrastructure in an optimum manner.

This was followed up with several steps to support livelihoods and economic activity through stimulus packages, largely in the form of liquidity boosting measures along with direct cash transfers and subsidies. Progressive easing of restrictions and improvement of mobility led to a pick-up in economic activity in the second half of the year; however, aggregate demand remained below pre-Covid levels and contact-intensive segments such as aviation and hospitality, and discretionary consumption continued to lag the rest of the economy.

Many efforts by Government including reduction in lending rates, moratorium of loans, easing out of financial obligations of State to the Centre, cash to farmers and





declaring agriculture and allied activities under essential services - allowing them to operate during the lockdown period - enabled the Country to keep its food security intact and ably prepare to face the worst pandemic in the century. The Government's prompt response to the situation with quick turnaround in setting up of COVID-19 dedicated healthcare infrastructure, making industries adapt to newer needs of medical requirements and imparting COVID-appropriate behaviour guidelines to its large population has helped it avert risks of severely impacting the health of the people and economy. Moreover, the Country has set an example of a collaborative global fight against the pandemic with its humanitarian measures of supplying Made in India Covid -19 medicines and vaccines to many countries.

First Quarter saw a massive economic contraction (two-third of the period witnessed nationwide lockdown), the rise from a 24% Q1 contraction to a 0.4% positive growth in Q3 testified to sound fundamentals and inherent resilience of the Indian economy. Second advance estimates of the Govt. of India pegs the Indian Economy to have contracted by 8% for the full year 2020-21, which indicates a sustained sequential recovery quarter over quarter for the economy. The fact that there still are severe restrictions across certain sectors and activities and consumer sentiments remain susceptible amid uncertainties linked with the second wave of the pandemic, the headroom for accelerated recovery remains substantial.

The Government's focus on agriculture and timely infusion of financial support and food grain procurement helped in keeping the rural economy afloat and emerging as a key growth driver. India's rural economy led the economic recovery with undisrupted food and dairy supplies. While services and manufacturing sub-segments suffered the most of pandemic-induced restrictions as well as dampened consumer sentiments subsequently, agriculture stood out as the bright spot. In terms of GVA, agriculture and allied activities are estimated to have grown by 3.4% in a year that witnessed manufacturing and construction sectors contracting by 8.4% (-) and 10.3% (-) respectively.

Utilities were the only other segment other than agriculture to have secured a positive growth (of 1.8%). Looking ahead, sequential recovery from the second half of the year, the impact of Government stimulus and infrastructure push, strengthening of corporate earnings and financial position, improving employment situation, surfacing of pent-up demand and forecast of a normal monsoon augurs well for economic recovery.

The contracted base is also likely to make a positive contribution. Sustained performance of the capital markets coupled with increasing participation by the global investing community makes India a bright spot in the world economy. Not surprisingly, IMF predicts the Indian economy to stage a steep rebound in the fiscal year 2021-22. In doing so, India shall not only lead the global recovery but also emerge as the fastest growing large economy. However, as the 2nd wave of COVID 19 has gripped the Country in the first half of FY21-22 the GDP growth forecast been revised downwards for the year FY21-22.

## INDUSTRY OVERVIEW

### Global Agriculture

Inspire of widespread disruptions across the economic segments due to Covid -19, agriculture remained the least impacted sector, more so at the point of production. The global agriculture, though, had to withstand multifaceted challenges including the pandemic, locust infestation, extreme climate conditions, African swine fever, growing

resistance to antimicrobial substances, and fertilizer usages. Supply chain disruptions, low container availability and pandemic-related restrictions further aggravated the stress.

The impact of the COVID-19 pandemic was found at varying degrees across all food sectors. With agricultural commodity markets showing more resilience, FAO estimates world cereal production to grow by 2.6% in 2020 and expects a health rise of 2.2% in world cereal trade in 2020/21.

While the pandemic's impact on agricultural production and also supply chain disruptions and demand volatility are far from over, the sector's long term challenges and prospects remain intact. The growing food demand with contracting land and water resources hinges significantly on yield improving inputs, practices and technology.

According to OECD-FAO Agricultural Outlook 2020-2029, yield improvements through enhanced agri-inputs, production technology and cultivation practices are pegged to account for nearly 85% of production growth over the next decade. Production growth in the Asia Pacific, Latin America, Sub Saharan Africa and the Rest of Africa are expected to be at 17%, 15%, 21% and 16% respectively. Significant growth in emerging and low-income countries is projected to be achieved on account of larger investments in technology and better resource availability.

### Indian Agriculture

India being the largest producer of spices, pulses, milk, tea, cashew and jute, and the second-largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton and oilseeds, continues to dominate the world agriculture. In addition to this, India has the largest livestock population of around 535.8 million, which translated to around 31% of the world's livestock population in 2019.

Total food grain production in India has grown by an impressive 54% i.e. from 197 million tonnes in 2000-01 to an estimated 303 million tonnes in 2020-21. The steady performance of the Indian agricultural sector signifies many things. The most prominent ones include food surplus, irrigation gains, yield improvement, and advancements made across agronomy practices, quality of agri-inputs, and technological interventions. Food security for our populace stands long accomplished. The time for setting more progressive and sustainable goals has come for Indian Agriculture Sector. While India leads the agricultural output, its productivity and resource use efficiency remains low compared to the global average. India needs to adopt smart farming, technology solutions & data driven agronomic practices to drive agricultural gains & improve farm prosperity.

Indian Agriculture Sector received significant stimulus during the year 2020-21 despite of severe health and socioeconomic challenges inflicted by the Covid -19 pandemic. First among them was exemptions allowed for the agriculture and allied sectors from the nationwide lockdown. The three laws namely The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, The Essential Commodities (Amendment) Act and The Farmers (Empowerment and Protection) Agreement on Price Assurance & Farm Services Act were introduced during the year & are presently under discussion with the stakeholders.

Switching the overarching objective from eradicating hunger to ensuring diverse nutrition, from growing for India to grow for the world, from yield improvement to raising farm incomes, from monsoon dependence to sustainable, green farming ought to be to the larger agenda now. India has the potential to not only provide food support to the nation but also catapult agricultural contribution to the national GDP to a much higher level.



Looking back at the year gone by, agriculture was classified as an essential commodity and hence exempted from the nationwide lockdown. With good reservoir levels and retained soil moisture from the previous Rabi season, the sector was blessed with an above-normal monsoon for the second consecutive year. Early cropping during the Kharif season and prolonged monsoon created a very favourable climatic and soil condition for year-round cultivation of food crops, cash crops, fruits and vegetables.

Consequently, Indian food grain production is estimated to register a record output of 303 MT, a 2% y-o-y increase over the previous year. Rice and wheat both are estimated to reap a record harvest quantum of 120 MT and 109 MT respectively. Pulses and Oilseeds production is pegged to reach 24.4 MT and 37.3 MT respectively.

Sugarcane and Cotton productions too are estimated to grow to 397.66 MT and 36.54 million bales (170 kg equals 1 bale) for the year. The higher output was well supported by the higher procurement by the Government leading to improved price realization by the farmers.

**FERTILISER BUSINESS**

**Global Fertiliser Scenario:**

Be it in helping the global farming community feed a steadily rising world population or meet the diverse nutritional needs demand of its aspirational population, fertilisers – bulk and specialized including organic – continues to play the central role.

Despite the covid-19 inflicted disruptions panning out differently for different geographies, world fertiliser demand witnessed a sequential increase through the crop year 2020/21. The global fertiliser demand is expected to increase by 2% to 193.5 million tons (MT) in 2020/21. Markets including South Asia, Latin America and North America are expected to have led the demand growth. The forecast for 2021/22 crop year suggests a 1.1% growth (195.6 MT) with EECA, Africa & South Asia being amongst the fastest-growing markets.

**Indian Fertiliser Scenario:**

India is the second-largest consumer and the third largest producer of fertilisers in the world. The Indian fertiliser ecosystem comprises of the private, Government and

cooperative sectors. Presently, 25-30% of the domestic demand is met through imports. The Government is increasing domestic Urea production by reviving five units, which can significantly bring down the Country's dependence on Urea imports.

Thanks to the Government's decision to exempt agriculture and its allied sectors from the nationwide lockdown and the favourable climatic and monsoon situation, the Indian fertilisers industry was amongst the growth sectors in a pandemic impacted year. While it had to overcome challenges like the shortage of labour, raw materials and transportation during the early stage, the Government's efforts and relaxations in ensuring seamless delivery of fertilisers to farmers resulted in healthy consumption growth.

The industry produced 426 lakh tons of fertilisers (Urea, DAP/NPK and SSP) during the financial year 2020-21, marginally higher than 419 lakh tons produced in the previous year. With PoS sales recording an impressive 10% growth in reaching a record 667 lakh tons, the consumption growth was one of the strongest in recent years.

**Segment Wise 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 & 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 Telangana and a modest share in Karnataka 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.

The production and sales figures of NPK and SSP for the last two years is shown in the following table:

(Qty in MTs)

Particulars	2019-20		2020-21	
SSP	71146	71044	88366	105663
NPK	1112	4790	6200	7828
<b>Total</b>	<b>72258</b>	<b>75834</b>	<b>94566</b>	<b>113491</b>

**Key Financial Ratios :**

Particulars	Units	2019-20	2020-21	Change	% Change
(i) Debtors Turnover	Months	2.58	1.61	(0.96)	(37.37%)
(ii) Interest Coverage Ratio	Times	2.32	3.72	1.40	60.40%
(iii) Current Ratio	Ratio	1.69	2.62	0.93	55.43%
(iv) Debt Equity Ratio	Ratio	0.31	0.28	(0.04)	(11.68%)
(v) Operating Profit Margin (%)	%	7.22%	4.30%	(0.03)	(40.39%)
(vi) Net Profit Margin (%)	%	3.37%	2.30%	(0.01)	(31.71%)
(vii) Return on Net Worth	%	5.71%	6.85%	0.01	19.99%



## OPPORTUNITIES AND STRENGTHS

### Opportunities

- Government's focus on agriculture and doubling farmers income through various agri reforms such as Agri output marketing reforms.
- Central and State Governments' income support scheme for farmers increasing the disposable income in the hands of farmers for agri inputs.
- Direct benefit transfer to farmers in fertiliser and linking it to improving soil health.
- Central and State Governments' support towards drip and microirrigation adoption to improve the resource use efficiency and promote water-soluble fertiliser usage.
- Low per capita consumption of agrichemicals in India offers significant upside potential.
- Improved awareness about soil health and sustainable practices to promote balanced nutrient usage including Biopesticides and organic fertiliser usage.
- Adoption and acceleration of agri technologies to improve crop yield and improve product efficiency.
- Agri infrastructure fund to enhance farm gate infrastructure for farmers, investing in FPOs, primary agriculture cooperatives (PACS), & agriculture entrepreneurs.
- Formalization of Micro Food Enterprises (MFEs) to help them upgrade their technical knowledge, comply with the Food Safety and Standards Authority of India (FSSAI) standards.

### Strengths

- Leading SSP-fertilizer provider in the region, having direct connect with farmers through a large rural retail network and its strong distributor/ dealer network.
- Significant presence in domestic regional markets. Strong in both B2B and B2C networks.
- Increasing brand equity and farmers trust in major agri input consuming markets.
- Worthy captive infrastructure for manufacturing Phosphatic fertilizers.
- Efficient integrated manufacturing operations in Fertiliser enabling supply security and low-cost production.
- Strong Balance Sheet, Decreasing debt, Decent credit rating: The Company's has long-term credit rating at 'BWR BBB-/Stable Assigned' and short term debt rating at 'BWR A3 Assigned' by Brickwork Rating India Pvt. Ltd.

### FINANCIAL REVIEW

The Company registered a good performance in FY 2020-21 with total standalone revenue at Rs. 17,513.84 Lacs as compared to Rs.9,285.25 Lacs in the previous year. The Company's PBT was at 528.69 Lacs as compared to Rs. 383.16 Lacs in the previous year. PAT was at Rs.403.14 Lacs as compared to Rs.312.97 Lacs in the previous year.

### RISK MANAGEMENT

Dynamic business environment with regard to regulatory changes, technology disruptions, financial markets, Pandemic, 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 Enterprise Risk Management (ERM) framework.

The Enterprise Risk Management framework includes Risk Management Policy dealing with identification, analysis, evaluation & treatment of risks at all 3 levels i.e., Entity Level, Business Level and Operational level. The Company has adopted the ISO 31000 Standard risk management best practices. Accordingly, the Risk Management Policy provides

the framework of Enterprise Risk Management by describing mechanisms for the proactive identification and prioritisation of risks based on the changes in the external environment and continuous monitoring of internal risk factors.

The robust governance structure has also helped in the integration of the Enterprise Risk Management process with the Company's strategy and planning processes where emerging risks are used as inputs in the strategy and planning process.

#### o Covid-19 Crisis Management:

The outbreak of the Novel Corona Virus ("Covid -19") pandemic is one of the biggest risks faced by the industry as it severely impacted the operations. Despite this, the Company has been able to effectively manage the challenge with a dedicated focus on employee well-being & safety and ensured the continuance of its supply chain and operations by strictly adhering to the safety protocols. This included the formation of Crisis Management teams and SOPs, scenario planning, swift management communication and leveraging the digital tools for seamless connectivity. This was possible due to Company's resilient and adaptive Risk management strategy which includes Crisis Management & Business continuity plans. Relevant Risk registers at all levels have been suitably recalibrated to monitor mitigation plans related to disruption caused by COVID-19 related risks.

#### o Cyber Security:

IT/Cyber Security has taken the highest priority for both management and IT function at Shiva. A dedicated team is set up to constantly keep upgrading its IT Assets and implement the latest technologies to keep the environment safe and secure. This team conducts awareness campaigns, training sessions for senior management, employees at all locations and their families. Periodic cyber reviews, Vulnerability Assessments, penetration testing of applications is conducted by such team. These activities help the Company in understanding the areas of improvement and keep its IT environment safe from both external and internal threats.

The risks associated with the Company's businesses are broadly classified into the following categories:

- Environmental Risk: Due to the adverse impact of its effluents on the ecosystem, the Company may face litigation and penalty.
- Economic Risk: Due to downturn or adverse political situations which may negatively impact the -Company's organizational 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, supply chain and distribution operations, monsoon failures 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, which could impact the organization.
- HR & Legal Risk: Due to attrition of any Key Managerial Person or disruption of operations due to any other human resources issue. Risk due to non-Compliance of laws and regulations applicable.
- Pandemic Risk: Pandemics like Coronavirus, would be having a significant impact across sectors, affecting the way business is being carried out and to be carried out in the future.



- IT-related risks include hardware and software failure, human error, spam, viruses and malicious attacks that can result in loss of data and can significantly impact the operations. These are addressed through adequate backup mechanisms, including Disaster Recovery Centre, authorization 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 also has insurance coverage for its employees, public, product liability and business interruption risks.

Risk Management being continues process, the key risks associated with the Company's business, its likely impact are continuously analysed and the required mitigation mechanism are implemented by top Management throughout the organization.

#### **INTERNAL CONTROL SYSTEMS**

Commensurate with the nature of its business and the size of its operations, the Company deploys adequate internal control measures and systems. The internal control mechanisms are aimed at the protection of assets, optimum utilization of available resources, reliability of financial statements, compliance with applicable statutes and span across accounting policies and approval procedures. These systems are reviewed and improved periodically.

The Company has a comprehensive budgetary control system to monitor revenue and expenditure against the approved budget on an ongoing basis. The Company has its own corporate internal audit function, ably supplemented by internal teams 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 their implementations are reviewed by the Audit Committee and concerns, if any, are reported to the Board.

#### **HUMAN RESOURCE DEVELOPMENT**

Treating human resources as the central pivot of its value creation and sustainable development strategy, Shiva remains committed to help its employees realize their true potential. As a key contributor to the successful attainment of organizational goals, holistic development and well-being of employees remain at the forefront of its business approach.

Investment in skill development and accelerating employees' professional and personal development remained a key focus area during the year. In line with Company's long-term business plan, several talent management and skill development programs have been rolled out at business and functional levels. The Company's learning and development programs cater to a wide variety of employee profiles including Sales and Marketing, Manufacturing and Leadership, Finance and Operations etc.

#### **o Prevention of Sexual Harassment at Workplace:**

Shiva has a Policy of Prevention of Sexual Harassment (POSH) to ensure a harassment-free workplace for employees. Harassment cases are dealt with as per the Company's zero-tolerance policy. As per the requirement of the Sexual Harassment of Women at Workplace Act, Shiva has constituted the IC. During the year 2020-21, no case was reported on sexual harassment.

#### **ENVIRONMENT & SUSTAINABILITY**

Shiva is committed to making food systems more sustainable and enables farmers to improve productivity and address world hunger. Its business solutions are closely integrated to drive sustainability across the farming value chain by balancing nutrient needs, improving pest management practices, and adopting technology to maximize resource use efficiency and drive farm profitability. The Company closely engages with the communities to build stronger linkages and carefully foster its environment and ecosystem.

#### **BUSINESS OUTLOOK**

As the Company continues to grow and establish itself as one of major regional SSP Manufacturer and supplier, a renewed focus on advancements in technology and business models has been necessitated at the fringe intersections of various industries.

As the fertilizer industry continues to experience technological advancements – it is imperative for Shiva to actively pursue developments in upcoming Technology, to not just be aware of the advancement happening within the industry, but also to build a technology absorption platform to fuel its growth and innovation agenda.

While the COVID-19 pandemic has impacted lives and continues to push humankind to its extremes, the fact that food remains the center of all development is indisputable. India has proved to the world its capabilities in the way it has been handling the pandemic. It is these testing times that have led to open new opportunities for the Country and the agricultural sector. Technology advancements, development of agri infrastructure, the Government's focus on agriculture and reform mindset are likely to positively impact the agriculture sector.

Shiva is well placed to play a pivotal role in this journey of agricultural transformation. Under the Aatmanirbhar Bharat Abhiyan, the Company is continuously investing in creating new capacities and upgradation of its key operations. In line with its long term growth aspiration, the Company is focusing on deepening its understanding of its consumer, building power brands, investing in R&D and data analytics, becoming a player of scale, creating new markets and strengthening its efficiency and quality across the value chain.

With positive business sentiments in agriculture, forecasts for normal monsoons and expectation of overall economic recovery, the Company stands confident to achieve steady growth during the coming period. Shiva will continue to serve the farming community and drive prosperity through promoting technology solutions and adopting sustainable farm practices.





# **Standalone Financial Statements for the year ended March 31, 2021**



# 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 Standalone financial statements of Shiva Global Agro Industries Limited ("the Company") which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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, 2021 the Company has recognized revenue from sale of goods of Rs.17513.84 Lacs.</p> <p>Revenue from sale of goods 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 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</p>	<p><b>Our audit procedures included the following:</b></p> <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 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> </ul>



	<p>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 standalone financial statements.</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 standalone 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, 2021, subsidy income of Rs.2837.96 lacs 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 standalone financial statements</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company'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 standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and





other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Company 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 Company'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 standalone 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 Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge & belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.



- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were

any material foreseeable losses;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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: June 30, 2021

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**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 21122487AAAAFZ9042



# 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')

We have audited the internal financial controls over financial reporting of Shiva Global Agro Industries Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial

Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Nanded  
Date: June 30, 2021

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**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 21122487AAAAFZ9042



# 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, 2021 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there were no known pending statutory dues during the year.

## **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: June 30, 2021

**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 21122487AAAAFZ9042



## SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANDED

Balance Sheet as at March 31, 2021

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	2,003.71	1,905.91
(b) Investment property	3	8.70	8.70
(c) Other intangible assets	4	0.14	0.22
(d) Financial assets			
(i) Investments	5	846.35	841.04
(e) Other non-current assets	6	360.30	398.16
<b>Total non-current assets</b>		<b>3,219.21</b>	<b>3,154.03</b>
<b>Current Assets</b>			
(a) Inventories	7	2,914.63	4,395.47
(b) Financial assets			
(i) Trade receivables	8	2,354.74	1,993.34
(ii) Cash and cash equivalents	9	20.32	56.63
(iii) Bank balances other than above	10	3.10	130.11
(iv) Others financial assets	11	1.18	43.22
(c) Other current assets	12	33.08	52.92
<b>Total current assets</b>		<b>5,327.04</b>	<b>6,671.69</b>
<b>Total - ASSETS</b>		<b>8,546.25</b>	<b>9,825.73</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	999.30	999.30
(b) Other equity	14	4,889.25	4,486.30
<b>Total equity</b>		<b>5,888.55</b>	<b>5,485.60</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	441.28	194.80
(b) Provisions	16	13.54	12.30
(c) Deferred tax liabilities (Net)	17	171.01	177.84
<b>Total non-current liabilities</b>		<b>625.83</b>	<b>384.94</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	1,195.71	1,531.86
(ii) Trade payables		197.69	1,169.97
(iii) Other current financial liabilities	19	363.96	112.50
(b) Other current liabilities	20	241.08	1,124.08
(c) Provisions	21	16.56	16.68
(d) Current tax liabilities (net)	17.5	16.87	0.09
<b>Total current liabilities</b>		<b>2,031.87</b>	<b>3,955.18</b>
<b>Total equity and liabilities</b>		<b>8,546.25</b>	<b>9,825.73</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: June 30, 2021

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**  
Statement of Profit and Loss for the year ended March 31, 2021 (Rs. In Lacs)

Particulars	Note No	March 31, 2021	March 31, 2020
<b>I. Incomes :</b>			
Revenue from operations	22	17,513.84	9,285.25
Other income	23	25.12	50.00
<b>Total Income</b>		<b>17,538.97</b>	<b>9,335.24</b>
<b>II. Expenses :</b>			
Cost of materials consumed	24	6,102.95	4,263.74
Purchases of stock-in-trade	25	6,576.04	3,451.98
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	1,870.18	(602.10)
Employee benefits expense	27	233.26	218.81
Finance costs	28	148.00	236.81
Depreciation and amortization expense	29	102.05	100.32
Other expenses	30	1,977.80	1,282.52
<b>Total Expenses</b>		<b>17,010.28</b>	<b>8,952.08</b>
<b>III. Profit before tax</b>		<b>528.69</b>	<b>383.16</b>
<b>IV. Tax expenses:</b>			
(1) Current tax		131.24	76.12
(2) Deferred tax	17	(5.72)	(6.66)
(3) Income tax relating to earlier years		0.03	0.73
<b>V. Profit after tax</b>		<b>403.14</b>	<b>312.97</b>
<b>VI. Other Comprehensive Income</b>			
[A] (i) Items that will not be reclassified to profit & loss			
Fair valuation of equity instruments through other comprehensive income		5.31	(2.21)
Re-measurements of the defined benefit plan		(6.61)	(7.65)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.11	1.33
[B] (i) Items that will be reclassified to profit & loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(0.19)</b>	<b>(8.54)</b>
Total Comprehensive Income comprising profit and other comprehensive income for the period		402.95	304.44
<b>VII. Earnings per equity share :</b>			
- Basic/Diluted (Amount in Rs.)	31	4.03	3.13

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: June 30, 2021

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**  
Cash Flow Statement for the period ended March 31, 2021

(Rs. in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>528.69</b>	<b>383.16</b>
<b>Adjustments for :</b>		
Interest Paid	148.00	236.81
Depreciation & Amortization	102.05	100.32
Re-measurement of Defined Benefit Plans	(6.61)	(7.65)
Amortisation of Preliminary Expenses	0.27	0.27
Interest Received	(4.09)	(8.74)
Dividend Income	(0.31)	(0.09)
Other non-operating income	(20.72)	(41.17)
<b>Operating Profit Before Working Capital Changes</b>	<b>747.28</b>	<b>662.92</b>
Changes in working capital:		
Trade and other receivables	(260.55)	322.16
Inventories	1,480.84	(779.12)
Trade payables and other liabilities	(1,601.33)	389.36
<b>Cash Generated From Operations</b>	<b>366.23</b>	<b>595.32</b>
Direct taxes paid	(114.49)	(103.80)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>251.75</b>	<b>491.52</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(199.77)	(395.03)
Investments Realised	-	7.82
Sale of investment in subsidiary	-	269.48
Realisation of/(Investment in) fixed deposit	125.63	(79.52)
Interest Received	4.09	8.74
Dividend Received	0.31	0.09
Other non-operating income	20.72	41.17
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(49.01)</b>	<b>(147.25)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	(336.15)	(116.55)
Proceeds/(Repayment) of Long Term Borrowings	246.48	43.40
Interest Paid	(148.00)	(236.81)
Dividend Paid	(1.38)	(1.89)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(239.05)</b>	<b>(311.85)</b>
<b>D Net Increase in Cash and Cash Equivalents</b>	<b>(36.31)</b>	<b>32.42</b>
<b>E Cash and Cash Equivalents at the beginning of the year</b>	<b>56.63</b>	<b>24.21</b>
<b>F Cash and Cash Equivalents at the end of the year</b>	<b>20.32</b>	<b>56.63</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: June 30, 2021

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, 2021

## a. Equity share capital

(Rs. In Lacs)

	Number of Shares	Amount
<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>Balance as at April 01, 2020</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2020-21	-	-
<b>Balance as at March 31, 2021</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, 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	0.00	0.00	312.97	0.00	0.00	312.97
Other Comprehensive income for the year, net of income tax	0.00	0.00	0.00	(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	0.00	8.00	-8.00	0.00	0.00	0.00
<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>
Balance as on April 01, 2020	1,769.28	345.00	2,371.99	6.60	(6.57)	4,486.30
Profit for the period	0.00	0.00	403.14	0.00	0.00	403.14
Other Comprehensive income for the year, net of income tax	0.00	0.00	0.00	4.76	(4.94)	(0.19)
<b>Total comprehensive income for the year</b>	<b>1,769.28</b>	<b>345.00</b>	<b>2,775.13</b>	<b>11.36</b>	<b>(11.51)</b>	<b>4,889.25</b>
Transfer to General Reserve	0.00	5.00	(5.00)			0.00
<b>Balance as on March 31, 2021</b>	<b>1,769.28</b>	<b>350.00</b>	<b>2,770.13</b>	<b>11.36</b>	<b>(11.51)</b>	<b>4,889.25</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 : June 30, 2021

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 & 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, 2021 were authorized and approved for issue by the Board of Directors on June 30, 2021.

**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 and 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 01st April, 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 01st April, 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 prepare 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 & 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 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 & 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 01/04/2020	Additions	Deletions	As on 01/04/2020	For the Year	Ajdu sment	As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
<b>Leased Assets</b>	6.47	-	-	-	-	-	-	-	6.47
Leasehold Land	11.46	-	-	0.79	0.39	-	1.18	-	10.66
<b>Owned Assets</b>	328.01	4.00	-	-	-	-	-	328.01	328.01
Land	1,087.48	150.87	-	168.45	44.99	-	213.43	1,024.91	919.03
Buildings	708.85	41.10	-	142.35	36.08	-	178.43	571.52	566.51
Plant & Equipments	72.21	1.99	-	42.93	10.20	-	53.13	21.06	29.27
Electrical Installation	5.67	-	-	3.77	0.89	-	4.66	1.01	1.90
Lab Equipments	7.11	-	-	5.65	0.90	-	6.56	0.56	1.46
Furniture & Fixtures	67.68	-	-	25.17	8.27	-	33.43	34.25	42.52
Vehicles	1.39	1.81	-	1.31	0.24	-	1.55	1.65	0.08
Office Equipments	0.75	-	-	0.75	-	-	0.75	0.00	0.00
Computer									
<b>Total Property, plant and equipment</b>	<b>2,297.07</b>	<b>199.77</b>	-	<b>391.17</b>	<b>101.96</b>	-	<b>493.13</b>	<b>2,003.71</b>	<b>1,905.91</b>

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

2.1: Refer Note 18.1 for details of assets pledged.

**3. Investment property**

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)				Depreciation				Net Block	
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu sment	As on 31/03/2021	As on 31/03/2021	As on 31/03/20
<b>Leased Assets</b> Leasehold Buildings	0.10	-	-	0.10	0.01	**	-	0.01	0.09	0.10
<b>Owned Assets</b> 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 01/04/2019	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 31/03/19
<b>Leased Assets</b> Leasehold Buildings	0.10	-	-	0.10	0.01	**	-	0.01	0.10	0.10
<b>Owned Assets</b> 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>

**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	31.03.2021	31.03.2020
Rental income derived from investment properties	0.55	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	0.40	0.45
Less: Depreciation	0.00	0.00
Profit arising from investment properties	0.39	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 2021, 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 18.1 for details of assets pledged.**

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

Particulars	31.03.2021	31.03.2020
<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. Intangible assets**

Particulars	Gross Block (At Deemed Cost)				Depreciation			Net Block		
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu tment	As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
Computer Software	1.61	-	-	1.61	1.39	0.08	-	1.47	0.14	0.22
<b>Total Intangible Assets</b>	<b>1.61</b>	<b>-</b>	<b>-</b>	<b>1.61</b>	<b>1.39</b>	<b>0.08</b>	<b>-</b>	<b>1.47</b>	<b>0.14</b>	<b>0.22</b>

  

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>Total Intangible Assets</b>	<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>



## 5 Non-current financial assets - Investments

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<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 (2020:500) Equity shares of Rs.2 each	0.41	0.18
<b>Aditya Birla Fashion and Retail Limited.</b> 171 (2020:171) Equity shares of Rs.10 each	0.34	0.26
<b>Aditya Birla Capital Limited.</b> 68 (2020:68) Equity shares of Rs.10 each	0.08	0.03
<b>Grasim Industries Limited.</b> 49 (2020:49) Equity shares of Rs.2 each	0.71	0.23
<b>Zuari Global Limited.</b> 100 (2020:100) Equity shares of Rs.10 each	0.08	0.03
<b>Zuari Agro Chemicals Limited.</b> 100 (2020:100) Equity shares of Rs.10 each	0.09	0.06
<b>Rashtriya Chemicals &amp; Fertilizers Limited.</b> 100 (2020:100) Equity shares of Rs.10 each	0.08	0.03
<b>Coromandel International Limited.</b> 1500 (2020:1500) Equity shares of Rs.2 each	11.61	8.16
<b>Nagarjuna Fertilizers &amp; Chemicals Ltd.</b> 550 (2020:550) Equity shares of Rs.1 each	0.03	0.02
<b>Nagarjuna Oil Refinery Limited.</b> 500 (2020:500) Equity shares of Rs.1 each	**	**
<b>Union Bank Of India</b> 2321 (2020:2321) Equity shares of Rs.10 each	0.79	0.67
<b>Deepak Fertilisers &amp; Petrochemicals Corporation Limited.</b> 50 (2020:50) Equity shares of Rs.10 each	0.11	0.04
<b>Bayer CropScience Limited.</b> 13 (2020:13) Equity shares of Rs.10 each	0.69	0.45
<b>Kaveri Seed Company Limited.</b> 250 (2020:250) Equity shares of Rs.10 each	1.28	0.85
<b>Unquoted equity instruments</b>		
<b>Investments in subsidiaries at cost</b>		
<b>Shiva-Parvati Poultry Feed Private Limited.</b> 2,29,500 (2020:2,29,500) Equity shares of Rs.100 each (India)	280.93	280.93
<b>Ghatprabha Fertilizers Private Limited.</b> 1,71,250 (2020:1,71,250) Equity shares of Rs.100 each (India)	205.50	205.50
<b>Shrinivasa Agro Foods Private Limited.</b> 4,70,781 (2020:4,70,781) Equity shares of Rs.100 each (India)	343.28	343.28
<b>Investment in Government Securities at amortised cost</b>		
National Savings Certificate	0.33	0.33
<b>Total Investments</b>	<b>846.35</b>	<b>841.04</b>
<b>Aggregate amount of quoted investments and market value thereof</b>	16.32	11.01
<b>Aggregate amount of unquoted investments</b>	830.04	830.04

\*\* Less than a Lac.

## 6 Other non-current assets

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2021	As at 31.03.2020
<b>Deposits</b>	<b>59.85</b>	<b>59.08</b>
Other advances:	-	-
Advances to suppliers & others	0.25	0.25
VAT/GST refund receivable	300.20	338.83
<b>Total</b>	<b>360.30</b>	<b>398.16</b>



**7 Inventories**

(Rs. In Lacs)

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Raw materials	1,756.22	977.29
Raw materials in transit	58.69	597.63
Work-in-progress	132.99	135.76
Finished goods	344.79	1,626.53
Stock-in-trade	185.58	771.25
Stores and packing materials	436.35	287.01
<b>Total</b>	<b>2,914.63</b>	<b>4,395.47</b>

7.1 Refer Note 18.1 for details of assets pledged.

**8 Trade receivables**

(Rs. In Lacs)

<b>(Unsecured, considered good)</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
From related parties	27.63	47.38
From others	2,327.11	1,945.96
<b>Total</b>	<b>2,354.74</b>	<b>1,993.34</b>

**9 Cash and cash equivalents**

(Rs. In Lacs)

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Balances with Banks	14.82	51.00
Cash on hand	5.50	5.63
<b>Total</b>	<b>20.32</b>	<b>56.63</b>

**10 Bank balances other than cash and cash equivalents**

(Rs. In Lacs)

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Earmarked Balances (Unpaid Dividend Accounts)	1.72	3.10
Margin Money against bank guarantees	1.38	127.02
<b>Total</b>	<b>3.10</b>	<b>130.11</b>

**10.1** 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 Educa-

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

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

**11 Current financial assets - Others financial assets**

(Rs. In Lacs)

<b>(Unsecured, considered good)</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<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	-	5.00
Interest Accrued but not due on deposits	1.18	3.89
<b>Total</b>	<b>1.18</b>	<b>43.22</b>

**12 Other current assets**

(Rs. In Lacs)

<b>(Unsecured, considered good)</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Advances other than capital advances</b>		
Prepaid expenses	5.93	12.83
Advances to suppliers and others	27.15	39.82
Unamortised expenses	-	0.27
<b>Total</b>	<b>33.08</b>	<b>52.92</b>

**13 Equity share capital**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<b>Authorised:</b>		
1,50,00,000 (2020: 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 (2020: 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>

**13.1 Terms/rights attached to equity shares**

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.

**13.2 Reconciliation of the number of equity shares**

(Rs. In Lacs)

	Number of Shares	Amount
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
Balance as at April 01, 2020	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2021	99,93,000	999.30

**13.3 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, 2020	1,123,052	681,148.00	512,593.00
% holding in the class	11.24%	6.82%	5.13%
No. of Shares as at March 31, 2021	1,143,052	697,748.00	512,593.00
% holding in the class	11.44%	6.98%	5.13%

**14 Other equity**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Securities premium	1,769.28	1,769.28
General reserve	350.00	345.00
Retained earnings	2,770.13	2,371.99
Equity instruments through OCI	11.36	6.60
Remeasurements of the defined benefit plan	(11.51)	(6.57)
<b>Total other equity</b>	<b>4,889.25</b>	<b>4,486.30</b>

**15 Non-current financial liabilities - Borrowings**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<b>Secured- at amortised cost</b>		
<b>Term Loan from bank</b>	265.28	-
<b>Unsecured- at amortised cost</b>		
Loans and advances from related parties	90.50	90.50
Loans and advances from directors	20.00	20.00
Other loans and advances :		
Public fixed deposits	65.50	84.30
<b>Total</b>	<b>441.28</b>	<b>194.80</b>

**15.1 Nature of Security and Terms of Repayment of Secured Borrowing**

(Rs. In Lacs)

Nature of Security As at March 31, 2021	Term Loan	Terms of Repayment
Term loan (Covid-19 Scheme) from Bank is Secured by Hypothecation of stock and debtors.	231.11	Repayable in 18 equated monthly instalments of Rs.17.78 Lacs from Nov-2020 along with interest rate of 8.00% per annum.
Term loan (UGECL Scheme) from Bank is Secured by Hypothecation of stock and debtors.	330.00	Repayable in 36 equated monthly instalments from Jul-2021 along with interest rate of 7.50% per annum.

**15.2 Terms of repayment for unsecured borrowings :**

- i) Unsecured loans from related parties carry interest @9% p.a. & is repayable after a period of 5 years from the date of loan.  
ii) Public deposits included are repayable after 3 years from the date of acceptance and carry interest rate @7-10% p.a.

**16 Non-current provisions**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Employee benefits : Gratuity payable	13.54	12.30
<b>Total</b>	<b>13.54</b>	<b>12.30</b>

**17 Deferred tax liabilities (Net)**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Property, plant and equipment	177.15	174.28
Statutory dues allowable on payment basis	(3.47)	(3.52)
Investments at FVTOCI	1.20	0.65
Defined Benefit Plans	(3.87)	(2.21)
Derivative financial instrument	8.64	
<b>Deferred Tax Liability (Net)</b>	<b>171.01</b>	<b>177.84</b>

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

(Rs. In Lacs)

Particulars	Opening Balance as on 01/04/2020	Recognized in Profit or loss	Recognized in OCI	Closing Balance
Property, plant and equipment	174.28	2.87	-	177.15
Statutory dues allowable on payment basis	(3.52)	0.05	-	(3.47)
Investments at FVTOCI	0.65	-	0.55	1.20
Defined Benefit Plans	(2.21)	-	(1.66)	(3.87)
Derivative financial instrument	8.64	(8.64)	-	-
<b>Total</b>	<b>177.84</b>	<b>(5.72)</b>	<b>(1.11)</b>	<b>171.01</b>

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)
Derivative financial instrument	-	8.64	-	8.64
<b>Total</b>	<b>185.83</b>	<b>(6.66)</b>	<b>(1.33)</b>	<b>177.84</b>

**17.2 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, 2021	As at March 31, 2020
Long term capital loss	1,159.89	1,159.89
<b>Total</b>	<b>1,159.89</b>	<b>1,159.89</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.



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

(Rs. In Lacs)

	As at March 31, 2021	As at March 31, 2020
Tax effect of changes in fair value of equity instruments	(0.55)	(0.57)
Tax effect on actuarial gains/losses on defined benefit obligations	1.66	1.90
<b>Total</b>	<b>1.11</b>	<b>1.33</b>

**17.4 Reconciliation of tax Expense to the Accounting profit is as follows:**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Accounting profit before tax	528.69	383.16
Tax expense at statutory tax rate of 25.168% (P.Y. 25.168%)	133.06	96.43
<b>Adjustments :</b>		
Effect of income that is exempt from tax	(0.70)	(0.61)
Effect of expenses that are not deductible in determining taxable profit	10.56	2.55
Tax Effects of amounts which are deductible in calculating taxable income	(17.40)	(25.87)
Effect of change in tax rate	-	(3.04)
<b>Total</b>	<b>125.52</b>	<b>69.46</b>

**17.5 Current tax liabilities (net)**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Income tax payable	16.87	0.09
<b>Total</b>	<b>16.87</b>	<b>0.09</b>

**18 Current financial liabilities - Borrowings**

(Rs. In Lacs)

<b>(Secured- at amortised cost)</b>	As at 31.03.2021	As at 31.03.2020
Working capital loans repayable on demand - Rupee loan from bank	1,184.71	1,517.46
<b>Other loans and advances</b> - Public fixed deposits	11.00	14.40
<b>Total</b>	<b>1,195.71</b>	<b>1,531.86</b>

**18.1** 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 9.45%p.a. (2020: 9.60% p.a.)

**19 Other current financial liabilities**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<b>Financial liabilities carried at amortised cost</b>		
Security deposits - interest free	50.60	48.45
Current maturities of long-term debt	295.83	-
Unclaimed dividends	1.72	3.10
Expenses	15.81	60.95
<b>Total</b>	<b>363.96</b>	<b>112.50</b>

**20 Other Current Liabilities**

(Rs. in Lacs)

	As at 31.03.2021	As at 31.03.2020
Advances from customers	237.27	1,117.39
Statutory dues	1.18	6.68
Other	2.64	-
<b>Total</b>	<b>241.08</b>	<b>1,124.08</b>

**21 Current provisions**

(Rs. In Lacs)

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Employee benefits	16.56	16.68
<b>Total</b>	<b>16.56</b>	<b>16.68</b>

**22 Revenue from operations**

(Rs. In Lacs)

<b>Sale of Products</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Finished Goods	7,342.05	4,589.27
Traded Goods	7,332.95	2,710.27
Subsidy on Fertilizers	2,837.96	1,985.71
<b>Total</b>	<b>17,513.84</b>	<b>11,329.50</b>

**Particulars of sale of products****22.1 Finished goods**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Fertilizers	7,279.57	4,586.74
Others	63.38	2.53
<b>Total</b>	<b>7,342.95</b>	<b>4,589.27</b>

**22.2 Traded goods**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Fertilizers	1,649.15	283.10
Other agricultural commodities	5,683.77	2,427.15
Others	-	0.02
<b>Total</b>	<b>7,332.92</b>	<b>2,710.27</b>

**23 Other income**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Interest Income	4.09	8.74
Dividend income	0.31	0.09
Other non-operating income	20.72	41.17
<b>Total</b>	<b>25.12</b>	<b>50.00</b>

**24 Cost of materials consumed**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Raw Material Consumed</b>		
Inventory at the beginning of the year	1,574.92	1,496.88
Add : Purchases	6,067.94	4,419.61
Add/(Less): Transfer from/(to) Stock in Trade	(0.05)	(261.66)
Less : Inventory at the end of the year	1,814.91	1,574.92
Cost of Raw materials consumed	5,827.90	4,079.91
<b>Packing Material Consumed</b>		
Inventory at the beginning of the year	144.03	137.75
Add : Purchases	412.49	190.12
Less : Inventory at the end of the year	281.48	144.03
Cost of Sales	-	-
Cost of Packing materials consumed	275.05	183.84
<b>Total</b>	<b>6,102.95</b>	<b>4,263.74</b>

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

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Fertilizers	876.15	144.03
Rock	3,736.47	2,888.20
Acid	1,053.98	973.74
Others	161.29	73.94
<b>Total</b>	<b>5,827.90</b>	<b>4,079.91</b>

**b) Packing material**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
HDPE Bags	275.05	183.84
<b>Total</b>	<b>275.05</b>	<b>183.84</b>

**25 Purchases of stock-in-trade**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Fertilizers	968.37	967.48
Other agricultural commodities	5,607.62	2,479.61
Others	0.05	4.89
<b>Total</b>	<b>6,576.04</b>	<b>3,451.98</b>

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

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
<b>Inventory at the beginning 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>Less: Inventory at the end of the year</b>		
Finished Goods	344.79	1,626.53
Work-in-progress	132.99	135.76
Stock-in-trade	185.58	771.25
<b>Total</b>	<b>1,870.18</b>	<b>(602.10)</b>

**26.1 Particulars of inventory**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
<b>Finished Goods</b>		
Fertilizers	327.43	1,626.53
BRP Rock	17.36	-
<b>Work-in-progress</b>		
Fertilizers	132.99	135.76
<b>Stock-in-trade</b>		
Fertilizers	75.19	691.14
Other agricultural commodities	110.39	80.11

**27 Employee Benefits Expense**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Salaries, Wages and Bonus	216.29	202.30
Contribution to Provident Fund	13.17	12.98
Staff Welfare Expenses	3.80	3.52
<b>Total</b>	<b>233.26</b>	<b>218.81</b>

**28 Finance Costs**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Interest Expenses	135.72	216.74
Other Borrowing Costs	12.28	20.07
<b>Total</b>	<b>148.00</b>	<b>236.81</b>

**29 Depreciation and amortization expense**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipment (refer Note 2)	101.96	100.29
Depreciation of investment property (refer Note 3)	**	**
Amortisation of intangible assets (refer Note 4)	0.08	0.03
<b>Total</b>	<b>102.05</b>	<b>100.32</b>

\*\* Less than a lac.

**30 Other expenses**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Stores and spares consumed	352.86	187.15
Power and Fuel	482.69	267.55
Rent	1.96	0.48
Repairs to Buildings	22.65	8.06
Repairs to Machinery	21.71	17.22
Insurance	6.57	6.19
Rates and Taxes	14.50	11.33
Freight and Transportation	916.90	584.57
Miscellaneous expenses	157.94	199.98
<b>Total</b>	<b>1,977.80</b>	<b>1,282.52</b>

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

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
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>

**31 Earnings per share**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
a. Profit after Tax as per the Statement of Profit & Loss attributable to equity shareholders	403.14	312.97
b. Weighted average number of equity shares outstanding	99.93	99.93
c. Basic & Diluted earnings per share in rupee (Face value Rs.10 per share)	4.03	3.13

**32 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.

**33 Employee benefits**

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

Defined contribution plan:

(Rs. in Lacs)

Particulars	2020-21	2019-20
Employer's contribution to Provident fund	13.17	12.98
Employer's contribution to employee's state insurance	2.53	2.81

**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, 2021	As at March 31, 2020
Present Value of Benefit Obligation at the Beginning of the Period	13.99	16.08
Interest Cost	0.54	0.67
Current Service Cost	4.83	4.47
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)	(12.18)	(14.88)
(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
Actuarial (Gains)/Losses on Obligations - Due to Experience	6.61	6.06
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>13.79</b>	<b>13.99</b>

**Amount recognised in the balance sheet**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Present Value of Benefit Obligation at the end of the Period)	(13.79)	(13.99)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(13.79)	(13.99)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(13.79)</b>	<b>(13.99)</b>

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

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Service Cost	4.83	4.47
Net Interest Cost	0.54	0.67
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	5.37	5.14

**Amount recognised in the OCI**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2019
Actuarial (Gains)/Losses on Obligation For the Period	6.61	7.65
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>6.61</b>	<b>7.65</b>

**Sensitivity analysis**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Projected Benefit Obligation on Current Assumptions	(13.79)	13.99
Delta Effect of +1% Change in Rate of Discounting	(1.39)	(1.34)
Delta Effect of -1% Change in Rate of Discounting	1.63	1.56
Delta Effect of +1% Change in Rate of Salary Increase	1.48	1.42
Delta Effect of -1% Change in Rate of Salary Increase	(1.30)	(1.24)
Delta Effect of +1% Change in Rate of Employee Turnover	0.09	0.08
Delta Effect of -1% Change in Rate of Employee Turnover	(0.10)	(0.09)



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.

**34 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, 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 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>As at March 31, 2021</b>						
Cash & Cash Equivalents	-	-	-	20.32	20.32	20.32
Investments:						
Equity Securities and others	16.32	-	16.32	830.04	830.04	846.35
Trade Receivables	-	-	-	2,354.74	2,354.74	2,354.74
Bank Balances other above	-	-	-	3.10	3.10	3.10
Other Financial Assets	-	-	-	1.18	1.18	1.18
<b>Total</b>	<b>16.32</b>	<b>-</b>	<b>16.32</b>	<b>3,209.38</b>	<b>3,209.38</b>	<b>3,225.69</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, 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>
<b>As at March 31, 2021</b>					
Borrowings	-	-	1,636.99	1,636.99	1,636.99
Trade Payables	-	-	197.69	197.69	197.69
Other Financial Liabilities	-	-	363.96	363.96	363.96
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,198.64</b>	<b>2,198.64</b>	<b>2,198.64</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, 2020</b>			
Assets at fair value			
Investments	11.01	-	-
<b>Liabilities at fair value</b>			
		-	-
<b>As at March 31, 2021</b>			
Assets at fair value			
Investments	16.32		
<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.

### 35. 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, 2021	As at March 31, 2020
<b>EQUITY</b>	<b>5,888.55</b>	<b>5,485.60</b>
Short-term borrowings and current portion of long-term debt	1,195.71	1,531.86
Long-term debt	441.28	194.80
Cash and cash equivalents	(20.32)	(56.63)
<b>Net debt</b>	<b>1,616.67</b>	<b>1,670.03</b>
<b>Total capital (equity + net debt)</b>	<b>7,505.22</b>	<b>7,155.63</b>
<b>Net debt to capital ratio</b>	<b>0.22</b>	<b>0.23</b>

### 36 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

#### 36.1 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, 2021	As at March 31, 2020
Secured working capital credit facility from bank	2,017.85	1,682.54

**(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, 2020</b>					
<b>Non-derivative liabilities</b>					
Borrowings	1,726.66	1,726.66	1,517.46	14.40	194.80
Trade payables	1,169.97	1,169.97	-	1,169.97	-
Other financial liabilities	112.50	112.50	51.55	60.95	-
<b>As at March 31, 2021</b>					
<b>Non-derivative liabilities</b>					
Borrowings	1,636.99	1,636.99	1,184.71	11.00	441.28
Trade payables	197.69	197.69	-	197.69	-
Other financial liabilities	363.96	363.96	348.15	15.81	-

**36.2 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, 2021	As at March 31, 2020
Liabilities (Trade payables)	-	-
In foreign currency (USD \$)	-	-
In Indian currency (Rs.)	-	-

**Foreign Currency Sensitivity**

Rs. in lacs

Particulars	Currency	Change in Rate	Effect on profit before tax
31/03/2020	USD	+10%	-
	USD	-10%	-
31/03/2021	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.

**36.3 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 per-





formed 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.2354.74 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 2021 and March 2020 because it has evaluated their credit risk as low considering the financial stability of the ultimate parent.

### 37 Contingent liabilities

(Rs. In Lacs)

(to the extent not provided for)	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts in respect of the matters under dispute relating to:		
Custom Duty	-	18.37
Central Sales Tax	-	5.93
<b>Total</b>	<b>-</b>	<b>24.30</b>

### 38 Related party disclosures

#### 38.1 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 |  |

##### 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              |                                       |

#### 38.2 Transactions during the year:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>1 Purchase of Goods</b>		
<b>Subsidiaries</b>		
Ghatprabha Fertilizers Private Limited	26.18	3.78
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Kalantri Engineering Works	44.25	27.35
Madhu Industries	38.24	8.82
Sai Trading Company	596.95	385.09
Vaibhavlaxmi Jewellers	40.14	18.04
	<b>745.76</b>	<b>443.08</b>
<b>2 Sale of Goods</b>		
<b>Subsidiaries</b>		
Shrinivasa Agro Foods Private Limited	720.71	265.60
Ghatprabha Fertilizers Private Limited	14.63	201.30
Shiva-Parvati Poultry Feed Private Limited	1,061.17	-



<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>			
	Sai Trading Company	679.71	147.07
	Vijay Fertilizers Agency	57.50	15.74
	Kedar Krushi Sewa Kendra	13.36	5.76
	Durgeshwari Seeds & Fertilizers	16.26	2.37
		<b>2,563.33</b>	<b>637.84</b>
<b>3</b>	<b>Services Received</b>		
	<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
	Ravito Engineering Works	2.14	1.22
	Preeti Enterprises Incorporated	1.94	3.28
		<b>4.08</b>	<b>4.50</b>
<b>4</b>	<b>Interest Paid</b>		
	<b>Key Management Personnel</b>		
	Deepak S. Maliwal	0.36	0.40
	Narayanlal P. Kalantri	1.44	1.60
	<b>Relatives of Key Management Personnel</b>		
	Deepak S. Maliwal HUF	1.44	1.60
	Rukhmadevi S. Maliwal	1.35	1.50
	Mohit D. Maliwal	1.85	2.05
	Madhusudan P. Kalantri HUF	0.09	0.10
	Preeti M. Kalantri	0.58	0.64
	Pooja M. Kalantri	0.23	0.26
	Rekha D. Maliwal	0.90	1.00
	Samta M. Maliwal	1.35	1.50
	Santoshidevi M. Kalantri	0.36	0.40
	Vijaya N. Toshniwal	-	1.85
	Nandkishore J. Toshniwal	-	0.92
		<b>9.95</b>	<b>13.82</b>
<b>5</b>	<b>Remuneration Paid</b>		
	<b>Key Managerial Personnel</b>		
	Rashmi G. Agrawal	0.84	0.84
	Umesh O. Bang	9.01	8.52
		<b>9.85</b>	<b>9.36</b>

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

(Rs. in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1 Subsidiaries</b>		
Ghatprabha Fertilizers Private Limited	-	44.41
<b>2 Key Management Personnel</b>		
Deepak S. Maliwal	(4.00)	(4.00)
Narayanlal P. Kalantri	(16.00)	(16.00)
<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	(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)
Nandkishore J. Toshniwal	-	(8.30)
<b>4 Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	2.44	0.94
Vijay Fertilizers Agency	15.22	(14.79)
Kedar Krushi Sewa Kendra	6.27	2.03
Durgeshwari Seeds & Fertilizers	3.71	(1.78)

**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.

**30 Segment Information:****39.1 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, 2021	March 31, 2020
<b>Segment Revenue</b>		
Operating Revenue		
a) Fertilizers	11,830.07	6,858.09
b) Seeds and other agricultural commodities	5,683.77	2,427.15
<b>Total</b>	<b>17,513.84</b>	<b>9,285.25</b>
Less: Inter-segment revenue	-	-
<b>Income from operations</b>	<b>17,513.84</b>	<b>9,285.25</b>
<b>Segment Result</b>		
a) Fertilizers	545.13	542.32
b) Seeds and other agricultural commodities	106.43	27.65
<b>Total</b>	<b>651.56</b>	<b>569.97</b>
Adjusted for:		
a) Finance costs	(148.00)	(236.81)
b) Other income	25.12	50.00
<b>Profit before tax</b>	<b>528.69</b>	<b>383.16</b>

**40.2 Segment assets and liabilities:****(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Segment assets</b>		
a) Fertilizers	8,230.31	9,718.36
b) Seeds and other agricultural commodities	315.93	107.36
<b>Total</b>	<b>8,546.25</b>	<b>9,825.73</b>
<b>Segment liabilities</b>		
a) Fertilizers	2,555.83	4,340.13
b) Seeds and other agricultural commodities	101.87	-
<b>Total</b>	<b>2,657.70</b>	<b>4,340.13</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: June 30, 2021

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 Standalone financial statements of Shiva Global Agro Industries Limited ("the Company") which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 standalone financial statements)</b>	
	<p>For the year ended March 31, 2021 the Company has recognized revenue from sale of products of Rs.57,266.28 lacs.</p> <p>Revenue from sale of goods 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 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</p>	<p><b>Our audit procedures included the following:</b></p> <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 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> </ul>



	<p>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 standalone financial statements.</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 standalone 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 1.17 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, 2021, subsidy income of Rs.2837.96 lacs 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 standalone financial statements</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company'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 standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and



other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Company 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 Company'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 standalone 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 Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge & belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed



as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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: June 30, 2021

**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 21122487AAAAFU4108





# 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')

We have audited the internal financial controls over financial reporting of Shiva Global Agro Industries Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial

Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Nanded  
Date: June 30, 2021

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**Aditya G. Falor**  
Proprietor  
Membership No. 122487  
UDIN: 21122487AAAAFU4108



## SHIVA GLOBAL AGRO INDUSTRIES LIMITED, NANNED

Consolidated Balance Sheet as at March 31, 2021

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	4,299.44	4,057.93
(b) Capital work-in-progress	3	-	217.62
(c) Investment property	4	25.45	25.45
(d) Other intangible assets	5	1.47	0.22
(e) Intangible assets under development	6	0.00	2.00
(f) Financial assets			
(i) Investments	7	59.37	16.91
(ii) Other financial assets	8	58.59	56.82
(g) Other non-current assets	9	556.69	640.43
<b>Total non-current assets</b>		<b>5,001.01</b>	<b>5,017.38</b>
<b>Current assets</b>			
(a) Inventories	10	8,053.66	9,832.81
(b) Financial assets			
(i) Trade receivables	11	6,528.08	8,976.63
(ii) Cash and cash equivalents	12	451.64	154.98
(iii) Bank balances other than above	13	67.47	190.60
(iv) Others financial assets	14	10.58	55.86
(c) Current tax assets		14.12	13.48
(d) Other current assets	15	419.46	503.55
<b>Total current assets</b>		<b>15,545.00</b>	<b>19,727.89</b>
<b>Total - assets</b>		<b>20,546.02</b>	<b>24,745.28</b>
<b>II. EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity share capital	16	999.30	999.30
(b) Other equity	17	8,115.87	7,319.39
<b>Equity attributable to equity holders of the parent</b>		<b>9,115.17</b>	<b>8,318.69</b>
Non controlling interest		3,552.52	3,189.59
Total equity		12,667.69	11,508.28



Particulars	Note No	As at March 31, 2021	As at March 31, 2020
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	1,651.51	839.93
(b) Provisions	19	44.26	43.56
(c) Deferred tax liabilities (Net)	20	417.22	409.78
(d) Other non-current liabilities	21	0.87	0.41
<b>Total non-current liabilities</b>		<b>2,113.85</b>	<b>1,293.68</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	3,168.80	7,816.95
(ii) Trade payables		938.73	2,207.67
(iii) Other financial liabilities	23	961.11	157.81
(b) Other current liabilities	24	523.84	1,668.96
(c) Provisions	25	71.41	90.31
(d) Current tax liabilities	20.5	100.57	1.62
<b>Total current liabilities</b>		<b>5,764.47</b>	<b>11,943.32</b>
<b>Total equity and liabilities</b>		<b>20,546.02</b>	<b>24,745.28</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  
Dated: June 30, 2021

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, 2021

(Rs. In Lacs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
<b>I. Income :</b>			
Revenue from operations	26	57,266.28	48,963.36
Other income	27	82.27	79.00
<b>Total income</b>		<b>57,348.56</b>	<b>49,042.37</b>
<b>II. Expenses:</b>			
Cost of materials consumed	28	39,456.90	33,644.41
Purchases of stock-in-trade	29	11,088.64	10,622.77
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(66.16)	(815.25)
Employee benefits expense	31	660.33	605.59
Finance costs	32	527.84	757.71
Depreciation and amortization expense	33	252.05	243.90
Other expenses	34	3,902.14	2,812.96
<b>Total expenses</b>		<b>55,821.75</b>	<b>47,872.08</b>
<b>III. Profit before tax</b>		<b>1,526.81</b>	<b>1,170.28</b>
<b>IV. Tax expense:</b>			
(1) Current tax		364.80	274.09
(2) Deferred tax		8.02	(36.72)
(3) Tax pertaining to earlier years		0.03	0.91
<b>V. Profit for the year</b>		<b>1,153.97</b>	<b>932.00</b>
<b>VI. Other comprehensive income</b>			
[A] (i) Items that will not be reclassified to profit or loss			
Fair valuation of equity instruments through other comprehensive income		8.85	(3.39)
Remeasurement of defined benefit plan	37	(3.97)	(13.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.58	2.78
[B] (i) Items that will be reclassified to profit or loss		-	-
Total other comprehensive income		5.45	(13.84)
<b>Total Comprehensive Income for the year</b>		<b>1,159.42</b>	<b>918.16</b>



Particulars	Note No	As at March 31, 2021	As at March 31, 2020
<b>Profit attributable to:</b>			
Owners of Shiva Global Agro Industries Ltd.		793.69	636.09
Non-controlling interest		360.27	295.91
Other comprehensive income attributable to:			
Owners of Shiva Global Agro Industries Ltd.		2.79	(11.34)
Non-controlling interest		2.66	(2.50)
Total comprehensive income attributable to:			
Owners of Shiva Global Agro Industries Ltd.		796.48	624.76
Non-controlling interest		362.93	293.41
Profit after minority interest		796.48	624.76
<b>VII. Earnings per equity share:</b>	<b>35</b>		
- Basic and Diluted (Amount in Rs.)		7.94	6.37

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  
Dated: June 30, 2021

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, 2021

(Rs. in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>1,526.81</b>	<b>1,170.28</b>
<b>Adjustments for:</b>		
Interest paid	527.84	757.71
Depreciation and amortization	252.05	243.90
Remeasurement of defined benefit plans	(3.97)	(13.23)
Loss on sale of property, plant and equipment	(1.00)	8.40
Amortization of preliminary expenses	0.27	0.27
Interest received	(19.69)	(21.40)
Dividend income	(0.31)	(0.09)
Gain on sale of investments	(1.32)	0.00
Other non-operating income	<b>(60.95)</b>	<b>(57.52)</b>
<b>Operating profit before working capital changes</b>	<b>2,219.73</b>	<b>2,088.33</b>
<b>Changes in working capital:</b>		
Trade and other receivables	2,783.82	(1,225.90)
Inventories	1,779.15	(1,347.12)
Trade payables and other liabilities	<b>(2,470.94)</b>	<b>344.52</b>
<b>Cash generated from operations</b>	<b>4,311.75</b>	<b>(140.17)</b>
Direct taxes paid	(266.52)	(317.36)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>4,045.23</b>	<b>(457.53)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(276.57)	(916.97)
Interest received	19.69	21.40
Dividend received	0.31	0.09
Profit on sale of mutual funds	1.32	0.00
Investment in fixed deposit	(1.09)	202.31
Other non-operating income	60.95	57.52
Sale of property, plant and equipment	2.38	10.59
Sale of investment in subsidiary	0.00	269.48
Investment realised / (made)	<b>(33.61)</b>	<b>7.82</b>
<b>NET CASH FROM/ (USED IN) INVESTING ACTIVITIES</b>	<b>(226.62)</b>	<b>(347.78)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of short-term borrowings	(4,644.75)	1,658.79
Repayment of long-term borrowings	1,768.76	(1.04)
Repayment of unsecured loans	(116.76)	(78.49)
Interest paid	(527.84)	(757.71)
Dividend paid including tax thereon	(1.38)	(1.89)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(3,521.96)</b>	<b>819.67</b>



<b>D Net Increase in cash and cash equivalents</b>	<b>296.66</b>	<b>14.36</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>154.98</b>	<b>140.62</b>
<b>F Cash and cash equivalents at the end of the year</b>	<b>451.64</b>	<b>154.98</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  
Dated: June 30, 2021

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, 2021

### a. Equity share capital

(Rs. In Lacs)

	Number of Shares	Amount
<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>Balance as at April 01, 2020</b>	<b>99,93,000</b>	<b>999.30</b>
Changes in equity share capital during the year 2020-21	-	-
<b>Balance as at March 31, 2021</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, 2019</b>	<b>443.35</b>	<b>0.00</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	0.00	0.00	0.00	0.00	636.09	0.00	0.00	636.09
Other comprehensive income for the year, net of income tax	0.00	0.00	0.00	0.00	0.00	(3.38)	(7.95)	(11.34)
<b>Total comprehensive income for the year</b>	<b>443.35</b>	<b>0.00</b>	<b>1,885.50</b>	<b>411.15</b>	<b>4,580.62</b>	<b>6.10</b>	<b>(7.33)</b>	<b>7,319.39</b>
Transfer to general reserve	0.00	0.00	0.00	18.73	(18.73)	0.00	0.00	0.00
Items that reclassified from OCI to retained earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as on March 31,2020</b>	<b>443.35</b>	<b>0.00</b>	<b>1,885.50</b>	<b>429.88</b>	<b>4,561.89</b>	<b>6.10</b>	<b>(7.33)</b>	<b>7,319.39</b>
Balance as on April 01, 2020	443.35	0.00	1,885.50	429.88	4,561.89	6.10	(7.33)	7,319.39
Profit for the period	0.00	0.00	0.00	0.00	793.69	0.00	0.00	793.69
Other comprehensive income for the year, net of income tax	0.00	0.00	0.00	0.00	0.00	6.43	(3.64)	2.79
<b>Total comprehensive income for the year</b>	<b>443.35</b>	<b>0.00</b>	<b>1,885.50</b>	<b>429.88</b>	<b>5,355.59</b>	<b>12.53</b>	<b>(10.97)</b>	<b>8,115.87</b>
Transfer to general reserve	0.00	0.00	0.00	15.73	(15.73)	0.00	0.00	0.00
Items that reclassified form OCI to retained earnings	0.00	0.00	0.00	0.00	0.09	(0.09)	0.00	0.00
<b>Balance as on March 31,2021</b>	<b>443.35</b>	<b>0.00</b>	<b>1,885.50</b>	<b>445.60</b>	<b>5,339.95</b>	<b>12.44</b>	<b>(10.97)</b>	<b>8,115.87</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  
Dated: June 30, 2021

For and on behalf of the Board of Directors

**Omprakash K. Gilda**  
Managing Director

**Umesh O. Bang**  
Chief Financial Officer

**Deepak S. Maliwal**  
Director

**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 & 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, 2021 were authorized and approved for issue by the Board of Directors on June 30, 2021.

**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 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 & 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 and 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 01st April, 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 01st April, 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 prepare 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 & 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 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.

#### 1.13 INVENTORIES :

Inventories are valued at the lower of Cost & 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

#### 1.14 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) 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.

## 1.18 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.



**2. Property, plant and equipment** (Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)				Depreciation			Net Block	
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu s tment	As on 31/03/2021	As on 31/03/2020
<b>Leased assets</b>									
Land	14.08	-	-	14.08	-	-	-	14.08	14.08
Buildings	11.46	-	-	11.46	0.79	0.39	-	10.27	10.66
<b>Owned assets</b>									
Land	355.78	4.00	-	359.78	-	-	-	359.78	355.78
Buildings	1,837.01	166.17	-	2,003.18	277.31	78.37	-	1,647.50	1,559.70
Godown	48.48	-	-	48.48	1.56	-	-	46.92	46.92
Plant and equipments	2,177.45	310.87	-	2,488.32	401.45	112.50	-	1,974.37	1,776.00
Electrical installation	180.94	1.99	-	182.93	87.22	18.46	-	77.26	93.73
Lab equipments	14.13	-	-	14.13	5.37	1.55	-	7.22	8.77
Furniture and fixtures	19.20	-	-	19.20	15.24	1.46	-	2.50	3.95
Vehicles	272.92	-	10.28	262.64	102.76	33.68	8.91	135.11	170.16
Office equipments	23.26	2.08	-	25.34	16.73	2.37	-	6.24	6.53
Computer	6.08	9.08	-	15.16	5.27	2.02	-	7.86	0.80
Fire fighting equipment	12.17	-	-	12.17	1.33	0.50	-	10.34	10.84
<b>Total</b>	<b>4,972.96</b>	<b>494.19</b>	<b>10.28</b>	<b>5,456.87</b>	<b>915.03</b>	<b>251.30</b>	<b>8.91</b>	<b>4,299.44</b>	<b>4,057.93</b>





**2. Property, plant and equipment** (Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block	
	As on 01/04/2019	Additions	Deletions	As on 31/03/2020	For the Year	Ajdu sment	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	0.39	-	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	72.65	8.79	1,559.70	1,433.34
Godown	48.48	-	-	48.48	-	-	46.92	46.92
Plant and equipments	1,954.13	227.80	4.48	2,177.45	109.71	-	1,776.00	1,662.39
Electrical installation	163.52	17.42	-	180.94	20.00	-	93.73	96.31
Lab equipments	7.23	6.90	-	14.13	1.42	-	8.77	3.29
Furniture and fixtures	18.15	1.05	-	19.20	2.27	-	3.95	5.17
Vehicles	259.77	31.01	17.86	272.92	33.39	13.74	170.16	176.67
Office equipments	21.62	1.65	-	23.26	2.96	-	6.53	7.85
Computer	4.95	1.13	-	6.08	0.57	-	0.80	0.24
Fire fighting equipment	12.17	-	-	12.17	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>243.87</b>	<b>22.52</b>	<b>4,057.93</b>	<b>3,573.58</b>

2.1 Refer Note 22.1 for details of assets pledged.

**3. Capital work-in-progress**

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu s tment	As on 31/03/2021	As on 31/03/2020
Capital Work-in-Progress	217.62	0.00	217.62	0.00	0.00	0.00	0.00	0.00	217.62
<b>Total</b>	<b>217.62</b>	<b>0.00</b>	<b>217.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>217.62</b>

  

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	0.00	0.00	0.00	217.62	50.10
<b>Total</b>	<b>50.10</b>	<b>217.62</b>	<b>50.10</b>	<b>217.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>217.62</b>	<b>50.10</b>

**4. Investment Property**

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu s tment	As on 31/03/2021	As on 31/03/2020
<b>Leased Assets</b> Leasehold Buildings	0.10	0.00	0.00	0.10	0.01	0.00	0.00	0.09	0.10
<b>Owned Assets</b> Land	25.35	0.00	0.00	25.35	0.00	0.00	0.00	25.35	25.35
<b>Total Investment Property</b>	<b>25.46</b>	<b>0.00</b>	<b>0.00</b>	<b>25.46</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>25.45</b>	<b>25.45</b>

  

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
<b>Leased Assets</b> Leasehold Buildings	0.10	0.00	0.00	0.10	0.01	0.00	0.00	0.10	0.10
<b>Owned Assets</b> Land	25.35	0.00	0.00	25.35	0.00	0.00	0.00	25.35	25.35
<b>Total Investment Property</b>	<b>25.46</b>	<b>0.00</b>	<b>0.00</b>	<b>25.46</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>25.45</b>	<b>25.45</b>

4.4.1 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.



(Rs. in Lacs)

<b>4.2 Information regarding income and expenditure of Investment Property</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Rental income derived from investment properties	0.55	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	0.40	0.45
Less: Depreciation	**	**
Profit arising from investment properties	0.39	0.45

\*\* Less than a Lac.

**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 31 March 2021, 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 24.1 for details of assets pledged.

**4.6 Fair value disclosures for investment properties is detailed below:**

(Rs. in Lacs)

<b>Reconciliation of Fair value</b>	<b>31.03.2021</b>	<b>31.03.2020</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	0.00	0.00
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 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu tment	As on 31/03/2021	As on 31/03/2020
<b>Owned assets</b> Computer software	3.28	2.00	0.00	5.28	3.06	0.75	0.00	1.47	0.22
<b>Total</b>	<b>3.28</b>	<b>2.00</b>	<b>0.00</b>	<b>5.28</b>	<b>3.06</b>	<b>0.75</b>	<b>0.00</b>	<b>1.47</b>	<b>0.22</b>

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
<b>Owned Assets</b> Computer Software	3.03	0.25	0.00	3.28	3.03	0.03	0.00	3.06	0.00
<b>Total</b>	<b>3.03</b>	<b>0.25</b>	<b>0.00</b>	<b>3.28</b>	<b>3.03</b>	<b>0.03</b>	<b>0.00</b>	<b>3.06</b>	<b>0.00</b>

**6. Other intangible assets under development**

(Rs. In Lacs)

Particulars	Gross Block (At Deemed Cost)			Depreciation			Net Block		
	As on 01/04/2020	Additions	Deletions	As on 31/03/2021	As on 01/04/2020	For the Year	Ajdu tment	As on 31/03/2021	As on 31/03/2020
Product development expenses	2.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	2.00
<b>Total</b>	<b>2.00</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.00</b>

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
Product development expenses	0.00	2.00	0.00	2.00	0.00	0.00	0.00	2.00	0.00
<b>Total</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>



## 7 Non-Current Financial Assets - Investments

(Rs. In Lacs)

	As at March 31, 2021	As at March 31, 2020
<b>Quoted equity instruments</b>		
<b>Gujarat State Fertilizers &amp; Chemicals Limited.</b> 500 (2020:500) Equity shares of Rs.2 each	0.41	0.18
<b>Aditya Birla Fashion and Retail Limited.</b> 171 (2020:171) Equity shares of Rs.10 each	0.34	0.26
<b>Aditya Birla Capital Limited.</b> 68 (2020:68) Equity shares of Rs.10 each	0.00	0.03
<b>Grasim Industries Limited.</b> 49 (2020:49) Equity shares of Rs.2 each	0.71	0.23
<b>Zuari Global Limited.</b> 100 (2020:100) Equity shares of Rs.10 each	0.08	0.03
<b>Zuari Agro Chemicals Limited.</b> 100 (2020:100) Equity shares of Rs.10 each	0.09	0.06
<b>Rashtriya Chemicals &amp; Fertilizers Limited.</b> 1100 (2020:100) Equity shares of Rs.10 each	0.85	0.03
<b>Coromandel International Limited.</b> 1709 (2020:1500) Equity shares of Rs.2 each	13.25	8.16
<b>Nagarjuna Fertilizers &amp; Chemicals Ltd.</b> 550 (2020:550) Equity shares of Rs.1 each	0.03	0.02
<b>Nagarjuna Oil Refinery Limited.</b> 500 (2020:500) Equity shares of Rs.1 each	**	-
<b>Union Bank Of India</b> 2321 (2020:2321) Equity shares of Rs.10 each	8.08	1.07
<b>Deepak Fertilisers &amp; Petrochemicals Corporation Limited.</b> 50 (2020:50) Equity shares of Rs.10 each	0.11	0.04
<b>Bayer CropScience Limited.</b> 13 (2020:Nil) Equity shares of Rs.10 each	0.69	0.45
<b>Kaveri Seed Company Limited.</b> 250 (2020:250) Equity shares of Rs.10 each	1.28	0.85
<b>Rallis India Limited.</b> 100 (2020: Nil) Equity Shares of Rs.1 each	0.25	-
<b>Himadri Speciality Chemical Limited.</b> 1000 (2020: Nil) Equity Shares of Rs.1 each	0.42	-
<b>Vodafone Idea Limited.</b> 1000 (2020: Nil) Equity Shares of Rs.10 each	0.09	-
<b>Tata Power Company Limited</b> 1000 (2020: Nil) Equity Shares of Rs.1 each	1.03	-
<b>Power Finance Corporation Limited.</b> 100 (2020: Nil) Equity Shares of Rs.10 each	0.11	-
<b>Manglam Organics Limited.</b> 100 (2020: Nil) Equity Shares of Rs.10 each	0.52	-
<b>Larson &amp; Turbo Limited.</b> 100 (2020: Nil) Equity Shares of Rs.2 each	1.42	-
<b>J.B.Chemicals &amp; Pharmaceuticals Limited.</b> 100 (2020: Nil) Equity Shares of Rs.2 each	1.25	-
<b>ITC Limited.</b> 1100 (2020: Nil) Equity Shares of Rs.1 each	2.40	-



<b>Infosys Limited.</b> 545 (2020: Nil) Equity Shares of Rs.5 each	6.02	-
<b>Indian Railway Finance Corporation Limited.</b> 1000 (2020: Nil) Equity Shares of Rs.10 each	0.23	-
<b>Indian Energy Exchange Limited</b> 100 (2020: Nil) Equity Shares of Rs.1 each	0.02	-
<b>Aarti Inustries Limited.</b> 100 (2020: Nil) Equity Shares of Rs.5 each	1.32	-
<b>Affle India Limited.</b> 10 (2020: Nil) Equity Shares of Rs.10 each	0.55	-
<b>Avenue Supermarts Limited.</b> 10 (2020: Nil) Equity Shares of Rs.10 each	0.29	-
<b>Berger Paints Limited.</b> 100 (2020: Nil) Equity Shares of Rs.1 each	0.77	-
<b>Bharti Airtel Limited.</b> 200 (2020: Nil) Equity Shares of Rs.5 each	1.03	-
<b>Bharat Heavy Electricals Limited.</b> 10000 (2020: Nil) Equity Shares of Rs.2 each	4.88	-
<b>Biocon Limited.</b> 250 (2020: Nil) Equity Shares of Rs.5 each	1.02	-
<b>Britannia Industries Limited.</b> 20 (2020: Nil) Equity Shares of Rs.1 each	0.73	-
<b>BSE Limited</b> 100 (2020: Nil) Equity Shares of Rs.2 each	0.57	-
<b>Cadila Healthcare Limited.</b> 225 (2020: Nil) Equity Shares of Rs.1 each	0.99	-
<b>Central Depository Services (India) Limited.</b> 100 (2020: Nil) Equity Shares of Rs.10 each	0.66	-
<b>Computer Age Management Services Limited.</b> 100 (2020: Nil) Equity Shares of Rs.10 each	0.18	-
<b>Deepak Nitrite Limited.</b> 100 (2020: Nil) Equity Shares of Rs.2 each	1.66	-
<b>Happiest Minds Technologies Limited.</b> 200 (2020: Nil) Equity Shares of Rs.2 each	1.08	-
<b>IDFC First Bank Limited.</b> 5000 (2020: Nil) Equity Shares of Rs.10 each	2.79	-
<b>Indiamart Intermesh Limited.</b> 10 (2020: Nil) Equity Shares of Rs.10 each	0.77	-
<b>Investment in Mutual Funds</b> <b>Union KBC Capital Protection Oriented Fund</b> 50000 (2020:50000) units of Rs.10 each	-	5.17
<b>Investment in Government Securities at amortised cost</b> <b>National Savings Certificate</b>	0.33	0.33
<b>Total</b>	<b>59.37</b>	<b>16.91</b>
<b>Aggregate amount of quoted investments and market value thereof</b>	59.04	16.59
<b>Aggregate amount of unquoted investments</b>	0.33	0.33

\*\* Less than a Lac

**8 Non-current financial assets - Other financial assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2021	As at 31.03.2020
	Non-current bank balances	
Fixed deposits with held as margin money	36.76	36.73
Long-term deposits with banks having maturity period more than 12 months	19.58	17.84
- In fixed deposit accounts	2.25	2.25
<b>Total</b>	<b>58.59</b>	<b>56.82</b>

**9 Other non-current assets**

(Rs. In Lacs)

(Unsecured, considered good)	As at 31.03.2021	As at 31.03.2020
	Capital advances*	4.49
Deposits	137.81	135.57
Other advances		
Interest accrued but not due on deposits	7.41	5.23
Other statutory receivable	338.27	416.22
Others	68.71	72.77
<b>Total</b>	<b>556.69</b>	<b>640.43</b>

**10 Inventories**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
	Raw materials	2,650.65
Raw materials in transit	58.69	597.63
Work-in-progress	132.99	135.76
Finished goods	3,033.45	3,190.61
Stock-in-trade	1,498.84	1,272.75
Stores and packing materials	679.03	599.92
<b>Total</b>	<b>8,053.66</b>	<b>9,832.81</b>

**10.1** Refer Note 22.1 for details of assets pledged.**11 Trade receivables**

(Rs. In Lacs)

Unsecured, considered good	As at 31.03.2021	As at 31.03.2020
	From related parties	215.94
From others	6,059.86	8,055.55
<b>Credit impaired</b>	<b>252.28</b>	<b>801.60</b>
	<b>6,528.08</b>	<b>9,016.71</b>
Less: Allowance for doubtful debts	0.00	-40.08
<b>Total</b>	<b>6,528.08</b>	<b>8,976.63</b>

**12 Cash and cash equivalents**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
	Balances with banks	430.72
Cash on hand	20.92	39.43
<b>Total</b>	<b>451.64</b>	<b>154.98</b>

**13 Bank balances other than above**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
	Earmarked balances (Unpaid dividend accounts)	1.72
Deposit accounts	17.95	16.86
Margin money/deposits	47.81	170.64
<b>Total</b>	<b>66.47</b>	<b>190.60</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)

<b>(Unsecured, considered good)</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<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	7.38	12.99
Interest accrued but not due on deposits	3.20	7.31
Others	-	1.22
<b>Total</b>	<b>10.58</b>	<b>55.86</b>

**15 Other current assets**

(Rs. In Lacs)

<b>(Unsecured, considered good)</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Advances other than capital advances		
Prepaid Expenses	17.71	21.33
Advances to suppliers and others	393.52	444.04
Other statutory receivables	8.22	14.04
Others	-	1.27
Gold	-	22.86
<b>Total</b>	<b>419.46</b>	<b>503.55</b>

**16 Equity share capital**

(Rs. In Lacs)

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Authorised:</b>		
1,50,00,000 (2020: 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 (2020: 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)

	<b>Number of Shares</b>	<b>Amount</b>
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
Balance as at April 01, 2020	99,93,000	999.30
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2021	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, 2020	1,123,052	681,148.00	512,593.00
% holding in the class	11.24%	6.82%	5.13%
No. of Shares as at March 31, 2021	1,143,052	697,748.00	512,593.00
% holding in the class	11.44%	6.98%	5.13%

**17 Other equity**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Capital reserves	443.35	443.35
Special capital incentive	-	-
Securities premium	1,885.50	1,885.50
General reserve	445.60	429.88
Retained earnings	5,339.95	4,561.89
Equity instruments through OCI	12.44	6.10
Remeasurements of the defined benefit plan	(10.97)	(7.33)
<b>Total other equity</b>	<b>8,115.87</b>	<b>7,319.39</b>

**18 Non-current financial liabilities - Borrowings**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<b>Secured</b>		
Term loan from banks	928.94	4.00
<b>Unsecured</b>		
Loans and advances from related parties	338.50	383.69
Loans and advances from directors	20.85	20.85
Loans and advances from others	363.22	431.39
<b>Total</b>	<b>1,651.51</b>	<b>839.93</b>

**18.1 Nature of security and terms of repayment for secured borrowings:**

Nature of security		Terms of repayment
<b>As at March 31, 2021</b>		
Term loan (Covid-19 Scheme) from Union Bank of India is Secured by Hypothecation of stock and debtors.	691.56	Repayable in 18 equal monthly installments from November 2020 and ending on April 2022 along with interest at the rate of 8.00% per annum
Term loan (UGECL Scheme) from Union Bank of India is Secured by Hypothecation of stock and debtors.	1,083.00	Repayable in 36 equated monthly instalments from Jul-2021 along with interest rate of 7.50% per annum.
<b>As at March 31, 2020</b>		
Term loan of Rs.5,79,181/- from Syndicate Bank is Secured by first charge on respective vehicle against which the loan is obtained	5.79	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 9-10% per annum and 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 @7-10% p.a.

(iii) Loans and Advances from related party and director carry interest rate @ 9-10% p.a is repayable after a period of 5 years from the date of loan.

(iv) Inter-Corporate Loans carry interest rate @ 10% p.a is repayable after a period of 5 years from the date of loan.

**19 Non-current provisions**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Employee benefits - Gratuity payable	44.26	43.56
<b>Total</b>	<b>44.26</b>	<b>43.56</b>



**20 Deferred tax liabilities (Net)**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Property, plant and equipment	432.63	424.29
Statutory dues allowable on payment basis	(12.78)	(11.02)
Investments at FVTOCI	1.46	0.65
Defined benefit plans	(4.09)	(2.70)
Others	-	8.64
Provision for doubtful debts	-	(10.09)
<b>Total</b>	<b>417.22</b>	<b>409.78</b>

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

(Rs. In Lacs)

Particulars	Opening Balance as on 01/04/2020	Recognized in Profit or loss	Recognized in Equity	Recognized in OCI	Adjustment on Consolidation	Closing Balance
Property, plant and equipment	424.29	8.34	-	-	-	432.63
Statutory dues allowable on payment basis	(11.02)	(1.76)	-	-	-	(12.78)
Investments at FVTOCI	0.65	-	-	0.81	-	1.46
Defined Benefit Plans	(2.70)	-	-	(1.39)	-	(4.09)
Provision for doubtful debts	(10.09)	10.09	-	-	-	-
Others	8.64	(8.64)	-	-	-	-
<b>Total</b>	<b>409.78</b>	<b>8.02</b>	<b>-</b>	<b>(0.58)</b>	<b>-</b>	<b>417.22</b>

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>

**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, 2021	As at March 31, 2020
Long term capital loss	1,159.89	1,159.89
<b>Total</b>	<b>1,159.89</b>	<b>1,159.89</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.

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

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Tax effect of changes in Fair value of equity instruments	(0.81)	(0.57)
Tax effect on actuarial gains/losses on defined benefit obligations	1.39	3.35
<b>Total</b>	<b>0.58</b>	<b>2.78</b>

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

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Accounting profit before tax	1,526.81	1,170.28
Tax expense at statutory tax rate of 25.168% (P.Y. 27.82%)	384.27	294.54
Adjustments:	-	-
Effect of income that is exempt from tax	(0.70)	(0.61)
Effect of expenses that are not deductible in determining taxable profit	26.90	6.47
Tax Effects of amounts which are deductible in calculating taxable income	(37.65)	(52.06)
Effect of change in tax rate	-	(10.96)
Others	-	-
<b>Total</b>	<b>372.81</b>	<b>237.37</b>

**20.5 Current tax liabilities (net)**

(Rs. In Lacs)

	As at March 31, 2021	As at March 31, 2020
Income tax payable	100.57	1.62
<b>Total</b>	<b>100.57</b>	<b>1.62</b>

**21 Other Non - current Liabilities**

(Rs. In Lacs)

	As at March 31, 2021	As at March 31, 2020
Advances from customers	0.87	0.41
<b>Total</b>	<b>0.87</b>	<b>0.41</b>

**22 Current financial liabilities - Borrowings**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
<b>Secured</b>		
Working capital loans repayable on demand		
- Rupee loan from banks	3,157.80	7,802.55
<b>Unsecured</b>		
Other loans and advances - Public Fixed Deposits	11.00	14.40
<b>Total</b>	<b>3,168.80</b>	<b>7,816.95</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 31.03.2021	As at 31.03.2020
<b>Financial liabilities carried at amortised cost</b>		
Security deposits - Interest free	94.98	90.93
Advances from staff	2.98	1.03
Current maturities of long term debt	845.62	1.79
Interest accrued and due on borrowings	-	-
Unclaimed dividends	1.72	3.10
Other payables	<b>15.81</b>	<b>60.95</b>
<b>Total</b>	<b>961.11</b>	<b>157.81</b>

**24 Other current liabilities**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Advances from customers	424.15	1,641.39
<b>Statutory dues</b>	62.06	27.57
Others : Advance against sale of land	37.64	-
<b>Total</b>	<b>523.84</b>	<b>1,668.96</b>

**25 Provisions**

(Rs. In Lacs)

	As at 31.03.2021	As at 31.03.2020
Employee benefits	39.28	45.83
Expenses	32.12	44.48
<b>Total</b>	<b>71.41</b>	<b>90.31</b>

**26 Revenue from operations**

(Rs. In Lacs)

Sale of Products	March 31, 2021	March 31, 2020
Finished goods	45,069.55	36,950.86
Traded goods	9,328.65	9,985.31
Subsidy on fertilizers	2,837.96	1,985.71
<b>Other operating revenue</b>		
Others	30.12	41.48
<b>Total</b>	<b>57,266.28</b>	<b>48,963.36</b>

**Particulars of sale of products****26.1 Finished goods**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Fertilizers	11,125.76	7,746.79
Crude oil	11,561.72	9,385.30
Poultry feed	22,318.70	19,321.27
Others	63.38	497.50
<b>Total</b>	<b>45,069.55</b>	<b>36,950.86</b>

**26.2 Traded goods**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Fertilizers	3,698.93	1,436.65
Other Agricultural commodities	5,197.70	2,846.58
Crude oil	317.94	3,264.41
Poultry feed	114.07	2,437.66
Others	-	0.02
<b>Total</b>	<b>9,328.65</b>	<b>9,985.31</b>

**27 Other income**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Interest income	19.69	21.40
Dividend income	0.31	0.09
Net gain on sale of investment	1.32	-
Other non-operating income	60.95	57.52
<b>Total</b>	<b>82.27</b>	<b>79.00</b>

**28 Cost of materials consumed**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Raw material consumed</b>		
Opening Inventory	9,267.53	4,258.13
Add: Purchases	37,018.79	33,875.90
Add: Transfer from traded goods/stock in trade	(0.05)	(261.66)
Less: Inventory at the end of the year	7,343.11	4,633.77
Cost of Raw materials consumed	38,943.17	33,238.60
<b>Packing material consumed</b>		
Opening Inventory	464.07	237.15
Add: Purchases	646.07	400.70
Less: Inventory at the end of the year	596.40	232.03
Cost of Packing materials consumed	513.73	405.82
<b>Total</b>	<b>39,456.90</b>	<b>33,644.41</b>

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

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Rock	3,736.47	2,888.20
Acid	1,334.32	1,017.98
Fertilizers	3,295.28	3,168.61
Oil Seeds	30,327.22	26,382.78
Others	249.88	247.93
<b>Total</b>	<b>38,943.17</b>	<b>33,705.50</b>

**b) Packing material**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
HDPE bags	394.49	341.23
Bardana	119.25	64.59
<b>Total</b>	<b>513.73</b>	<b>405.82</b>

**29 Purchases of stock-in-trade**

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Fertilizers	3,197.30	1,891.74
Poultry feed	111.82	2,313.34
Crude oil	295.87	3,103.43
Other Agricultural commodities	7,483.59	3,309.21
Others	0.06	5.04
<b>Total</b>	<b>11,088.64</b>	<b>10,622.77</b>

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

(Rs. In Lacs)

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Inventory at the beginning of the year</b>		
Finished goods	3,190.61	3,345.81
Work-in-progress	135.76	118.72
Stock-in-trade	1,272.75	319.34
<b>Less: Inventory at the end of the year</b>		
Finished goods	3,033.45	3,190.61
Work-in-progress	132.99	135.76
Stock-in-trade	1,498.84	1,272.7
<b>Total</b>	<b>(66.16)</b>	<b>(815.25)</b>



**30.1 Particulars of inventory**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
<b>Finished goods</b>		
Fertilizers	680.21	2,054.66
Poultry feed	1,158.10	307.87
Crude oil	1,177.78	828.07
Others	17.36	-
<b>Work-in-progress</b>		
Fertilizers	132.99	135.76
<b>Stock-in-trade</b>		
Fertilizers	263.14	691.14
Other Agricultural commodities	1,235.70	570.66
Others	-	10.94

**31 Employee Benefits Expense**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Salaries, wages and bonus	622.69	558.50
Contribution to provident & other fund	25.56	32.60
Staff welfare expenses	12.09	14.49
<b>Total</b>	<b>660.33</b>	<b>605.59</b>

**32 Finance Costs**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Interest expenses	501.11	693.05
Other borrowing costs	26.73	64.65
<b>Total</b>	<b>527.84</b>	<b>757.71</b>

**33 Depreciation and amortization expense**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipment (refer Note 2)	251.30	243.87
Depreciation of investment property (refer Note 4)	0.00	0.00
Amortisation of intangible assets (refer Note 5)	0.75	0.03
<b>Total</b>	<b>252.05</b>	<b>243.90</b>

**34 Other expenses**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Stores and spares consumed	451.51	334.21
Power and fuel	1,162.43	919.45
Rent	20.88	8.75
Repairs to buildings	37.91	14.94
Repairs to machinery	32.31	65.66
Insurance	22.64	15.24
Rates and taxes	31.62	27.89
Impairment allowance for doubtful trade receivables	17.34	40.08
Freight and transportation	1,117.29	799.57
Miscellaneous expenses	1,008.21	587.16
<b>Total</b>	<b>3,902.14</b>	<b>2,812.96</b>

**34.1 Details of payment to auditors included in miscellaneous expenses:**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
Audit fees	6.15	5.90
Certification fees	1.25	1.75
Company law matters	2.00	1.90
Other matters	1.50	0.75
<b>Total</b>	<b>10.90</b>	<b>10.30</b>

**35 Earnings per share**

(Rs. In Lacs)

	March 31, 2021	March 31, 2020
a. Profit after tax as per the statement of profit & loss attributable to equity shareholders	793.69	636.09
b. Weighted average number of equity shares outstanding	9,993,000	9,993,000
c. Basic & diluted earnings per share in rupee (Face value Rs.10 per share)	7.94	6.37

**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	2020-21	2019-20
Employer's contribution to provident fund	23.18	24.75
Employer's contribution to employee's state insurance	4.79	5.44

**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 31,2021	As at March 31,2020
Present value of benefit obligation at the beginning of the period	47.91	38.75
Interest cost	2.84	2.44
Current service cost	10.65	8.37
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)	(12.18)	(14.88)
(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
Actuarial (gains)/losses on obligations - due to experience	3.97	7.22
<b>Present value of benefit obligation at the end of the period</b>	<b>53.19</b>	<b>47.91</b>

**Amount recognised in the balance sheet**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Present value of benefit obligation at the end of the period	(53.19)	(47.91)
Fair value of plan assets at the end of the period	-	-
Funded status (surplus/ (deficit))	(53.19)	(47.91)
<b>Net (liability)/asset recognized in the balance sheet</b>	<b>(53.19)</b>	<b>(47.91)</b>

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

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	10.65	8.37
Net interest cost	2.84	2.44
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
<b>Expenses recognized</b>	<b>13.49</b>	<b>10.81</b>

**Amount recognised in the OCI**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Actuarial (gains)/losses on obligation for the period	5.81	13.23
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
<b>Net (income)/expense for the period recognized in OCI</b>	<b>5.81</b>	<b>13.23</b>

**Sensitivity analysis**

(Rs. In Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Projected benefit obligation on current assumptions	25.2	47.91
Delta effect of +1% change in rate of discounting	(5.18)	(4.94)
Delta effect of -1% change in rate of discounting	6.12	5.87
Delta effect of +1% change in rate of salary increase	4.73	4.52
Delta effect of -1% change in rate of salary increase	(4.11)	(3.91)
Delta effect of +1% change in rate of employee turnover	0.77	0.74
Delta effect of -1% change in rate of employee turnover	(0.87)	(0.84)

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.





The carrying amounts and fair values of financial instruments by category are as follows:

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, 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 above	-	-	-	190.60	190.60	190.60
Other Financial Assets	-	-	-	112.67	112.67	112.67
<b>Total</b>	<b>16.59</b>	<b>-</b>	<b>16.59</b>	<b>9,435.21</b>	<b>9,435.21</b>	<b>9,451.79</b>
<b>As at March 31, 2021</b>						
Cash & Cash Equivalents	-	-	-	451.64	451.64	451.64
Investments:	-	-	-	-	-	-
Equity Securities and others	59.04	-	59.04	0.33	0.33	59.37
Trade Receivables	-	-	-	6,528.08	6,528.08	6,528.08
Bank Balances other above	-	-	-	67.47	67.47	67.47
Other Financial Assets	-	-	-	69.17	69.17	69.17
<b>Total</b>	<b>59.04</b>	<b>-</b>	<b>59.04</b>	<b>7,116.69</b>	<b>7,116.69</b>	<b>7,175.73</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, 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>
<b>As at March 31, 2021</b>					
Borrowings	-	-	4,820.31	4,820.31	4,820.31
Trade Payables	-	-	938.73	938.73	938.73
Other Financial Liabilities	-	-	961.11	961.11	961.11
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,720.16</b>	<b>6,720.16</b>	<b>6,720.16</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, 2020</b>			
Assets at fair value			
Investments	16.59	-	-
<b>Liabilities at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2021</b>			
Assets at fair value			
Investments	59.04	-	-
<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, 2021	As at March 31, 2020
<b>EQUITY</b>	<b>9,115.17</b>	<b>8,318.69</b>
Short-term borrowings and current portion of long-term debt	4,014.42	7,818.74
Long-term debt	1,651.51	839.93
Cash and cash equivalents	(451.64)	(154.98)
<b>Net debt</b>	<b>5,214.29</b>	<b>8,503.69</b>
Total capital (equity + net debt)	14,329.46	16,822.38
Net debt to capital ratio	0.36	0.51

**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

**(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, 2021	As at March 31, 2020
Secured working capital credit facility from Bank	7,344.75	3,697.45

**(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, 2020</b>					
<b>Non-derivative liabilities</b>					
Borrowings	8,656.88	8,656.88	7,802.55	14.40	839.93
Trade payables	2,207.67	2,207.67	-	2,207.67	-
Other financial liabilities	157.81	157.81	95.06	62.75	-
<b>As at March 31, 2021</b>					
<b>Non-derivative liabilities</b>					
Borrowings	4,820.31	4,820.31	3,157.80	11.00	1,651.51
Trade payables	938.73	938.73	-	938.73	-
Other financial liabilities	961.11	961.11	395.52	565.59	-



#### 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, 2021	As at March 31, 2020
Liabilities (Trade payables) In foreign currency (USD \$)	-	-
In Indian currency (Rs.)	-	-

#### Foreign Currency Sensitivity

Rs. in lacs

Particulars	Currency	Change in Rate	Effect on profit before tax
31/03/2020	USD	+10%	-
	USD	-10%	-
31/03/2021	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. 8,976.63 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 2021 and March 2020 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, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts in respect of matters under dispute relating to:		
Custom duty	0.00	18.37
Sales tax	9.85	15.78
<b>Total</b>	<b>9.85</b>	<b>34.15</b>



**42 Related party disclosures**

**42.1 Names of related parties and nature of related parties relationship where control exists.**

**Subsidiaries & Associates :**

**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

**Relatives of Key Management Personnel**

1 Deepak S. Maliwal HUF	16 Sujeet S. Medewar HUF
2 Madhusudan P. Kalantri HUF	17 Rajkumar M. Kalantri
3 Laxminivas N. Kalantri	18 Ravikumar N. Kalantri
4 Mohit D. Maliwal	19 Ravikumar N. Kalantri HUF
5 Rekha D. Maliwal	20 Sarojdevi N. Kalantri
6 Rukhmadevi S. Maliwal	21 Santoshdevi M. Kalantri
7 Samta M. Maliwal	22 Pooja M. Kalantri
8 Nandkishor J. Toshniwal	23 Preeti M. Kalantri
9 Vijaya N. Toshniwal	24 Narayanlal P. Kalantri HUF
10 Sunil S. Medewar	25 Madhukar M. Mamde HUF
11 Sunil Shriram Medewar HUF	26 Kashibai Mamde
12 Sushil S. Medewar	27 Manikrao Y. Mamde HUF
13 Sushil Shriram Medewar HUF	28 Manikrao Y. Mamde
14 Vijaya S. Medewar	29 Shivkumar M. Mamde HUF
15 Shriram U. Medewar HUF	30 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 Durgeshwari Seeds & Fertilizers	9 Nature Organics
2 Kedar Krishi Seva Kendra	10 Shrikrishna Canvassing
3 Kalantri Engineering Works	11 Ajay Agencies
4 Madhu Industries	12 Vijay Fertilizers Agency
5 Preeti Enterprises Incorporated	13 Suraj Agro Industries
6 Ravito Engineering Works	14 Vaibhavlaxmi Jewellers
7 Sai Trading Company	15 Universal Automotive Service
8 Kailash Fertilizers	16 Shrinivasa Cattle Feeds Private Limited

**42.2 Transactions during the year ended March 31, 2021 with Related Parties:**

(Rs. In Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>1 Purchase of Goods</b>		
<b>Key Management Personnel</b>		
Sujeet S. Medewar	4.55	3.21
<b>Relatives of Key Management Personnel</b>		
Mohit D. Maliwal	0.00	10.24
Sunil S. Medewar	2.71	1.12
Sushil S. Medewar	1.85	1.12
Sadanand U. Medewar	3.57	4.14
Shriram Medewar HUF	6.32	3.42
Sujeet S. Medewar HUF	2.15	3.41
Sunil Shriram Medewar HUF	2.70	3.42
Sushil Shriram Medewar HUF	0.00	3.40
Vijaya S. Medewar	0.93	0.00



<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Kalantri Engineering Works	47.61	40.85
Madhu Industries	38.24	8.83
Sai Trading Company	596.95	385.09
Vaibhavlaxmi Jewellers	40.14	18.04
Nature Organic	65.82	40.63
Shrinivasa Cattle Feeds Private Limited	10.23	0.00
Ajay Agencies	0.00	2.20
	<b>823.77</b>	<b>529.11</b>
<b>2 Sale of Goods</b>		
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	679.71	147.07
Vijay Fertilizers Agency	57.50	15.74
Kedar Krushi Sewa Kendra	13.36	5.76
Durgeshwari Seeds & Fertilizers	16.26	2.37
Nature Organic	311.58	68.88
	<b>1,078.40</b>	<b>239.82</b>
<b>3 Services Received</b>		
<b>Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Madhu Industries	0.53	0.10
Ravito Engineering Works	2.14	1.22
Preeti Enterprises Incorporated	2.29	3.54
Universal Automotive Service	0.00	0.52
Shrikrishna Canvassing	0.01	0.00
	<b>4.97</b>	<b>5.37</b>
<b>4 Loan Repaid</b>		
<b>Key Managerial Personnel</b>		
Omprakash K. Gilda	31.52	7.08
Madhusudhan P. Kalantri	2.08	2.09
<b>Relatives of Key Management Personnel</b>		
Preeti M. Kalantri	19.52	1.83
Narayanlal P. Kalantri HUF	3.78	7.08
Madhusudan P. Kalantri HUF	2.80	6.09
Ravikumar N. Kalantri HUF	1.42	1.43
Sarojdevi N. Kalantri	2.31	2.31
Pooja M. Kalantri	1.22	1.22
Rajkumar M. Kalantri	0.29	0.29
Ravikumar N. Kalantri	4.09	0.76
Madhukar M. Mamde HUF	0.10	0.09
Kashibai Mamde	0.15	0.14
Manikrao Y. Mamde HUF	0.10	0.09
Manikrao Y. Mamde	0.08	0.08
Shivkumar M. Mamde HUF	0.07	0.07
Balkrishna Y. Mamde	0.17	0.15
	<b>69.69</b>	<b>30.80</b>
<b>5 Interest Paid</b>		
<b>Key Management Personnel</b>		
Omprakash K. Gilda	4.11	6.00
Deepak S. Maliwal	0.36	0.40
Narayanlal P. Kalantri	1.44	1.60
Madhusudhan P. Kalantri	2.08	2.13
<b>Relatives of Key Management Personnel</b>		
Deepak S. Maliwal HUF	1.44	1.60
Rukhmadevi S. Maliwal	1.35	1.50



Mohit D. Maliwal	1.85	2.05
Rekha D. Maliwal	0.90	1.00
Samta M. Maliwal	1.35	1.50
Santoshdevi M. Kalantri	0.36	0.40
Preeti M. Kalantri	1.80	2.51
Narayanlal P. Kalantri HUF	3.78	4.17
Madhusudan P. Kalantri HUF	2.89	3.26
Ravikumar N. Kalantri HUF	1.42	1.45
Sarojdevi N. Kalantri	2.31	2.36
Pooja M. Kalantri	2.54	1.51
Vijaya N. Toshniwal	0.00	1.85
Nandkishore J. Toshniwal	0.00	0.92
Rajkumar M. Kalantri	0.29	0.29
Ravikumar N. Kalantri	0.67	0.77
Madhukar M. Mamde HUF	0.97	0.89
Kashibai Mamde	1.51	1.39
Manikrao Y. Mamde HUF	0.97	0.89
Manikrao Y. Mamde	0.85	0.78
Shivkumar M. Mamde HUF	0.72	0.66
Balkrishan Y. Mamde	1.65	1.51
	<b>37.59</b>	<b>43.39</b>
<b>6 Remuneration Paid</b>		
<b>Key Managerial Personnel</b>		
Omprakash K. Gilda	7.80	7.65
Sujeet S. Medewar	23.40	22.95
Dnyaneshwar B. Mamde	3.00	3.00
Rashmi G. Agrawal	0.84	1.20
Umesh O. Bang	9.01	8.52
<b>Relatives of Key Management Personnel</b>		
Mohit D. Maliwal	7.80	7.65
Laxminivas N. Kalantri	7.80	7.65
Rupali S. Medewar	4.68	4.41
	<b>64.33</b>	<b>63.03</b>

**42.3 Outstanding balance with Related Parties as on March 31, 2021**

(Rs. in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1 Key Management Personnel</b>		
Omprakash K. Gilda	(33.70)	(61.11)
Deepak S. Maliwal	(4.00)	(4.00)
Narayanlal P. Kalantri	(16.00)	(16.00)
Madhusudhan P. Kalantri	(20.85)	(20.85)
Sujeet S. Medewar	(1.46)	(1.48)
<b>2 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)	(21.10)
Rekha D. Maliwal	(10.00)	(10.00)
Samta M. Maliwal	(15.00)	(15.00)
Santoshdevi M. Kalantri	(4.00)	(4.00)
Preeti M. Kalantri	(6.40)	(24.69)
Narayanlal P. Kalantri HUF	(37.84)	(37.84)
Madhusudan P. Kalantri HUF	(28.96)	(28.96)
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)
Nandkishore J. Toshniwal	-	(8.30)
Madhukar M. Mamde HUF	(10.53)	(9.66)
Kashibai Mamde	(16.46)	(15.10)



Manikrao Y. Mamde HUF	(10.53)	(9.66)
Manikrao Y. Mamde	(9.21)	(8.45)
Shivkumar M. Mamde HUF	(7.90)	(7.25)
Balkrishna Y. Mamde	(17.99)	(16.51)
Laxminivas N. Kalantri	(0.60)	(0.60)
Rupali S. Medewar	(0.38)	(0.38)
<b>3 Enterprises owned or significantly influenced by group of individuals or their relatives</b>		
Sai Trading Company	2.44	0.94
Vijay Fertilizers Agency	15.22	(14.79)
Kedar Krushi Sewa Kendra	6.27	2.03
Durgeshwari Seeds & Fertilizers	3.71	(1.78)
Nature Organics Karnataka	177.37	34.22
Kailash Fertilizers	2.33	2.33
Universal Automotive Service	-	**

\*\* Less than a Lac.

#### 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 and memorandum of understanding signed with the related parties.

• Figures in the brackets represents trades payables/other liabilities.

#### 43 Segment Information:

##### 43.1 Products and services from which reportable segments derive their revenues:

The Company operates in the business segments of

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	31/03/2021	31/03/2020
<b>Segment revenue</b>		
<b>Operating revenue</b>		
a) Fertilizers	17,769.21	11,875.34
b) Solvent	34,355.44	34,551.83
c) Other agricultural commodities	6,979.58	3,112.17
<b>Total</b>	<b>59,104.23</b>	<b>49,539.34</b>
Less: Inter-segment revenue	1,837.94	575.98
<b>Income from operations</b>	<b>57,266.28</b>	<b>48,963.36</b>
<b>Segment result</b>		
a) Fertilizers	782.11	816.68
b) Solvent	1,029.23	948.68
c) Other agricultural commodities	161.03	83.63
<b>Total</b>	<b>1,972.38</b>	<b>1,848.98</b>
<b>Adjusted for:</b>		
a) Finance costs	(527.84)	(757.71)
b) Other income	82.27	79.00
<b>Profit before tax</b>	<b>1,526.81</b>	<b>1,170.28</b>

**43.2 Segment assets and liabilities:****(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Segment assets</b>		
a) Fertilizers	11,426.11	13,629.12
b) Solvent	7,665.39	10,500.46
c) Other agricultural commodities	1,454.51	615.70
<b>Total</b>	<b>20,546.02</b>	<b>24,745.28</b>
<b>Segment liabilities</b>		
a) Fertilizers	4,911.18	7,482.54
b) Solvent	2,864.60	5,753.07
c) Other agricultural commodities	102.55	1.39
<b>Total</b>	<b>7,878.33</b>	<b>13,237.00</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
			31.03.2021	31.03.2020	
1	Ghatprabha Fertilizers Private Limited	India	61.53%	61.53%	31.03.2021
2	Shiva-Parvati Poultry Feed Private Limited	India	51.00%	51.00%	31.03.2021
3	Shrinivasa Agro Foods Private Limited	India	51.00%	51.00%	31.03.2021

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  
Dated: June 30, 2021

**Umesh O. Bang**  
Chief Financial Officer

**Rashmi G. Agrawal**  
Company Secretary





Registered Office :

**Shiva Global Agro Industries Ltd.**

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Village Dhakni, Nanded - 431 708 (Maharashtra)

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